

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Years ended March 31, 2026 and 2025**

(All amounts following are expressed in Canadian dollars unless otherwise indicated.)

This Management's Discussion and Analysis ("MD&A") has been prepared as at June 24, 2026 to provide a meaningful understanding of Burcon NutraScience Corporation's ("Burcon" or the "Company") operations, performance, and financial condition for the year ended March 31, 2026. The following information should be read in conjunction with the Company's audited consolidated financial statements and related notes, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). We have prepared this MD&A with reference to National Instrument 51-102 "Continuous Disclosure Obligation" or the Canadian Securities Administrators. Additional information relating to Burcon, including the Company's Annual Information Form ("AIF"), is available on SEDAR+ at www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain "forward-looking statements" and "forward-looking information" as defined under applicable Canadian and U.S. securities laws (collectively, "**forward-looking statements**"), which may include, but are not limited to, statements with respect to possible events, conditions, acquisitions, or results of operations that are based on assumptions about future conditions and courses of action and include future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection, and also include, but are not limited to, statements with respect to the future financial and operating performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. When used in this MD&A the words "estimate", "budget", "project", "believe", "anticipate", "intend", "expect", "plan", "projects", "predict", "may", "should", "will", or the negatives of these words or other variations thereof and comparable terminology or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements. The forward-looking statements pertain to, among other things:

- The Company's growth strategy;
- the Company's plans to accelerate the manufacturing of its products at the Protein Production Facility (defined herein);
- the Company's plans to work with its manufacturing partner to expand production capacity at the Protein Production Facility;
- production costs and pricing of its plant proteins;
- marketing strategies for the Company's plant proteins;
- development of commercial applications for its plant proteins;
- ability to produce proteins and protein isolates at sufficient scale and cost to achieve profitability;
- ability to produce proteins and protein isolates at a cost level which will make them competitive with animal proteins and other plant proteins;
- operation of production facilities;

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- future protection of intellectual property and improvements to existing processes and products;
- regulatory approvals;
- input and other costs; and
- liquidity and working capital.

The forward-looking statements are based on a number of key expectations and assumptions made by management of the Company, including, but not limited to:

- the Company's ability to execute its business plan
- the Company's ability to scale operations at the Protein Production Facility;
- the Company's ability to generate new sales;
- the Company's ability to produce, deliver and sell the expected product volumes at the expected prices;
- the Company's ability to obtain required regulatory approvals;
- the Company's ability to control costs;
- the Company's ability to obtain and maintain intellectual property rights and trade secret protection;
- market acceptance and demand for the Company's similar products;
- achievement of current timetables for product development programs and sales;
- the availability and cost of labour, input materials and supplies;
- the availability of additional financing to fund production and growth; and
- general economic and financial market conditions.

Although the Company believes that the factors and assumptions used to develop the forward-looking statements are reasonable, undue reliance should not be placed on such forward-looking statements. The forward-looking statements reflect the Company's current views with respect to future events based on currently available information and are inherently subject to risks and uncertainties. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained in this MD&A, including, but not limited to:

- the condition of the global economy and restrictions on trade (including, but not limited to, tariffs, prohibitions and quotas);

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- market acceptance of the Company's products;
- availability of input materials;
- changes in input materials and product pricing;
- changes in the Company's customers' requirements, the competitive environment and related market conditions;
- delays in the production or in the expansion of production capacity;
- product development delays;
- changes in the availability or price of labour and supplies;
- the Company's ability to attract and retain business partners, suppliers, employees and customers;
- changing food or feed ingredient industry regulations;
- the regulatory regime;
- the Company's access to funding and its ability to provide the capital required for, product development, operations and marketing efforts, and working capital requirements; and
- the Company's ability to protect its intellectual property;

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated, described or intended. The Company disclaims any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect changes in assumptions or the occurrence of anticipated or unanticipated events, except as required by law.

The Company qualifies all the forward-looking statements contained in this MD&A by the foregoing cautionary statements.

