RESEARCH UPDATE

BURCON NUTRASCIENCE CORP. (TSX: BU)

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Market Statistics In CAD	
Price	$ 1.86
52 week Range	$1.51 - $2.99
Daily Vol (3-mo. average)	3,023
Market Cap (M)	$ 23.6
Enterprise Value (M)	$ 35.6
Shares Outstanding: (M)	12.7
Float (M)	7.6

Financial Summary In CAD	
Cash (M)	$ 0.9
Cash/Share	$ 0.07
Debt (M)	$ 12.9
Equity (M)	$ (9.1)
Equity/Share	$ (0.71)

Valuation In CAD	
Valuation Range	$7.85 - $11.52
2028E Price Target	$ 9.38

FYE: Mar	2026	2027E	2028E
(all figures in M, expect per share information)			
Rev	$ 2.3	$ 14.0	$ 25.8
Chng%	494%	516%	85%
EBITDA	$ (11.4)	$ (4.1)	$ 7.5
Net Income	$ (14.3)	$ (7.3)	$ 3.7
EPS	$ (1.12)	$ (0.57)	$ 0.29
EV/Revenue	5.1x	2.1x	6.8x
EV/EBITDA	N/A	8.4x	20.1x
P/E	N/A	-3.2x	6.3x

COMPANY DESCRIPTION

Burcon NutraScience Corporation is a global leader in innovative technologies for the large-scale production of high-quality, cost-effective plant-based proteins and ingredients for use in the global food and beverage industries. Burcon is a leader in the development of plant-based proteins with an extensive patent portfolio. Burcon's portfolio includes pea, canola, soy, sunflower, fava, hemp, and upcycled proteins. Burcon is headquartered in Vancouver, BC and began trading on the TSX in 1999 under the ticker symbol "BU".

Company Updates

Burcon's 1Q27 results reinforce the transition from technology validation to commercial execution. Revenue increased 54% q/q and 273% y/y to $1.28M, active buying customers reached 40 from 30+ previously, and repeat purchasing continues to build. Importantly, the $1.76M inventory write-down masked a much narrower underlying gross loss. The focus is now on whether improving customer traction can support the sizable 2H revenue ramp required to reach the prior CY26 sales objective while Burcon expands Galesburg capacity and moves toward positive cash flow.

Product Pipeline: Customer activity continues to broaden across powdered beverages, nutrition bars, snacks, plant-based foods, and other applications, spanning smaller and midsized brands alongside a couple of anchor customers providing base facility volume. Sales now extend across the full portfolio, and management said sunflower protein launched ahead of the prior 2027 commercialization timeline. Repeat purchasing is the more important development, as customers move from initial orders toward higher frequency and larger volumes, improving recurring-revenue visibility as new customers enter the funnel. Management remains focused on North America and views higher-protein consumption, including GLP-1-related nutrition needs, as a multi-year demand driver.

Financing Makes Room for Growth: Burcon launched an up-to-$8.1M convertible debenture financing with significant insider participation expected. The unsecured debentures carry a 15% coupon, mature in 48 months, and convert at $1.60 per share, with closing expected following shareholder approval, subject to TSX approval and other conditions. The Company also drew a $1.4M related-party bridge loan and retains $3.0M of undrawn capacity under its senior secured facility. Proceeds are intended for inventory, labor, production efficiency, capacity expansion, working capital, and debt reduction. The additional liquidity should support Galesburg expansion and plant efficiency, with revenue scaling and progress toward cash-flow breakeven important before additional outside capital is required. ProMan is also evaluating facility investment, while licensing remains part of the longer-term scaling framework.

Financial Overview: Revenue of $1.28M included $0.96M of protein sales and $0.32M of contract manufacturing revenue and was below the $1.90M S&P consensus. Cost of sales was $3.40M, including a $1.76M inventory write-down; excluding that item, underlying gross loss narrowed to approximately $0.37M versus the reported $2.12M, suggesting Galesburg economics are improving as production scales. Underlying gross margin remained negative, leaving utilization and fixed-cost absorption as the key margin variables. Net loss was $3.78M, operating cash use was $2.38M, and quarter-end cash was $0.87M with negative working capital of $11.2M. Management reiterated an expectation for double-digit CY26 revenue and a crossover to positive cash flow during the calendar year; the prior $10M sales objective implies roughly $7.9M of 2H sales.

Valuation: We use a DCF Model to frame our valuation of BU. Our DCF analysis relies on a range of discount rates between 13.75% and 16.25%, which arrives at a valuation range of $7.85 to $11.52 with a price target of $9.38.

Valuation Summary

We are using a Discounted Cash Flow analysis to help arrive at a valuation range for Burcon. As Burcon is currently the only public pure play alternative protein manufacturer, multiple analysis is difficult. Furthermore, the Company has strong growth upside, which does not lend itself to the low steady growth of grain processors. Additionally, the Company is much smaller and more illiquid than most other food ingredient companies. We have included a comps analysis table to frame a range where Burcon could be trading when earnings and EBITDA become positive, however, as shown by our income statement forecast, we expect the Company to become cash flow positive before then which gives us the confidence needed to use a DCF analysis.

Comparative Analysis
(all figures in M, expect per share information)

