STONEGATE CAPITAL PARTNERS

RESEARCH UPDATE

BURCON NUTRASCIENCE CORP. (TSX: BU)

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Market Statistics in CAD	
Price	$ 0.87
52 week Range	$0.80 - $2.50
Daily Vol (3-mo. average)	7,794
Market Cap (M)	$ 11.0
Enterprise Value (M)	$ 26.3
Shares Outstanding: (M)	12.7
Float (M)	7.5

Financial Summary in CAD	
Cash (M)	$ 1.0
Cash/Share	$ 0.08
Debt (M)	$ 16.2
Equity (M)	$ (13.2)
Equity/Share	$ (1.04)

Valuation in CAD	
Valuation Range	$5.54 - $8.27
2028E Price Target	$ 6.68

FYE: Mar	2026	2027E	2028E
(all figures in M, except per share information)			
Rev	$ 2.3	$ 8.4	$ 21.3
Chng%	494%	272%	153%
EBITDA	$ (9.8)	$ (6.2)	$ 3.9
Net Income	$ (14.3)	$ (11.2)	$ (2.2)
EPS	$ (1.12)	$ (0.89)	$ (0.18)
EV/Revenue	11.6x	3.1x	1.2x
EV/EBITDA	N/A	N/A	6.7x
P/E	N/A	N/A	N/A



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 2009 under the ticker symbol "BU".

Company Updates

Galesburg's production recovery supports a fiscal 3Q sales rebound and reinforces our view that customer demand remains sticky. Burcon kept existing customers supplied through the disruption while slowing new customer onboarding. Better uptime should lift shipments against a constrained 2Q base. The more important test for CY27 is whether customers already ordering at commercial volumes come back for larger, repeat orders. We expect shipments to recover ahead of cash flow as Burcon builds inventory and staffs additional shifts. The December secured debt maturity is the immediate financing milestone.

Quarterly Results: Revenue rose 191% y/y to C$1.04M on higher protein sales but fell 18% q/q. Late 1Q shipments lifted the comparison, while steam and water issues constrained 2Q output. Gross loss widened by approximately C$0.07M q/q to C$2.19M. Management expects higher production volumes to improve fixed-cost absorption and sees a path to positive cash flow in CY27. We expect the quarterly gross loss to turn positive in fiscal 3Q as production volumes recover, fixed-cost absorption improves, and the inventory write-downs recorded in 2Q do not recur.

Product Pipeline: The 26 projects beyond pallet orders offer the clearest read on early to mid-CY27 sales within Burcon's 209-project pipeline. One customer moved from samples to full truckloads in roughly a year, illustrating how much order sizes can grow as a product reaches market. Existing accounts can contribute through higher volumes on products already launched and through new formulations. Galesburg's planned move from five to seven operating days gives Burcon room to serve both, with hiring and training setting the pace.

Financing and Liquidity: Burcon fully drew its C$4.2M director-related bridge at 15% annual interest, including C$1.4M after quarter-end. ProMan funds most plant expansion, and Burcon pays through the lease. That limits upfront plant spending, while inventory, staffing and reliability still require funding. Burcon ended 2Q with C$1.0M in cash and used C$4.4M in operations in the first half. Both secured loan tranches mature December 17, 2026, with C$7.0M in principal and a C$9.03M carrying balance at quarter-end. The proposed convertible financing of up to C$21.0M remains pending, and the filing flags material going-concern uncertainty.

Financial Overview: Management expects a sharp sequential sales rebound in fiscal 3Q and sees a path to a C$10M-plus annualized sales run rate and positive cash flow in CY27. The November update did not explicitly reaffirm September's C$6.0M CY26 sales floor or the year-end timing of the run-rate target. Management expects higher volumes to improve fixed-cost absorption as Galesburg scales. In our view, staffing and training for the seven-day schedule could temper near-term margin improvement. Over the next two quarters, we are watching whether repeat shipments narrow the gross loss and how much inventory Burcon needs to sustain those volumes.

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 $5.54 to $8.27 with a price target of $6.68.