GOING CONCERN

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assumes that Burcon will continue its operations and be able to realize its assets and discharge its liabilities and commitments in the normal course of operations for the foreseeable future. In assessing whether the going concern assumption is appropriate and whether there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern,

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management considers all available information and actions within its control with respect to the period 12 months from the date of approval of the consolidated financial statements.

The Company has incurred losses since its inception and as at March 31, 2026, had an accumulated deficit of \$164.5 million (2025 - \$150.3 million) and negative working capital of \$10.6 million (2025 – positive working capital of \$3.5 million). During the year ended March 31, 2026, the Company incurred a net loss of \$14.3 million (2025 - \$8.3 million) and had negative cash flow from operations of \$9.2 million (2025 - \$5.5 million). Subsequent to March 31, 2026, the Company closed the final tranche of the private placement of convertible notes raising gross proceeds of \$2.9 million (see pages 6 - 7) extend the maturity of the first tranche of the secured loan (see pages 11 – 12).

The Company’s ability to continue as a going concern is dependent upon the Company’s ability to successfully commercialize its technologies, scale production, generate revenue and raise additional capital. The Company has historically relied on equity and debt financings to fund its operations. While the Company is considering various financing options for its short-term and long-term liquidity requirements, there can be no assurance that additional financing may be available on acceptable terms, if at all. If Burcon is unable to raise additional funds when it needs them, it may be required to delay, reduce or eliminate some or all of its commercialization efforts, production, or research and development programs. Therefore, these conditions result in material uncertainties that may cast significant doubt over the Company’s ability to continue as a going concern.

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its commitments, realize its assets and discharge its liabilities in the normal course. The consolidated financial statements do not reflect adjustments to the carrying values of assets and liabilities and adjustments to revenues and expenses that would be necessary if the Company was unable to continue as a going concern and such adjustments could be material.

PROTEIN PRODUCTION FACILITY

On February 2, 2025, Burcon entered into the Manufacturing Agreement with RE ProMan, LLC (“ProMan”) for the right to use and operate a protein production facility (the “Protein Production Facility”). Burcon began operating the Protein Production Facility on March 10, 2025. The key terms of the Manufacturing Agreement are as follows:

- ProMan will purchase the Protein Production Facility, including incremental capital equipment;
- Burcon has exclusive access to 100% of the manufacturing capacity for production of Burcon’s plant protein portfolio;
- Burcon to use ProMan as its exclusive manufacturer for its protein products;
- Burcon to produce and sell its entire portfolio of plant proteins;
- Seven-year term Manufacturing Agreement, after which Burcon and ProMan will negotiate and enter into a ten-year lease agreement at market lease rates;
- Burcon to pay ProMan an annual production fee and reimburse ProMan for its operating costs during the seven-year term; and,
- ProMan has granted Burcon a right of first refusal to purchase the Protein Production Facility in the event ProMan desires to sell the facility.

In accordance with the Manufacturing Agreement, Burcon will pay ProMan an aggregate fixed fee of US \$19.8 million (CA \$27.6 million) of which \$932,153 was paid in the year ended March 31, 2026 (2025 -

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\$nil). In March 2025, Burcon paid a security deposit to ProMan of US \$1 million (CA \$1.4 million), which is non-interest bearing and was recorded as a long-term deposit. The difference between the fair value and nominal value is included in right-of-use assets. In the year ended March 31, 2026, the Company accreted interest income on this deposit of \$65,296 (2025 - \$nil).

The Manufacturing Agreement provides Burcon with the right to direct the use of and obtain substantially all the economic benefits from the Protein Production Facility and accordingly is accounted for as a lease in accordance with IFRS Accounting Standards. The lease term is seven years as the probability of Burcon and ProMan negotiating the following ten-year lease agreement is not considered reasonably certain. The lease payments are comprised of the annual production fee and do not include payment of the security deposit or the operating cost reimbursements. The operating cost reimbursements are expensed as the services are incurred.