						EV/Revenue (2, 3)			EV/EBITDA (2, 3)			P/E (2, 3)		
Company Name	**Symbol**	**Price (1)**	**Mrkt Cap**	**EV**	**BV/Share**	**2025**	**2026E**	**2027E**	**2025**	**2026E**	**2027E**	**2025**	**2026E**	**2027E**
Beyond Meat, Inc.	BYND	$ 0.41	$ 213.6	$ 450.0	$ 0.11	5.69x	1.83x	1.80x	-9.9x	-3.9x	-4.7x	0.7x	-1.0x	-1.2x
The Hain Celestial Group, Inc.	HAIN	$ 0.59	$ 52.9	$ 602.5	$ 2.37	0.55x	0.50x	0.53x	8.8x	6.8x	6.2x	-0.2x	-39.6x	4.2x
Hormel Foods Corporation	HRL	$ 24.39	$13,422.2	$ 15,433.2	$ 14.45	1.27x	1.26x	1.23x	12.7x	11.0x	10.6x	26.7x	16.0x	15.5x
The Kraft Heinz Company	KHC	$ 24.53	$29,088.3	$ 45,532.3	$ 30.36	1.88x	1.85x	1.85x	8.2x	9.2x	9.1x	-4.9x	12.0x	11.7x
The Simply Good Foods Company	SMPL	$ 10.94	$ 967.8	$ 1,292.3	$ 16.03	1.46x	0.98x	1.00x	8.6x	5.9x	5.7x	22.2x	6.5x	6.2x
Tyson Foods, Inc.	TSN	$ 55.81	$19,583.8	$ 26,866.8	$ 51.39	0.53x	0.47x	0.47x	11.3x	7.6x	7.2x	104.4x	13.6x	11.6x
Vital Farms, Inc.	VITL	$ 11.52	$ 494.6	$ 581.6	$ 6.61	1.77x	0.75x	0.71x	13.0x	290.8x	11.2x	21.5x	-27.9x	44.0x
				Average	**$ 17.33**	**1.9x**	**1.1x**	**1.1x**	**7.5x**	**46.8x**	**6.5x**	**24.3x**	**-2.9x**	**13.1x**
				Median	**$ 14.45**	**1.5x**	**1.0x**	**1.0x**	**8.8x**	**7.6x**	**7.2x**	**21.5x**	**6.5x**	**11.6x**
Burcon NutraScience Corporation	BU	$ 1.34	$ 17.0	$ 25.5	$ (0.51)	28.4x	5.4x	2.2x	N/A	N/A	8.8x	N/A	N/A	7.6x

(1) Previous day's closing price
(2) Estimates are from Capital IQ
(3) Forward estimates as of calendar year
(4) All Values in USD at an exchange rate of $1.39 CAD/USD
Source: Company reports, CapitalIQ, Stonegate Capital Partners

Our DCF analysis relies on a range of discount rates between 13.75% and 16.25% with a midpoint of 15.00%, which we believe accurately accounts for the size and relative illiquidity of BU. This arrives at a valuation range of $7.85 to $11.52 with a price target of $9.38.

Sensitivity Analysis:

	Terminal Growth Rates				
Discount rate	**0%**	**1%**	**2%**	**3%**	**4%**
12.50%	$11.63	$12.20	$12.89	$13.72	$14.74
13.75%	$10.01	$10.44	$10.93	$11.52	$12.23
15.00%	$8.70	$9.02	$9.38	$9.81	$10.32
16.25%	$7.61	$7.85	$8.13	$8.45	$8.82
17.50%	$6.70	$6.89	$7.10	$7.34	$7.62

DISCOUNTED CASH FLOW

Burcon NutraScience Corporation
Discounted Cash Flow Model
(in $M, except per share)

Estimates:	2025	2026	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	2037E	Terminal Value
Revenue	0.4	2.3	14.0	25.8	36.5	44.8	50.4	55.1	58.5	61.5	64.1	66.4	68.3	
Opearting Income	(7.7)	(11.4)	(4.1)	7.5	12.4	17.5	21.2	24.8	27.5	32.6	37.2	41.2	44.4	
Less: Taxes (benefit)	-	(0.3)	(0.2)	0.2	1.2	4.4	5.3	6.2	6.9	8.1	9.3	10.3	11.1	
NOPAT	(7.7)	(11.0)	(3.9)	7.3	11.2	13.1	15.9	18.6	20.6	24.4	27.9	30.9	33.3	
Plus: Depreciation & Amortization	0.8	1.0	1.0	1.0	1.1	1.2	1.2	1.1	1.2	1.3	1.4	1.5	1.6	
Plus: Changes in OWC	1.3	1.3	(0.1)	(0.1)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	
Less: Capex	(1.7)	(0.9)	(0.7)	(1.3)	(0.8)	(1.0)	(1.1)	(1.2)	(1.2)	(1.3)	(1.3)	(1.4)	(1.4)	
Free Cash Flow	(7.2)	(9.6)	(3.6)	6.9	11.2	13.1	15.7	18.3	20.3	24.1	27.6	30.6	33.1	259.9
Discount period - months			9	21	33	45	57	69	81	93	105	117	129	
Discount period - years			0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	9.8	10.8	
Discount factor			0.90	0.78	0.68	0.59	0.51	0.45	0.39	0.34	0.29	0.26	0.22	
PV of FCF			(3.3)	5.4	7.7	7.7	8.1	8.2	7.9	8.2	8.1	7.8	7.4	57.9
Growth rate assumptions:														
Revenue		493.8%	516.3%	85.2%	41.1%	22.9%	12.5%	9.3%	6.2%	5.1%	4.3%	3.5%	2.9%	
Operating Income		47.8%	-64.3%	-284.5%	65.4%	41.0%	21.2%	17.1%	10.9%	18.5%	14.1%	10.6%	7.9%	
EBITDA		50.4%	-70.5%	-377.5%	58.9%	38.4%	19.8%	15.7%	10.8%	18.1%	13.9%	10.5%	7.8%	
Free Cash Flow		32.8%	-62.3%	-290.9%	62.3%	16.2%	20.2%	16.4%	11.2%	18.9%	14.4%	10.9%	8.1%	
Margin assumptions:														
Operating Income	-2019%	-502.3%	-29.1%	29.0%	34.0%	39.0%	42.0%	45.0%	47.0%	53.0%	58.0%	62.0%	65.0%	
D&A as a % of sales	210.0%	44.2%	7.2%	3.9%	3.0%	2.7%	2.4%	2.0%	2.1%	2.1%	2.2%	2.3%	2.3%	
EBITDA	-1809%	-458.2%	-21.9%	32.9%	37.0%	41.7%	44.4%	47.0%	49.1%	55.1%	60.2%	64.3%	67.3%	
Taxes	0.0%	3.0%	5.0%	2.1%	10.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	346.2%	57.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	
Capex as a % of sales	-435.0%	-39.0%	-5.0%	-5.0%	-2.3%	-2.3%	-2.3%	-2.1%	-2.1%	-2.1%	-2.1%	-2.1%	-2.1%	