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, except 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	$ 4.95	$ 92.8	$ 312.6	$ (0.36)	5.69x	1.27x	1.30x	-9.9x	-3.0x	-3.5x	0.7x	-0.5x	-0.6x
The Hain Celestial Group, Inc.	HAIN	$ 0.12	$ 11.3	$ 581.2	$ 1.58	0.55x	0.51x	0.55x	8.8x	7.2x	7.2x	-0.2x	-0.9x	-3.3x
Hormel Foods Corporation	HRL	$ 22.71	$12,498.5	$ 14,501.4	$ 14.25	1.27x	1.20x	1.18x	12.7x	10.4x	10.1x	26.7x	15.0x	14.3x
The Kraft Heinz Company	KHC	$ 25.07	$29,678.6	$ 45,892.6	$ 30.38	1.88x	1.86x	1.88x	8.2x	9.2x	9.4x	-4.9x	12.0x	12.3x
The Simply Good Foods Company	SMPL	$ 12.62	$ 1,096.2	$ 1,355.3	$ 16.42	1.46x	1.05x	1.17x	8.6x	6.5x	6.8x	22.2x	7.9x	8.0x
Tyson Foods, Inc.	TSN	$ 63.95	$22,032.7	$ 29,063.7	$ 50.76	0.53x	0.52x	0.54x	11.3x	9.1x	8.2x	104.4x	19.6x	16.2x
Vital Farms, Inc.	VITL	$ 9.07	$ 389.2	$ 494.2	$ 6.53	1.77x	0.68x	0.65x	13.0x	-32.3x	15.5x	21.5x	-11.8x	156.3x
				Average	$ 17.08	1.9x	1.0x	1.0x	7.5x	1.0x	7.7x	24.3x	5.9x	29.0x
				Median	$ 14.25	1.5x	1.1x	1.2x	8.8x	7.2x	8.2x	21.5x	7.9x	12.3x
Burcon NutraScience Corporation	BU	$ 0.61	$ 7.7	$ 18.4	$ (0.50)	28.4x	7.0x	2.1x	N/A	N/A	18.4x	N/A	N/A	-1.9x

(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 $1.43 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 $5.54 to $8.27 with a price target of $6.68.

Sensitivity Analysis:

		Terminal Growth Rates				
		0%	1%	2%	3%	4%
Discount rate	12.50%	$8.36	$8.78	$9.28	$9.89	$10.64
	13.75%	$7.16	$7.47	$7.84	$8.27	$8.79
	15.00%	$6.18	$6.41	$6.68	$7.00	$7.37
	16.25%	$5.36	$5.54	$5.75	$5.98	$6.25
	17.50%	$4.68	$4.81	$4.97	$5.15	$5.35

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	8.4	21.3	31.8	38.9	44.4	48.5	51.5	54.1	56.4	58.4	60.1	
Operating income	(7.7)	(11.4)	(7.0)	2.9	10.8	15.2	18.6	21.8	24.2	26.5	28.2	29.8	31.3	
Less: Taxes (benefit)	-	(0.3)	(0.3)	(0.1)	1.1	3.8	4.7	5.5	6.1	6.6	7.1	7.4	7.8	
NOPAT	(7.7)	(11.0)	(6.7)	3.0	9.7	11.4	14.0	16.4	18.2	19.9	21.2	22.3	23.5	
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	(0.0)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	
Less: Capex	(1.7)	(0.9)	(0.4)	(1.1)	(0.7)	(0.9)	(1.0)	(1.0)	(1.1)	(1.1)	(1.2)	(1.2)	(1.3)	
Free Cash Flow	(7.2)	(9.6)	(6.2)	2.9	9.9	11.5	14.0	16.2	18.0	19.8	21.1	22.3	23.5	184.6
Discount period - months			6	18	30	42	54	66	78	90	102	114	126	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	
Discount factor			0.93	0.81	0.71	0.61	0.53	0.46	0.40	0.35	0.30	0.27	0.23	
PV of FCF			(5.8)	2.3	7.0	7.0	7.4	7.5	7.3	6.9	6.4	5.9	5.4	42.5
Growth rate assumptions:														
Revenue		493.8%	271.9%	153.0%	49.3%	22.2%	14.1%	9.3%	6.2%	5.1%	4.3%	3.5%	2.9%	
Operating Income		47.8%	-38.2%	-141.5%	271.2%	40.2%	22.9%	17.1%	10.9%	9.6%	6.4%	5.6%	5.1%	
EBITDA		50.4%	-41.9%	-165.0%	204.5%	37.3%	21.2%	15.6%	10.8%	9.5%	6.5%	5.6%	5.2%	
Free Cash Flow		32.8%	-35.7%	-146.1%	248.9%	15.5%	21.5%	16.1%	11.2%	9.8%	6.7%	5.8%	5.4%	
Margin assumptions:														
Operating Income	-2019%	-502.3%	-83.4%	13.7%	34.0%	39.0%	42.0%	45.0%	47.0%	49.0%	50.0%	51.0%	52.1%	
D&A as a % of sales	210.0%	44.2%	11.9%	4.7%	3.5%	3.1%	2.7%	2.3%	2.3%	2.4%	2.5%	2.6%	2.7%	
EBITDA	-1809%	-458.2%	-71.6%	18.4%	37.5%	42.1%	44.7%	47.3%	49.3%	51.4%	52.5%	53.6%	54.8%	
Taxes	0.0%	3.0%	4.4%	-3.7%	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	57.5
PV of Terminal Value	42.5
Enterprise Value	100.1
less: Net Debt	15.2
Estimated Total Value:	84.8
Est Equity Value/share:	**$6.68**
Price	$0.87