The lease liability was measured at the present value of future lease payments, discounted using the incremental borrowing rate as the interest rate implicit in the lease was not readily determinable. Management determined the incremental borrowing rate for the lease to be 17.3% by considering the terms and conditions of the lease including lease term, type of asset and the amount needed to obtain an asset of a similar value to the right-of-use asset arising from the lease, and the economic environment in which the lease is executed. The initial measurement of the lease liability issued in exchange for the right-of-use asset is \$14,340,910. The balance of the lease liability as at March 31, 2026 is \$15,620,319 (2025 - \$14,427,910).

Refer to pages 23 – 24 for discussion of the related party nature of Manufacturing Agreement.

In the year ended March 31, 2026, the Company launched commercial production and sales of the following proteins at the Protein Production facility:

- Peazazz[®] Pea Protein
- Puratein[®]C Canola Protein
- FavaPro[™] Fava Protein

SUNFLOWER PROTEIN LAUNCH

In January 2025, Burcon launched Solatein[™] sunflower protein isolate, a high-purity protein ingredient designed to meet the evolving preferences of consumers worldwide. Solatein[™] boasts a neutral flavour, off-white colour and exceptional functionality, providing ease of formulation in a variety of food applications, in particular, those with delicate flavours. With over 90% protein purity, Solatein[™], is a non-GMO, hypoallergenic protein, and rich in sulfur-containing amino acids, which enhances nutritional profiles and complements existing formulations.

During fiscal 2026, Burcon continues to produce Solatein at pilot scale and enter into material transfer agreements with potential customers and has received positive feedback. Burcon expects to commercialize its sunflower protein process at the Protein Production Facility in calendar 2027.

WINNIPEG TECHNICAL CENTRE (“WTC”)

The WTC continues to focus on commercial development of its novel processes, including sunflower, pea, fava, canola and hemp proteins, commercialization and optimization of Burcon's technology at the Protein Production Facility and application development.

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In the year ended March 31, 2025, Burcon expanded its protein development and innovation business by offering pilot plant processing and scale-up validation as a service for third parties. Burcon's WTC comprises 10,000 square feet of lab and pilot-scale production area utilizing state-of-the-art commercial processing equipment for start-to-finish product development. Manufacturers looking to upcycle by-products, develop end-to-end processes or to validate and scale-up a process can leverage the Company's infrastructure and food processing expertise. To date, Burcon has completed multiple contract research services agreements and continues to engage in discussions with existing and prospective customers to provide contract services.

CFO APPOINTMENT

Effective August 4, 2025, Ms. Alex Varty has been appointed Interim Chief Financial Officer ("CFO") of Burcon, succeeding Mr. Robert Peets, who had served as CFO on a fractional basis since July 1, 2024. Mr. Peets continues to support the Company as a consultant. Ms. Varty joined the Company in February 2024 and has since taken on the Company's financial and accounting responsibilities. She brings years of experience in finance, accounting and corporate governance, having previously held senior roles in public accounting at KPMG LLP and in industry. Ms. Varty is a Chartered Professional Accountant and holds a Bachelor of Science degree in Biotechnology / Chartered Professional Accounting from the University of Waterloo.

CONVERTIBLE NOTES

In the year ended March 31, 2026, the Company had an offering of a non-brokered private placement of convertible notes (the "Convertible Notes") for an aggregate principal amount of up to \$6.9 million (the "Private Placement"). The Company closed the Private Placement in the following tranches:

- Tranche 1 of the Convertible Notes closed on December 31, 2025 for gross proceeds of \$1.25 million. \$685,300 of the gross proceeds were received by an offset of the November 2025 Loan (defined on page 12)
- Tranche 2 of the Convertible Notes closed on February 27, 2026 for gross proceeds of \$2.75 million
- Tranche 3 of the Convertible Notes closed on April 24, 2026 for gross proceeds of \$2.90 million

Each Convertible Note consists of \$1,000 principal amount, is unsecured, has a term of 48 months from the date of issuance, and bears interest at a rate of 15% per annum, payable in full upon maturity. Certain Convertible Notes are convertible at the option of the holder (the "Conversion Option"), in whole or in part, into common shares of the Company (the "Shares") at a conversion price of \$1.60 per share ("Conversion Price") and certain Convertible Notes are convertible at the option of the holder (the "PF Warrant Conversion Option"), in whole or in part, into pre-funded warrants of the Company ("PF Warrants") at a conversion price of \$1.60 per share ("PF Warrant Conversion Price"). The PF Warrants will be exercisable to acquire one common share of the Company at an exercise price of \$0.00001.