Valuation:

Shares outstanding	12.7
PV of FCF	73.2
PV of Terminal Value	57.9
Enterprise Value	131.1
less: Net Debt	12.0
Estimated Total Value:	119.1
Est Equity Value/share:	**$9.38**
Price	$1.86

Sensitivity Analysis:

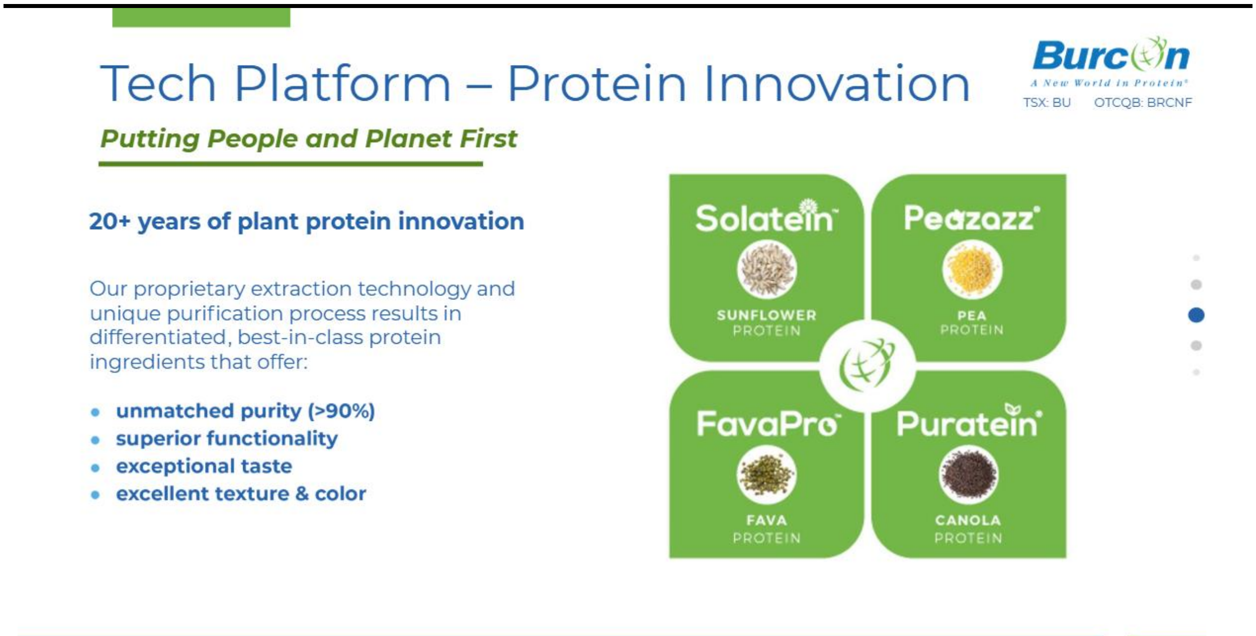
Discount rate	Terminal Growth Rates: 0%	1%	2%	3%	4%
12.50%	$11.63	$12.20	$12.89	$13.72	$14.74
13.75%	$10.01	$10.44	$10.93	$11.52	$12.23
15.00%	$8.70	$9.02	$9.38	$9.81	$10.32
16.25%	$7.61	$7.85	$8.13	$8.45	$8.82
17.50%	$6.70	$6.89	$7.10	$7.34	$7.62

Source: Company Reports; Stonegate Capital Markets

Business Overview

Burcon NutraScience Corporation ("BU", "Burcon", or "the Company") is a global leader in innovative technologies for the large-scale production of high-quality, cost-effective plant-based proteins and ingredients for use in the global food and beverage industries. Burcon is a leader in the development of plant-based proteins with an extensive patent portfolio. Burcon's portfolio includes pea, canola, soy, sunflower, fava, hemp, and upcycled based proteins, for a combined TAM of ~$40.0B. Each of these proteins has unique nutritional and functional value that can be used in a variety of consumable products including dairy foods, coffee creamers/whiteners, protein bars, vegetarian and vegan foods, ready-to-drink beverages, baked goods, and meat substitutes to name a few. Burcon is headquartered in Vancouver, BC and began trading on the Toronto Stock Exchange in 1999 under the ticker symbol "BU".

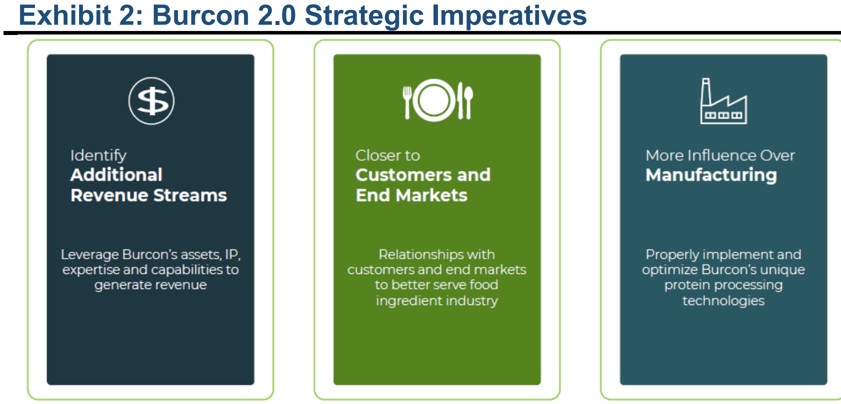
Exhibit 1: Burcon Protein Portfolio Overview



Source: Company Presentation

Given Burcon's 20+ year history of plant protein innovation we believe that demand in the market is beginning to catch up to Burcon's offerings. As the global demand for plant-based proteins continues, some protein sources stand to benefit more than others. We expect the Company to continue to innovate and capture new revenue streams in-line with this increasing demand through its Burcon 2.0 initiative. Burcon 2.0 is expected to be highlighted by control over the manufacturing process, a renewed focus on commercial validation, leading to additional revenue streams that go beyond the traditional royalty model. Now that Burcon has begun commercialization of its proteins with the ramp of the Company's Galesburg facility, commercial sales now span Burcon's protein portfolio. We expect that as the market evolves fava and sunflower proteins will take up a larger portion of Burcon's portfolio.