Sensitivity Analysis:

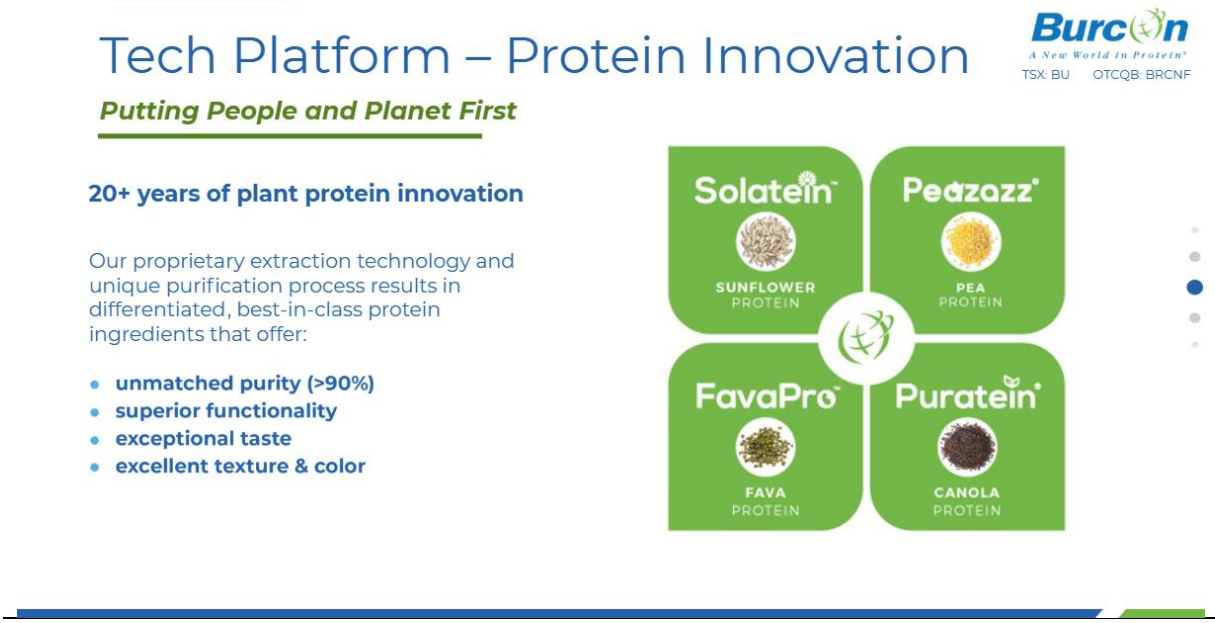
Discount rate	Terminal Growth Rates 0%	1%	2%	3%	4%
12.50%	$8.36	$8.78	$9.28	$9.89	$10.64
13.75%	$7.16	$7.47	$7.84	$8.27	$8.79
15.00%	$6.18	$6.41	$6.68	$7.00	$7.37
16.25%	$5.36	$5.54	$5.75	$5.98	$6.25
17.50%	$4.68	$4.81	$4.97	$5.15	$5.35

Source: Company Reports; Stonegate Capital Partners

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 proteins. 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 has traded on the TSX under the symbol BU since June 2009.

Exhibit 1: Burcon Protein Portfolio Overview



Source: Company Presentation

Pea, canola and fava are in commercial production at Galesburg. Solatein sunflower remains at pilot scale, with commercial production at the facility planned for CY27.