At any time after the first anniversary of the issuance date of the Convertible Notes, if the volume weighted average price of the Shares on the Toronto Stock Exchange ("TSX") (or such other stock exchange where the Shares principally trade) is at or above \$3.20 for a period of 14 consecutive trading days, the Company may provide written notice to prepay the principal amount and any accrued and unpaid interest to the holders of the Convertible Notes (the "Prepayment Option"). Upon written notice from the Company of such prepayment, a holder will have 30 days from the date of such notice to accept the prepayment, failing which, the Company may accelerate the conversion of the Convertible Notes into Shares at the Conversion Price or PF Warrants at the PF Warrants Conversion Price.

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The Private Placement was approved by the TSX and by receipt of disinterested shareholder approval on February 20, 2026 at a special meeting of shareholders.

Management expects to use the proceeds of the private placement to fund the acceleration of production and sales as well as fund ongoing operating costs.

The components of the Convertible Notes were separately accounted for with the liability host contract classified as a liability recorded at amortized cost, the PF Warrant Conversion Option is classified as a derivative liability recognized at FVTPL and the Conversion Option is accounted for as an equity instrument net of deferred tax. Interest expense accrued on the liability host contract and changes in the fair value of the derivative liability are recorded in the consolidated statement of operations and comprehensive loss.

Liability host contract

	2026	2025
Balance, beginning of year	-	-
Issuance of Convertible Notes	2,201,163	-
Issuance costs	(57,286)	-
Interest expense accreted	81,331	-
Balance, end of year	2,225,208	-

Derivative financial instrument

	2026	2025
Balance, beginning of year	-	-
Issuance of Convertible Notes	318,997	-
Unrealized gain on derivative liability	(80,094)	-
Derivative liability	238,903	-

The fair value of the derivative liability is categorized as level 3 in the fair value hierarchy and was estimated based on a methodology for pricing convertible bonds using the Partial Differential Equation Method, with the following assumptions:

	Issuance	March 31, 2026
Expected volatility	78.9%	79.2%
Risk-free rate	2.7%	2.9%
Expected life (years)	4.0	3.9

Increases in the expected volatility are expected to result in increased fair value of the derivative liability. As at March 31, 2026 a 5% increase in volatility would result in an increase of \$4,300 (2025 - \$nil) in the value of the derivative liability and a 5% decrease in volatility would result in a decrease of \$8,850 in the value of the derivative liability.

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WARRANT AMENDMENT

2023 Private Placement

In connection with the private placement that closed in tranches from May 8 - 16, 2023, the Company issued 644,043 warrants exercisable into common shares with an exercise price of \$7.00 and an expiry date of 36 months following issuance. In the year ended March 31, 2026, the following adjustments were made to the 2023 Private Placement warrants:

- Exercise price was adjusted to \$5.89 following the Share Consolidation and Rights Offering.
- Exercise price was amended to \$3.50 in September 2025.
- Expiry date was amended to June 30, 2027 in February 2026

2024 Private Placement

In connection with the private placement that closed on March 12, 2024, the Company issued 507,460 warrants exercisable into common shares with an exercise price of \$5.40 and an expiry date of March 12, 2026. In the year ended March 31, 2026, the following adjustments were made to the 2024 Private Placement warrants:

- Exercise price was adjusted to \$4.544 and the number of warrants exercisable into common shares was adjusted to 603,094 following the Share Consolidation and Rights Offering.
- Exercise price was amended to \$3.50 in September 2025.
- Expiry date was amended to June 30, 2027 in February 2026.