Exhibit 2: Burcon 2.0 Strategic Imperatives

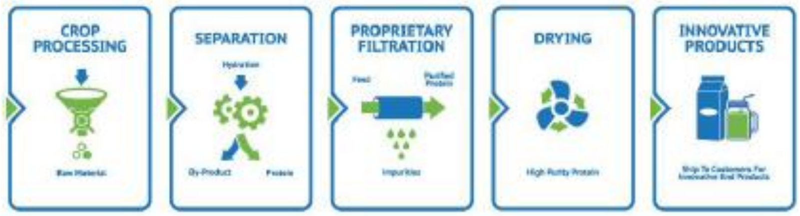


Source: Company Presentation

Product Lines

Burcon has a long history of developing plant protein ingredients as evidenced by its extensive patent portfolio. The Company differentiates its plant-based proteins via flavor, solubility, nutrition, and purity. With its extensive experience, the Company has demonstrated its ability to consistently develop neutral-flavored, highly soluble ingredients with high protein content.

Exhibit 3: Proprietary Plant Technology Platform



Source: Company Presentation

Burcon's portfolio of products spans plant-based proteins from:

Soy – Soybean-based proteins were the Company's first plant-based product. Burcon has developed commercially proven soy protein technologies, including CLARISOY®, which was designed for use across beverage applications. Burcon forecasts its opportunity in the soy market to be between $79.0M to $165.0M in USD, with an expected TAM of $4.5B and 4.6% market CAGR.

Pea – Burcon's pea protein is one of the Company's legacy products that has been proven at commercial scale over the last 15 years. As of 3Q25, Burcon successfully launched their next-generation pea protein; Peazazz®. One of the prime benefits to pea proteins is that they can be produced from non-GMO sources and are not considered a major allergen. Pea proteins have reached commercial production, a key operational milestone for Burcon as it works to scale up and capture additional revenue streams. Burcon forecasts its opportunity in the pea market to be between $70.0M to $116.0M in USD, with an expected TAM of $2.9B and 11.9% market CAGR.

Canola – Canola based proteins are produced from the byproducts of canola oil production. Canola meal is an abundant and inexpensive product that is currently sold mostly as animal feed but is approximately 35% protein. The Company has relaunched this product to positive feedback and has since reached commercial production and sales of Puratein® canola protein. Additionally, the Company launched Puratein® canola protein for egg replacement applications and completed two separate contract research projects. Burcon forecasts its opportunity in the canola market to be between $58.0M to $96.0M in USD, with an expected TAM of $2.2B and 7.8% market CAGR.

Fava – FavaPro® is Burcon's next-generation fava protein developed for use across a variety of food and beverage applications. During FY26, the Company achieved first commercial production and sales of FavaPro at the Galesburg facility, expanding Burcon's commercial portfolio beyond pea and canola proteins.

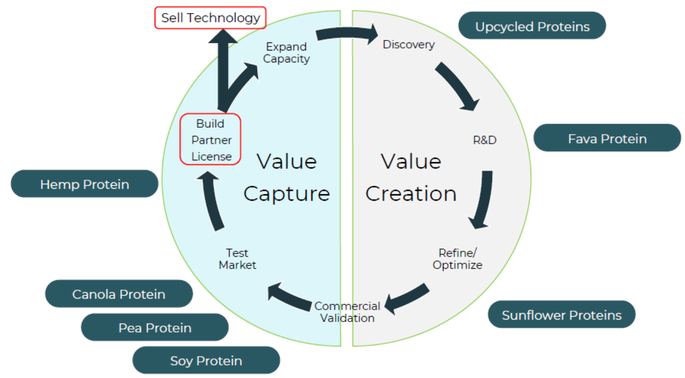
Sunflower – Sunflower based proteins are past the Company's pilot-scale. Sunflower proteins are attractive in part due to the wide availability of raw materials as well as the upcycle processing that yield multiple protein products, as compared to most plant-based products that only yield one product. Burcon has launched its Solatein® sunflower protein as part of its commercial protein portfolio. Burcon forecasts its opportunity in the sunflower market to be between $215.0M to $392.0M in USD, with an expected TAM of $21.3B and 6.2% market CAGR.

Hempseed – Hempseed based proteins are one of the Company's newest product offerings, having become ready to scale up with over $2.0M worth of customer interest in FY25. This product is the world's first high-purity hempseed protein isolate at 95%, as compared to hemp protein at 65%. With a neutral flavor, off-white color, and growth and processing in North America this product line began sales in the market in 1H24 on a capital-light model. Burcon forecasts its opportunity in the hempseed market to be between $68.0M to $113.0M in USD, with an expected TAM of $6.4B and 6.2% market CAGR.

Growth Drivers

Growth drivers are led by the Burcon 2.0 initiative that is driven by best in class proteins and a go to market strategy focused on greater manufacturing control and capital-efficient capacity expansion while retaining longer-term licensing opportunities. Historically the Company drove revenue via a royalty model where Burcon would develop products and earn royalties on those licensed products. Going forward Burcon 2.0 is expected to be more deliberate in its product development by gaining more control over the manufacturing process and by doing more commercial validation and market testing. This is expected to increase the value proposition that Burcon brings to its customers, thus allowing for the potential to partner with clients and/or sell the technology along with the option to pursue the traditional royalty model.

Exhibit 4: Capital Light Business Model



Source: Company Presentation

This was best exemplified by Burcon's partnership with HPS Food and Ingredients. This partnership gives BU access to a global network of customers as well as access to growers and raw materials. This has led to ongoing production campaigns to meet the initial orders, allowing for a time to market that is between 9-18 months.

In February 2025, Burcon completed a rights offering that raised $9.4M of gross proceeds, or $9.2M net of issue costs. The proceeds were used primarily to support commercialization and production scale-up at the Protein Production Facility, as well as ongoing operating costs. That financing helped bridge Burcon into FY26, when the Company completed commissioning, launched commercial production across pea, canola, and fava proteins, and began generating revenue from product sales and contract manufacturing.