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. Burcon's 2.0 strategy is underway at Galesburg, where greater influence over manufacturing and direct work with customers support ingredient sales alongside longer-term licensing opportunities. Burcon has launched commercial production and sales of pea, canola and fava proteins at the facility. We see room for sunflower to broaden the commercial portfolio once production scales.

Exhibit 2: Burcon 2.0 Strategic Imperatives

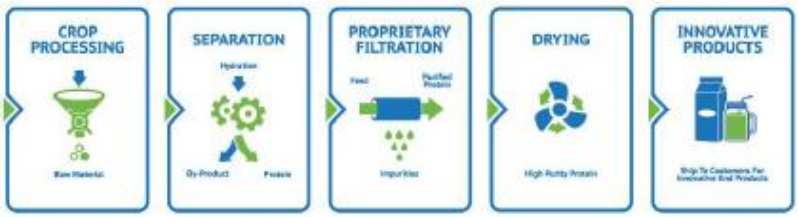


Source: Company Presentation

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 introduced its next-generation Peazazz® C pea protein in December 2024 and launched commercial production and sales at Galesburg in FY26. The protein is made from yellow field peas and is designed for applications where a neutral flavor and high protein content are important.

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. Burcon launched Puratein® canola protein for egg replacement applications in October 2024 and began commercial production and sales of Puratein® C at Galesburg in FY26. Separately, Burcon completed two contract research projects in 3Q FY25.

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 – Burcon introduced Solatein® sunflower protein isolate in January 2025 and continues to produce it at pilot scale. Management expects commercial production at Galesburg in CY27. Sunflower proteins are attractive in part due to the wide availability of raw materials and the ability to recover protein from sunflower meal.

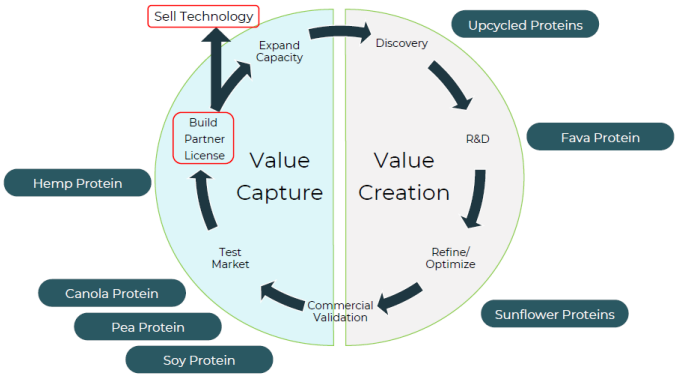
Hempseed – Burcon and HPS Food and Ingredients announced their first commercial sales of a 95% hempseed protein isolate in April 2024. The isolate has a neutral flavor and off-white color. Burcon brought it to market through a manufacturing partnership.

Growth Drivers

Burcon 2.0 is now centered on scaling direct ingredient sales at Galesburg while retaining longer-term licensing opportunities. Historically, Burcon developed proteins and earned royalties on licensed products. The Galesburg manufacturing agreement gives Burcon more influence over production and allows it to validate products with customers before scaling. ProMan funds most plant expansion and Burcon pays through the lease. Burcon still needs working capital for inventory, staffing and facility reliability as customer orders grow.

The HPS Food and Ingredients partnership was an early example of this approach. Burcon and HPS announced their first commercial hemp protein sales in April 2024, demonstrating a route to market through a manufacturing and ingredient partner.

Exhibit 4: Capital Light Business Model



Source: Company Presentation

In February 2025, Burcon completed a rights offering that raised C$9.4M of gross proceeds, or C$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.

Burcon closed C$6.9M in gross principal under its earlier convertible note financing, with C$4.0M closed in FY26 and the final C$2.9M tranche closed in April 2026. Of the gross amount, C$1.23M settled a prior loan and accounts payable. Following 1Q27, Burcon increased its planned convertible debenture financing to up to C$21.0M, with shareholders approving the required resolutions at the September 2026 AGM. Proceeds are expected to support inventory, working capital, capacity expansion, facility reliability, critical spares, maintenance, and utility redundancy at Galesburg. The offering remained pending at the November update. Burcon fully drew a C$4.2M director-related bridge at 15% annual interest, including C$1.4M after quarter-end. The bridge matures November 16, 2027 and provides working capital while Burcon pursues the larger raise.