Consultant Warrants

On March 25, 2024, the Company entered into a one-year consulting agreement with a director of the Company for the provision of financial and strategic advisory services. As compensation for the services, the Company issued 250,000 warrants exercisable into common shares with an exercise price of \$5.40 and an expiry date of June 25, 2026. ("Consultant Warrants"). The Consultant Warrants were measured at a fair value of \$1.80 per Consultant Warrant, which was determined from the fair value of the services to be received. In the year ended March 31, 2026, the following adjustments were made to the Consultant warrants:

- Exercise price was adjusted to \$4.544 and the number of warrants exercisable into common shares was adjusted to 297,112 following the Share Consolidation and Rights Offering.
- Exercise price was amended to \$3.50 in September 2025.
- Expiry date was amended to June 30, 2027 in February 2026.

RIGHTS OFFERING

On November 20, 2024, Burcon announced it was offering rights (the "Rights Offering") to holders of its common shares of record at the close of business on November 27, 2024 (the "Record Date"). Pursuant to the Rights Offering, each holder of common shares on the Record Date received one transferable right (a "Right") for each common share held. Each Right entitled a holder to purchase one common share at a price of \$1.70 (the "Subscription Price"). The Subscription Price was equal to an approximately 39% discount to the volume weighted average trading price of the common shares on the Toronto Stock Exchange for the 5-day period ending November 19, 2024.

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On February 13, 2025, Burcon completed the Rights Offering and issued 5,549,306 common shares, raising gross proceeds of \$9,433,821 and net proceeds of \$9,202,900, after total issue costs of \$230,921.

Management used the net proceeds of the Rights Offering primarily to commercialize and scale production of its protein products at the Protein Production Facility as well as to fund ongoing operational costs.

SHARE CONSOLIDATION

On June 9, 2025, Burcon consolidated its issued and outstanding common shares at a ratio of twenty pre-consolidation common shares to one post-consolidation common share (the "Share Consolidation"). The exercise price and number of common shares issuable upon the exercise of Burcon's outstanding warrants were proportionally adjusted to reflect the share consolidation in accordance with the terms of such securities. The post-consolidation common shares commenced trading on the TSX on June 11, 2025.

The Share Consolidation has been retrospectively applied to the consolidated financial statements and management discussion and analysis.

PROTEIN INDUSTRIES CANADA

Protein Industries Canada ("PIC") is an industry-led, not-for-profit organization committed to positioning Canada as a global source of high-quality plant protein ingredients. It is one of Canada's five innovation superclusters, which are government-initiated efforts to boost Canada's job market, GDP, research and innovations.

During the year ended March 31, 2024, Burcon entered into a collaborative agreement with PIC for the scale-up and commercialization of hempseed and sunflower seed protein. In collaboration with HPS Food & Ingredients and Puratos Canada, a manufacturer and supplier of bakery ingredients, Burcon led the commercialization efforts for its high purity hempseed and sunflower seed protein ingredients. This agreement concluded on May 13, 2025.

During the year ended March 31, 2025, Burcon entered into a collaborative agreement with PIC for the commercialization of canola proteins. This agreement concluded on March 31, 2026.

During the year ended March 31, 2026, Burcon recorded PIC grants of \$87,708 (2025 - \$697,904) as government assistance against research and development expenses, general and administrative expenses, inventory and property and equipment, of which \$11,156 is included in amounts receivable as at March 31, 2026 (March 31, 2025 - \$nil). As at March 31, 2026, Burcon had received \$nil in advance payments of in respect of eligible expenses to be incurred in subsequent periods, all of which is recorded as deferred government assistance (March 31, 2025 - \$46,870).

MERIT FUNCTIONAL FOODS CORPORATION

Burcon has a 100% interest in Burcon NutraScience Holdings Corp. ("Burcon Holdings"), which was incorporated in 2019 to hold Burcon's interest in Merit Functional Foods Corporation ("Merit Foods"). Burcon Holdings' ownership interest in Merit Foods is 31.6%.