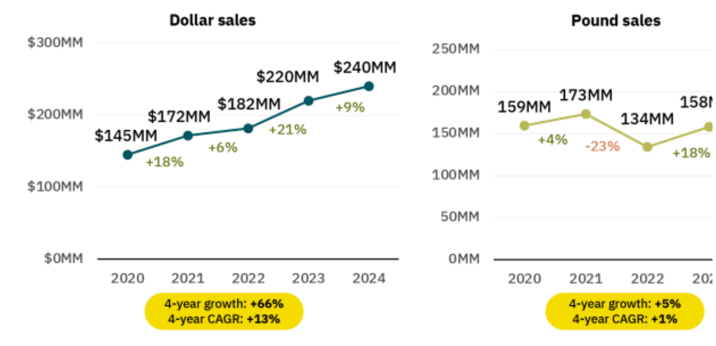
During FY26 and subsequent to year-end, Burcon added further liquidity through its $6.9M convertible debenture financing, with $4.0M closed during FY26 and the final $2.9M tranche closed in April 2026. Proceeds were used in part to repay near-term loans and are being directed toward near-term liquidity needs and the acceleration of production and sales at the Protein Production Facility. Following 1Q27, Burcon also launched an up-to-$8.1M convertible debenture financing and drew a $1.4M related-party bridge loan, while retaining $3.0M of undrawn capacity under its senior secured facility. The planned financing is intended to support inventory, labor, production efficiency, capacity expansion, working capital, and debt reduction. Management has also identified a capital-efficient path to expand Galesburg, while ProMan is evaluating additional facility investment and licensing remains part of the longer-term scaling framework.

Market Overview

The plant protein market has seen drastic growth over the past several years as consumer habits have begun to change from consuming all their protein from meat-based sources to seeking out alternatives. Consumers originally shifted from traditional meat-based proteins due to concerns about the treatment of animals used to satisfy demand for meat and dairy products. However, the recent wave of demand in plant-based products has been from a younger generation that is focused on healthier eating habits and reducing environmental impacts. The rise of the vegan population is a key factor contributing to overall growth in plant protein demand as vegan diets tend to be higher in several nutritional categories such as potassium, Magnesium, and vitamins A, C, and E.

In addition to vegan and vegetarian consumers, there is also an increase in the number of consumers who are simply looking to supplement their protein consumption with a healthier, more sustainable alternative. These flexitarians are individuals that do not have specific dietary restrictions and do not entirely cut meat or dairy out of their diet, but instead make a conscious effort to replace some traditional proteins with plant proteins. In fact, according to a Numerator analysis, 38% of flexitarians said they purchase items for their nutritional benefits. Additionally, plant-based milk made up 13% of dollar milk sales in 2025 per GFI. We believe these are durable trends that complement the Company's broader opportunity across high-protein beverages, powders, bars, snacks, plant-based foods, and other applications. Higher-protein consumption, including GLP-1-related nutrition needs, has also become an increasingly important demand driver for Burcon.

Exhibit 5: U.S. Plant-Based Milk Market



Source: Good Food Institute 2023 State of the Industry Report

The overall plant-based protein market is anticipated to grow rapidly over the next few years with MarketsandMarkets projecting that the market will grow at a 7.9% CAGR to reach $34.9B by 2030. The growth in the market is being driven not only by consumer preferences, but also by developments in technology that improve plant proteins' taste and function for consumers. Improvements in the extraction and production of plant proteins are making consumers more open to trying plant-based proteins and meat substitutes.

Risks

Intense Competition - Given the rise of plant-based protein popularity, the Company will face significant competition in these markets. Many of these competitors have much greater manufacturing capacity and financial backing. Burcon is investing additional capital in production capacity and efficiency as it works to meet growing customer demand and compete with larger producers.

Regulatory restrictions - Burcon is governed by regulatory regimes that determine its ability to sell food ingredients in the United States and Canada. Burcon must maintain required permits, licenses, food-safety certifications, and regulatory compliance to continue producing and selling its ingredients. Any change in the laws or the Company's inability to adhere to these regulations will inhibit the Company's ability to produce and sell its products.

Liquidity and financing risk - Burcon remains dependent on successfully scaling production, generating revenue, and accessing additional capital to fund operations and growth investments. The Company ended 1Q27 with $0.87M of cash and $11.2M of negative working capital, while completion of the planned financing remains subject to required approvals and closing conditions.

Manufacturing partner dependency - Burcon relies on ProMan to manufacture its products at the Galesburg facility under an exclusive manufacturing arrangement, creating economic dependency on the partner. Disruptions to the relationship, facility operations, or planned capacity investments could affect production and the Company's ability to fulfill customer demand.

Patents and IP rights - Burcon's success in generating further revenue depends on its ability to retain its intellectual property for its extraction of proteins. If Burcon cannot protect its intellectual property through ruling of the courts or inability to retain the necessary counsel, revenue growth could be significantly reduced. In addition, costs associated with such litigation could reduce profits and cash flow.

Dependent on agriculture yields - Burcon's products are affected by crop yields and if crop yields decline in a certain season, those input costs would increase for the Company. Increases in these input costs would negatively affect profits or need to be passed on to the consumer.