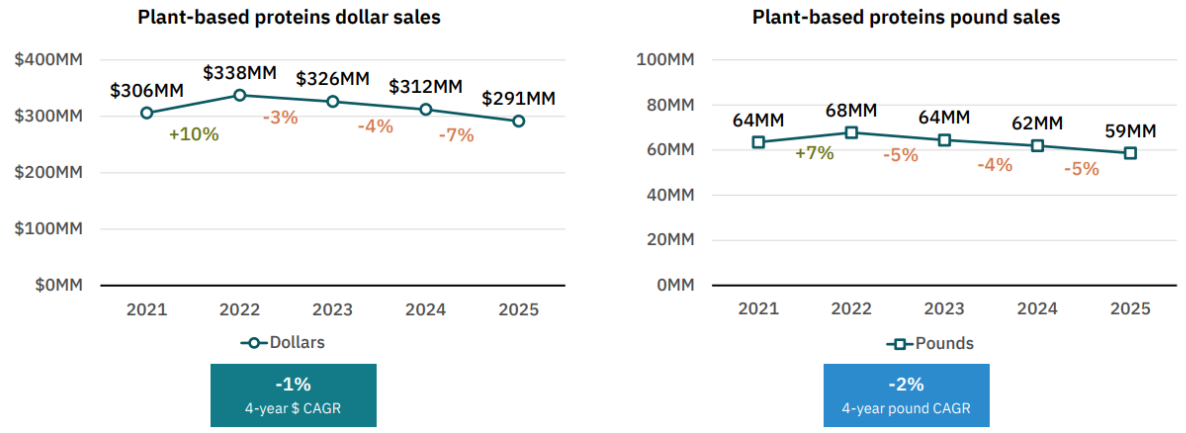
Market Overview

Demand for plant-based proteins varies by application and sales channel. U.S. foodservice sales in the category tracked by the Good Food Institute fell 7% to US$291M in 2025, while volume declined 5% to 59M pounds. Burcon's ingredients also serve applications beyond those tracked in the exhibit, including protein-enriched beverages, powders, bars and snacks. Management sees growing interest in higher-protein foods, including among consumers using GLP-1 medications.

We expect Burcon's sales to return to sequential growth in fiscal 3Q as Galesburg's production recovery allows the company to ship more against a constrained 2Q base. As the facility ramps, repeat orders and larger shipments from customers that have moved beyond pallet orders will be the better gauge of whether the rebound can carry into CY27.

MarketsandMarkets projects that the global plant-based protein market will grow at a 7.9% CAGR from 2025 to 2030, reaching US$34.97B. For Burcon, the opportunity is in applications where customers can add protein while preserving the taste and texture of the finished product.

Exhibit 5: U.S. Foodservice Plant Protein Sales



Source: Good Food Institute 2025 State of the Industry Report

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 2Q27 with C$1.0M of cash, 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	Q2 Sep-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	1.0
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	1.0
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	1.1
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	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**	**3.3**
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	1.7
Right of Use Assets	-	-	-	-	-	-	-	-	0.3	0.3	-	-	-	14.8	14.8	13.5	13.3	12.6	12.2	12.2	12.0	11.4
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	4.3
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	1.3
Other long term assets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.9	0.9	0.8	0.9	1.1	0.9	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**	**22.9**
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	3.0
Short Term Borrowings	1.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.9
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	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	3.3
Accrued Interest	0.6	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Portion of Secured Loan	-	-	-	-	-	-	-	-	-	-	-	-	2.0	2.1	2.1	2.1	8.2	8.4	8.6	8.6	8.8	9.0
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**	**18.3**
Convertible Notes	-	6.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7	2.2	2.2	4.0	4.3
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	0.5
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	12.9
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**	**36.0**
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	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	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	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	0.8
Convertible debentures	-	2.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7	1.1	1.1	1.6	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	0.0
Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0	(0.0)	0.1	(0.1)	(0.1)	(0.3)	(0.4)
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)	(172.4)
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)**	**(13.2)**
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**	**22.9**