Up until March 1, 2023 when Merit Foods was placed in receivership (see below), the business of Merit Foods was the production, sales, marketing and distribution of Burcon's pulse protein ingredients, including

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Peazazz[®] and Peazac[®] pea proteins and Burcon's canola proteins, Supertein[®], Puratein[®] and Nutratein[®] (collectively the "Products").

Under the amended license and production agreement (the "Amended License Agreement"), exchange for royalties, Merit Foods had the exclusive rights over the Products across all geographic regions and all product uses. In order to retain its exclusive license, Merit Foods was required to meet certain commercialization obligations by certain deadlines under the Amended License Agreement, failing which Burcon could exercise its option to convert the Merit license to a non-exclusive license. Burcon has exercised its option to convert the license that therefore, Burcon is entitled to make, have made, use, market, and sell the Products on a non-exclusive basis and to grant any such rights to any other person.

On March 1, 2023, a court order (the "Order") was granted under the Business and Insolvency Act to appoint a receiver (the "Receiver") of all the assets, undertakings and properties of Merit Foods. Pursuant to the Order, the Receiver was authorized to sell all of the assets, undertakings and properties of Merit Foods (the "Property"), including protein products that were produced under the Amended License Agreement and set out in a sales process for the Property.

At the date that Merit Foods was placed into receivership, Merit Foods had a total outstanding loan facilities of \$95 million from a syndicate of lenders including Export Development Canada ("EDC"), Farm Credit Canada ("FCC") and the Canadian Imperial Bank of Commerce ("CIBC"). All shareholders of Merit Foods pledged their shares in Merit Foods as security under the loan facilities from EDC and FCC and provided guarantees for the indebtedness to EDC and FCC, which are joint and several. Burcon Holdings' guarantees provided to EDC and FCC are unlimited. Interest continues to accrue on the loans from EDC and FCC during the receivership process. Since the date Merit Foods was placed in receivership, Burcon Holdings has not received communication from EDC and FCC with respect to the guarantees.

Merit Foods also received additional debt financing of \$10 million in the form of a 10-year interest-free loan (the "AIP Loan") from Agriculture and Agri-Food Canada ("AIP"). All shareholders of Merit Foods provided a guarantee for the AIP Loan (the "AIP Guarantee"), which is joint and several. Burcon Holdings and the other shareholders of Merit Foods entered into a reciprocal indemnity agreement whereby if any AIP Guarantor (the "Paying Guarantor") is required to make a payment under the AIP Guarantee and any other AIP Guarantor (each a "Contributing Guarantor") has not made a corresponding payment equal to its share based on its shareholdings in Merit Foods ("Contributive Share"), such Contributing Guarantors shall pay the Paying Guarantor such amount so that, after payment, all obligations and liabilities under the AIP Guarantee will have been borne by the AIP Guarantors in their original respective shareholding percentage in Merit Foods. Since Merit Foods was placed in receivership, Burcon Holdings has not received any communication from AIP with respect to the AIP Guarantee.

At March 31, 2026, Burcon Holdings' total exposure from principal amounts of guarantees provided to EDC, FCC and AIP is \$103.5 million (2025 - \$103.5 million).

On May 21, 2025, the court approved the sale of Merit Foods' Property. On May 30, 2025, the Receiver filed certificate with the court confirming the sale of Merit Food's Property was completed. On October 23, 2025, Merit Foods filed a notice of bankruptcy and the appointment of trustee of the estate of the bankrupt.

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Deconsolidation of Burcon Holdings

Effective upon Merit Foods being placed in receivership on March 1, 2023, the Company lost control of Burcon Holdings and deconsolidated its interest in Burcon Holdings and derecognized the assets and liabilities of Burcon Holdings.

The Company believes there is no recourse to the Company of Burcon Holdings' obligations, including the guarantees Burcon Holdings provided to EDC, FCC and AIP.

SECURED LOAN

In June 2022, Burcon entered into a loan agreement with Large Scale Investments Limited ("Large Scale"), a wholly-owned subsidiary of Firewood Elite Limited ("Firewood"), for a secured loan (the "Secured Loan") of up to \$10 million (the "Loan Amount"). Firewood, a related party of Burcon that has significant influence over the Company, is wholly-owned by Mr. Alan Chan, a director of the Company.