BALANCE SHEET

Burcon NutraScience Corporation
Consolidated Balance Sheets (CAD$ M)
Fiscal Year End: March

ASSETS	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Jun-23	Q2 Sep-23	Q3 Dec-23	Q4 Mar-24	FY 2024	Q1 Jun-24	Q2 Sep-24	Q3 Dec-24	Q4 Mar-25	FY 2025	Q1 Jun-25	Q2 Sep-25	Q3 Dec-25	Q4 Mar-26	FY 2026	Q1 Jun-26
Cash and Equivalents	0.5	15.0	14.0	7.0	1.5	3.6	2.2	0.7	4.2	4.2	2.2	1.0	0.6	7.3	7.3	4.2	1.8	1.3	1.0	1.0	0.9
Restricted Cash	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	0.1	0.3	0.3	0.2	0.3	0.2	0.2	0.1	0.6	0.6	0.4	0.3	0.0	0.1	0.1	0.5	0.4	0.5	0.7	0.7	1.2
Inventory	-	0.1	0.1	-	-	-	-	-	0.1	0.1	0.0	0.2	0.2	0.2	0.2	0.4	0.5	0.8	0.5	0.5	0.8
Prepaid Expenses	0.3	0.3	0.2	0.3	0.1	0.1	0.2	0.3	0.3	0.3	0.5	0.5	0.3	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.2
Total Current Assets	**0.9**	**15.8**	**14.6**	**7.6**	**1.9**	**3.9**	**2.6**	**1.1**	**5.2**	**5.2**	**3.1**	**2.0**	**1.2**	**7.8**	**7.8**	**5.4**	**2.8**	**2.7**	**2.4**	**2.4**	**3.0**
Property, plant and equipment	0.3	0.5	1.0	0.9	1.0	0.9	0.9	0.9	0.8	0.8	1.0	1.1	1.0	1.0	1.0	1.1	1.6	1.7	1.6	1.6	1.6
Right of Use Assets	-	-	-	-	-	-	-	-	0.3	0.3	-	-	-	14.8	14.8	13.5	13.3	12.6	12.2	12.2	12.0
Deferred Development Costs	-	1.6	4.5	6.2	5.8	5.7	5.6	5.5	5.4	5.4	5.3	5.2	5.1	5.0	5.0	4.8	4.7	4.6	4.5	4.5	4.4
Investment in Merit Functional Foods Corporation	-	12.2	16.4	13.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Other long term assets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.9	0.9	0.8	0.9	1.1	0.9	0.9	0.9
Total Assets	**2.5**	**31.3**	**37.7**	**29.3**	**9.9**	**11.8**	**10.4**	**8.7**	**12.9**	**12.9**	**10.6**	**9.6**	**8.5**	**30.7**	**30.7**	**27.0**	**24.5**	**24.0**	**23.0**	**23.0**	**23.2**
LIABILITIES AND SHAREHOLDERS' EQUITY																					
Accounts Payable and accrued liabilities	0.6	1.1	1.4	0.9	0.6	0.7	0.6	0.6	0.8	0.8	0.5	0.9	0.7	1.3	1.3	1.1	1.2	2.2	2.1	2.1	2.5
Short Term Borrowings	1.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative Liability	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Convertible Notes	-	0.3	-	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	2.0	-	-	-	-	-	-	-	0.3	0.3	-	0.2	0.1	0.0	0.0	0.0	-	-	0.1	0.1	0.1
Lease Liability	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.0	0.0	0.9	0.9	1.2	1.5	1.8	2.3	2.3	2.8
Accrued Interest	0.6	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Potion of Secured Loan	-	-	-	-	-	-	-	-	-	-	-	-	2.0	2.1	2.1	2.1	8.2	8.4	8.6	8.6	8.8
Total Current Liabilities	**4.4**	**1.6**	**1.4**	**1.0**	**0.6**	**0.7**	**0.6**	**0.7**	**1.4**	**1.4**	**0.5**	**1.1**	**2.9**	**4.3**	**4.3**	**4.4**	**11.0**	**12.4**	**13.0**	**13.0**	**14.2**
Convertible Notes	-	6.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7	2.2	2.2	4.0
Secured Loans	-	-	-	-	5.1	5.2	5.2	5.3	6.4	6.4	6.5	6.7	5.7	5.8	5.8	5.9	-	-	-	-	-
Derivative Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2	0.7
Lease Liability	-	-	0.0	0.1	0.0	0.0	-	-	-	-	-	0.1	0.1	13.6	13.6	13.0	13.4	13.4	13.3	13.3	13.3
Total Liabilities	**4.4**	**8.3**	**1.5**	**1.1**	**5.8**	**6.0**	**5.8**	**6.0**	**7.8**	**7.8**	**7.1**	**7.9**	**8.6**	**23.7**	**23.7**	**23.4**	**24.4**	**26.5**	**28.8**	**28.8**	**32.3**
Capital Stock	73.4	98.0	114.1	114.6	114.6	117.7	117.7	117.8	122.1	122.1	122.1	122.2	122.3	131.6	131.6	131.6	131.6	131.6	131.6	131.6	131.6
Contributed Surplus	9.0	9.0	14.1	15.9	16.8	16.8	16.9	17.3	17.3	17.3	17.4	17.4	18.8	19.2	19.2	19.2	19.7	20.5	20.5	20.5	20.7
Options	9.2	9.7	6.5	7.0	7.3	7.4	7.5	7.3	7.4	7.4	7.4	7.4	6.1	5.7	5.7	5.9	5.5	4.9	4.9	4.9	4.8
Warrants	0.2	1.8	0.6	-	-	0.2	0.2	0.2	0.2	0.2	0.3	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8
Convertible debentures	-	2.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7	1.1	1.1	1.6
Restricted Share Units	-	-	-	0.0	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0	(0.0)	0.1	(0.1)	(0.1)	(0.3)
Deficit	(93.7)	(98.4)	(99.0)	(109.2)	(134.6)	(136.5)	(137.9)	(140.0)	(142.0)	(142.0)	(143.9)	(146.3)	(148.1)	(150.3)	(150.3)	(153.8)	(157.4)	(161.0)	(164.6)	(164.6)	(168.3)
Total Consolidated Equity	**(2.0)**	**22.9**	**36.3**	**28.2**	**4.1**	**5.8**	**4.6**	**2.8**	**5.2**	**5.2**	**3.5**	**1.7**	**(0.1)**	**6.9**	**6.9**	**3.6**	**0.1**	**(2.5)**	**(5.8)**	**(5.8)**	**(9.1)**
Total Liabilities and Shareholders' Equity	**2.5**	**31.3**	**37.7**	**29.3**	**9.9**	**11.8**	**10.4**	**8.7**	**12.9**	**12.9**	**10.6**	**9.6**	**8.5**	**30.7**	**30.7**	**27.0**	**24.5**	**24.0**	**23.0**	**23.0**	**23.2**