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	Q1 Jun-26	Q2 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	$ 0.0	$ 0.0	$ 0.2	$ 0.4	$ 0.2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.3	$ 0.5	$ 0.8	$ 0.5	$ 0.5	$ 0.8	$ 1.0	$ 2.8
Product Income	$ -	$ -	$ -	$ -	$ -	$ 0.4	$ 0.3	$ 0.4	$ 0.7	$ 0.8	$ 2.3	$ 1.3	$ 1.0	$ 2.2	$ 3.2	$ 7.7	$ 3.8	$ 4.4	$ 5.0	$ 5.4	$ 18.6
Total Revenues	**0.0**	**0.3**	**0.2**	**0.4**	**0.2**	**0.4**	**0.3**	**0.4**	**0.7**	**0.8**	**2.3**	**1.3**	**1.0**	**2.4**	**3.7**	**8.4**	**4.3**	**4.9**	**5.7**	**6.4**	**21.3**
Cost of Goods Sold	-	-	-	-	-	1.3	1.8	2.1	2.3	3.5	9.7	3.4	3.2	1.9	2.8	11.3	3.0	3.2	3.4	3.5	13.1
Gross Profit	**0.0**	**0.3**	**0.2**	**0.4**	**0.2**	**(0.9)**	**(1.4)**	**(1.7)**	**(1.6)**	**(2.7)**	**(7.4)**	**(2.1)**	**(2.2)**	**0.5**	**0.9**	**(2.9)**	**1.3**	**1.7**	**2.3**	**2.9**	**8.2**
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	0.2	0.2	0.3	0.3	1.1	0.5	0.5	0.5	0.5	2.0
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	0.8	0.7	0.8	0.8	3.1	0.8	0.8	0.8	0.8	3.3
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	1.0	0.9	1.1	1.1	4.1	1.3	1.3	1.3	1.3	5.3
Operating Income	**(3.6)**	**(4.6)**	**(7.4)**	**(7.5)**	**(7.0)**	**(7.7)**	**(2.5)**	**(2.9)**	**(2.7)**	**(3.3)**	**(11.4)**	**(3.1)**	**(3.1)**	**(0.6)**	**(0.2)**	**(7.0)**	**(0.0)**	**0.4**	**1.0**	**1.6**	**2.9**
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)	(1.2)	(1.2)	(1.2)	(1.3)	(4.9)	(1.3)	(1.3)	(1.3)	(1.3)	(5.1)
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)	0.3	(0.0)	-	-	0.2	-	-	-	-	-
Other Gain (Loss)	(0.0)	6.4	1.0	(12.3)	-	-	(0.8)	-	-	0.9	0.1	0.1	0.3	-	-	0.3	-	-	-	-	-
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)**	**(4.0)**	**(4.1)**	**(1.8)**	**(1.5)**	**(11.4)**	**(1.3)**	**(0.9)**	**(0.3)**	**0.3**	**(2.2)**
Provision for Income Tax & Other	-	-	-	-	-	-	0.0	(0.0)	0.1	(0.4)	(0.3)	(0.2)	(0.0)	(0.0)	(0.0)	(0.3)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Net Income	**(4.6)**	**(0.6)**	**(10.3)**	**(25.4)**	**(7.4)**	**(8.3)**	**(3.5)**	**(3.6)**	**(3.6)**	**(3.6)**	**(14.3)**	**(3.8)**	**(4.1)**	**(1.8)**	**(1.5)**	**(11.2)**	**(1.3)**	**(0.9)**	**(0.3)**	**0.3**	**(2.2)**
Basic EPS	**$ (0.96)**	**$ (0.11)**	**$ (1.89)**	**$ (4.67)**	**$ (0.06)**	**$ (1.06)**	**$ (0.27)**	**$ (0.29)**	**$ (0.28)**	**$ (0.28)**	**$ (1.12)**	**$ (0.30)**	**$ (0.32)**	**$ (0.15)**	**$ (0.12)**	**$ (0.89)**	**$ (0.10)**	**$ (0.07)**	**$ (0.03)**	**$ 0.02**	**$ (0.18)**
Diluted EPS	**$ (1.01)**	**$ (0.11)**	**$ (1.89)**	**$ (4.67)**	**$ (0.06)**	**$ (1.06)**	**$ (0.27)**	**$ (0.29)**	**$ (0.28)**	**$ (0.28)**	**$ (1.13)**	**$ (0.30)**	**$ (0.32)**	**$ (0.15)**	**$ (0.12)**	**$ (0.89)**	**$ (0.10)**	**$ (0.07)**	**$ (0.03)**	**$ 0.02**	**$ (0.18)**
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	12.7	12.7	12.7	12.7	12.7	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	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
EBITDA	**(3.6)**	**(4.6)**	**(7.4)**	**(7.5)**	**(6.3)**	**(6.9)**	**(2.0)**	**(2.2)**	**(2.5)**	**(3.1)**	**(9.8)**	**(2.9)**	**(2.9)**	**(0.4)**	**0.0**	**(6.2)**	**0.2**	**0.6**	**1.2**	**1.8**	**3.9**