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Burcon NutraScience Corporation
Consolidated Statements of Income (in CAD$ M, except per share amounts)
Fiscal Year End: March

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Q1 Jun-25	Q2 Sep-25	Q3 Dec-25	Q4 Mar-26	FY 2026
Royalty Income	$ 0.0	$ 0.0	$ 0.2	$ 0.4	$ 0.2	$ -	$ -	$ -	$ -	$ -	$ -
Product Income	$ -	$ -	$ -	$ -	$ -	$ 0.4	$ 0.3	$ 0.4	$ 0.7	$ 0.8	$ 2.3
Total Revenues	**0.0**	**0.3**	**0.2**	**0.4**	**0.2**	**0.4**	**0.3**	**0.4**	**0.7**	**0.8**	**2.3**
Cost of Goods Sold	-	-	-	-	-	1.3	1.8	2.1	2.3	3.5	9.7
Gross Profit	**0.0**	**0.3**	**0.2**	**0.4**	**0.2**	**(0.9)**	**(1.4)**	**(1.7)**	**(1.6)**	**(2.7)**	**(7.4)**
Research and Development	0.7	0.4	3.3	4.1	3.6	3.0	0.3	0.4	0.4	(0.0)	1.0
Intellectual Property	0.8	0.8	-	-	-	-	-	-	-	-	-
G&A	2.1	3.7	4.3	3.8	3.6	3.8	0.7	0.8	0.7	0.7	2.9
Total Operating Expenses	3.7	4.9	7.6	7.9	7.2	6.8	1.0	1.2	1.1	0.7	3.9
Operating Income	**(3.6)**	**(4.6)**	**(7.4)**	**(7.5)**	**(7.0)**	**(7.7)**	**(2.5)**	**(2.9)**	**(2.7)**	**(3.3)**	**(11.4)**
Warrant Valuation Adjustment	(0.1)	-	-	-	-	-	-	-	-	-	-
Interest and Other Income	(0.3)	(0.3)	0.4	(0.1)	(0.4)	(0.6)	0.1	(0.8)	(0.8)	(1.7)	(3.2)
Management Fee Income	0.4	0.3	0.1	0.0	-	-	-	-	-	-	-
Merit (Loss) Gain	(0.9)	(2.4)	(4.3)	(5.5)	-	-	-	-	-	-	-
Foreign Exchange (Loss) Gain	0.0	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.3)	0.1	(0.1)	0.2	(0.1)
Other Gain (Loss)	(0.0)	6.4	1.0	(12.3)	-	-	(0.8)	-	-	0.9	0.1
Change in Fair Value of Derivative Liability	0.0	-	-	-	-	-	-	-	-	-	-
Profit Before Taxes	**(4.6)**	**(0.6)**	**(10.3)**	**(25.4)**	**(7.4)**	**(8.3)**	**(3.5)**	**(3.6)**	**(3.6)**	**(4.0)**	**(14.6)**
Provision for Income Tax & Other	-	-	-	-	-	-	0.0	(0.0)	0.1	(0.4)	(0.3)
Net Income	**(4.6)**	**(0.6)**	**(10.3)**	**(25.4)**	**(7.4)**	**(8.3)**	**(3.5)**	**(3.6)**	**(3.6)**	**(3.6)**	**(14.3)**
Basic EPS	**$ (0.96)**	**$ (0.11)**	**$ (1.89)**	**$ (4.67)**	**$ (0.06)**	**$ (1.06)**	**$ (0.27)**	**$ (0.29)**	**$ (0.28)**	**$ (0.28)**	**$ (1.12)**
Diluted EPS	**$ (1.01)**	**$ (0.11)**	**$ (1.89)**	**$ (4.67)**	**$ (0.06)**	**$ (1.06)**	**$ (0.27)**	**$ (0.29)**	**$ (0.28)**	**$ (0.28)**	**$ (1.13)**
WTD Shares Out - Basic	4.8	5.4	5.4	5.4	121.4	7.8	12.7	12.7	12.7	12.7	12.7
WTD Shares Out - Diluted	4.6	5.4	5.4	5.4	121.4	7.8	12.7	12.7	12.7	12.7	12.7
EBITDA	**(3.6)**	**(4.6)**	**(7.4)**	**(7.5)**	**(7.0)**	**(7.7)**	**(2.5)**	**(2.9)**	**(2.7)**	**(3.3)**	**(11.4)**

	Q1 Jun-26	Q2 E Sep-26	Q3 E Dec-26	Q4 E Mar-27	FY 2027E	Q1 E Jun-27	Q2 E Sep-27	Q3 E Dec-27	Q4 E Mar-28	FY 2028E
Royalty Income	$ -	$ 0.3	$ 0.3	$ 0.5	$ 1.0	$ 0.5	$ 0.5	$ 0.8	$ 1.0	$ 2.8
Product Income	$ 1.3	$ 2.7	$ 4.4	$ 4.7	$ 13.0	$ 5.3	$ 5.7	$ 6.0	$ 6.2	$ 23.1
Total Revenues	**1.3**	**2.9**	**4.6**	**5.2**	**14.0**	**5.8**	**6.2**	**6.7**	**7.2**	**25.8**
Cost of Goods Sold	3.4	3.1	3.7	3.1	13.2	3.2	3.2	3.3	3.4	13.1
Gross Profit	**(2.1)**	**(0.1)**	**0.9**	**2.1**	**0.7**	**2.6**	**3.0**	**3.5**	**3.8**	**12.8**
Research and Development	0.2	0.5	0.5	0.5	1.6	0.5	0.5	0.5	0.5	2.0
Intellectual Property	-	-	-	-	-	-	-	-	-	-
G&A	0.8	0.8	0.8	0.8	3.2	0.8	0.8	0.8	0.8	3.3
Total Operating Expenses	1.0	1.3	1.3	1.3	4.8	1.3	1.3	1.3	1.3	5.3
Operating Income	**(3.1)**	**(1.4)**	**(0.3)**	**0.8**	**(4.1)**	**1.3**	**1.6**	**2.2**	**2.4**	**7.5**
Warrant Valuation Adjustment	-	-	-	-	-	-	-	-	-	-
Interest and Other Income	(1.2)	(1.1)	(1.2)	(1.2)	(4.7)	(1.2)	(1.2)	(1.2)	(1.2)	(4.9)
Management Fee Income	-	-	-	-	-	-	-	-	-	-
Merit (Loss) Gain	-	-	-	-	-	-	-	-	-	-
Foreign Exchange (Loss) Gain	0.3	0.3	0.3	0.3	1.0	0.3	0.3	0.3	0.3	1.0
Other Gain (Loss)	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.3
Change in Fair Value of Derivative Liability	-	-	-	-	-	-	-	-	-	-
Profit Before Taxes	**(4.0)**	**(2.2)**	**(1.2)**	**(0.1)**	**(7.5)**	**0.4**	**0.7**	**1.2**	**1.5**	**3.9**
Provision for Income Tax & Other	(0.2)	-	-	-	(0.2)	-	-	-	0.2	0.2
Net Income	**(3.8)**	**(2.2)**	**(1.2)**	**(0.1)**	**(7.3)**	**0.4**	**0.7**	**1.2**	**1.4**	**3.7**
Basic EPS	**$ (0.30)**	**$ (0.17)**	**$ (0.09)**	**$ (0.01)**	**$ (0.57)**	**$ 0.03**	**$ 0.06**	**$ 0.10**	**$ 0.11**	**$ 0.29**
Diluted EPS	**$ (0.30)**	**$ (0.17)**	**$ (0.09)**	**$ (0.01)**	**$ (0.57)**	**$ 0.03**	**$ 0.06**	**$ 0.10**	**$ 0.11**	**$ 0.29**
WTD Shares Out - Basic	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
WTD Shares Out - Diluted	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
EBITDA	**(3.1)**	**(1.4)**	**(0.3)**	**0.8**	**(4.1)**	**1.3**	**1.6**	**2.2**	**2.4**	**7.5**

Source: Company Reports, Stonegate Capital Partners estimates

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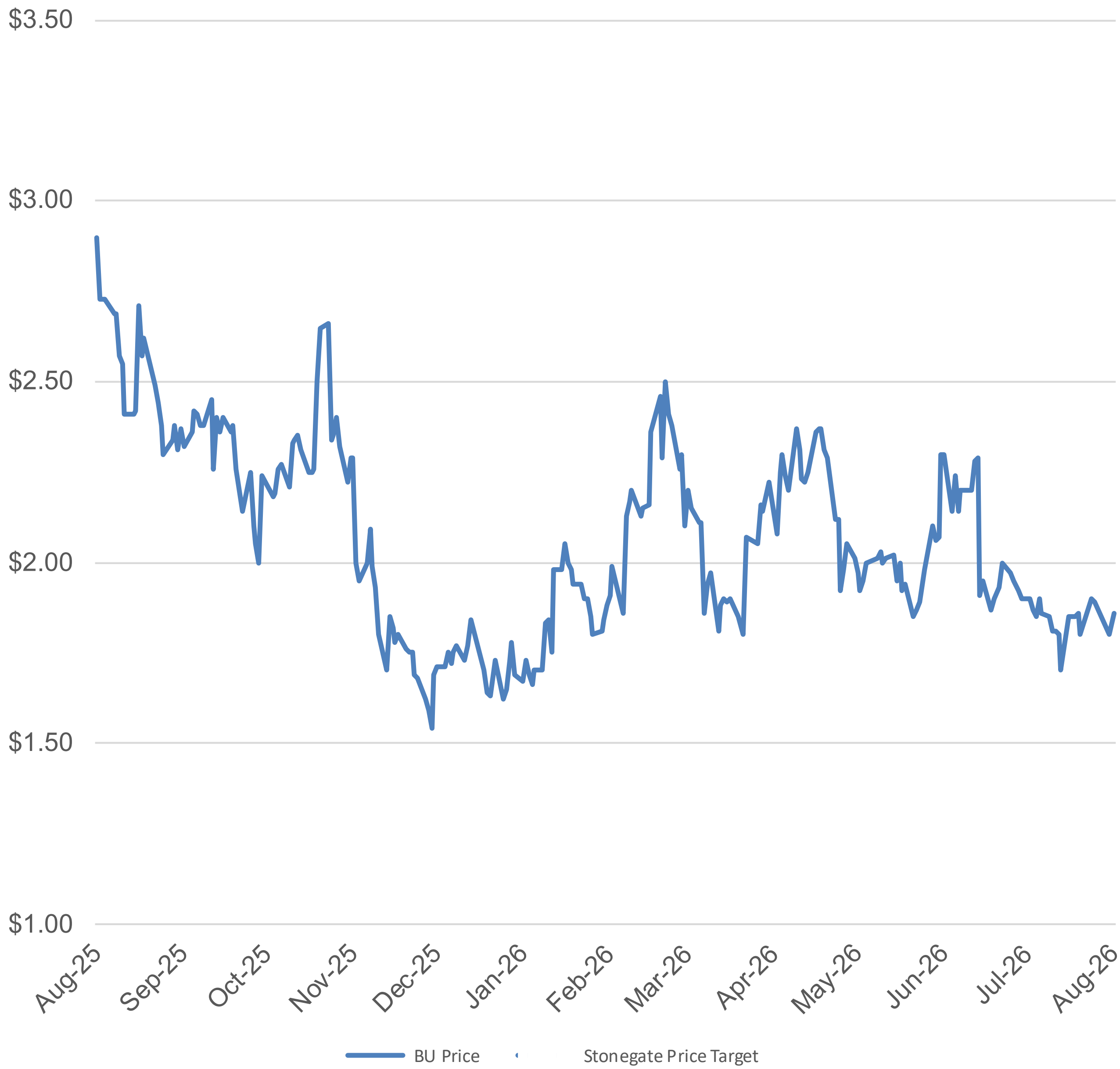
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