Source: Company Reports, Stonegate Capital Partners estimates

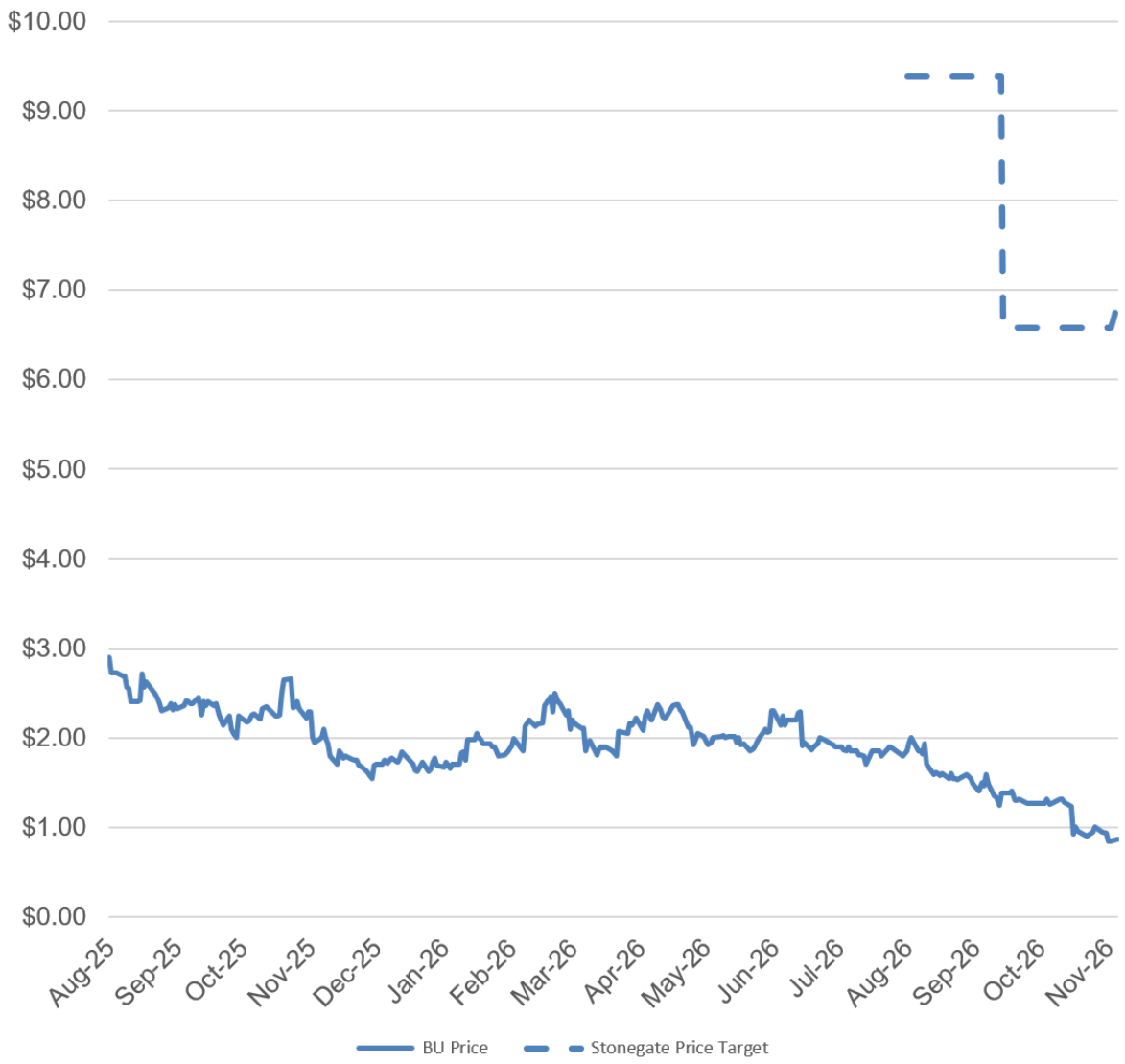
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