The Secured Loan is available to Burcon in two tranches of \$5 million each upon satisfaction of certain conditions with respect to each tranche. The first tranche's closing date was June 22, 2022 and had an initial maturity date of July 1, 2024 and effective interest rate of 8.70%. On August 2, 2023, Burcon and Large Scale extended the maturity date of the first tranche to July 1, 2025. On November 12, 2024, Burcon and Large Scale extended the maturity date of the first tranche to July 1, 2026.

In June 2023, Burcon and Large Scale entered into a letter agreement to amend certain conditions to be satisfied by Burcon for the advance of the second tranche. The Company met these conditions and the second tranche closed on December 17, 2023, with a maturity date of December 17, 2025 and effective interest rate of 10.15%. On November 11, 2025, Burcon and Large Scale extended the maturity date of the first tranche to December 17, 2026. As at March 31, 2026, Burcon has access to \$3.0 million (2025 - \$3.0 million) of undrawn capacity on Tranche 2 of the Secured Loan.

The extensions of maturity are non-substantial modifications and the revised carrying amount of the loan has been recalculated by discounting the revised estimated future cash flows at the original effective interest of each respective tranche.

The drawn portion of the Loan Amount bears interest at 8% per annum payable on the Maturity Date of each tranche and is secured by all assets of Burcon. Burcon is to pay a commitment fee of 1% of the undrawn amount of the Loan Amount under each tranche on (i) the closing date of such tranche and (ii) each annual anniversary of the closing date of each tranche.

Subsequent to March 31, 2026, Burcon and Large Scale agreed to amend the terms of the first tranche to extend the maturity to December 17, 2026 and to amend the interest rate to 15%.

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The Secured Loan is recognized net of transaction costs, inclusive of the commitment fee, and issuance costs are accreted over the term to maturity.

	2026	2025
Balance, beginning of year	7,877,616	6,404,778
Draw downs	-	1,000,000
Interest expense accreted	672,592	472,838
Balance, end of year	8,550,208	7,877,616
Current portion of Secured Loan	8,550,208	2,085,567
Long term portion of Secured Loan	-	5,792,049
Balance, end of year	8,550,208	7,877,616

SHORT-TERM LOANS

On January 24, 2025 the Company entered into a short-term loan agreement with ProMan for a US \$150,000 (CA \$215,040) loan (the “January 2025 Loan”), which was drawn in full. The January 2025 Loan had a maturity date of February 24, 2025 and was repaid in full on February 20, 2025. The January 2025 Loan carried an annual interest rate of 15%.

On November 7, 2025, the Company entered into a short-term loan agreement with an entity related to a director of Burcon for an unsecured loan (the “November 2025 Loan”) of up to US \$500,000 (CA \$700,000) for a term of the earlier or four months and the completion of the private placement of convertible debentures (see pages 6 - 7). The November 2025 Loan bore interest at a rate of 12% per annum payable on the last day of each calendar month and Burcon paid a commitment fee of \$7,000. The November 2025 Loan was fully drawn on November 7, 2025 and was repaid on December 31, 2025 as a reduction of proceeds received from Tranche 1 of the Convertible Notes.

On February 9, 2026, the Company entered into a loan agreement with an entity related to a director of Burcon who provided Burcon with an unsecured loan (the “February 2026 Loan”) of up to US\$350,000 (CA\$480,000) for a term of the earlier of 30 days and the completion of the private placement of convertible notes (see pages 6 - 7). The February 2026 Loan bore interest at a rate of 12% per annum payable on the last day of each calendar month and a commitment fee of \$2,800. The February 2026 Loan was fully drawn on February 10, 2026 and was repaid on March 2, 2026.

Refer to pages 23 – 24 for discussion of the related party nature of the short-term loans.

BOARD OF DIRECTORS

Mr. Chris Bunio was appointed to the Burcon’s Board of Directors on April 29, 2026. Mr. Bunio has been active in the technology industry for nearly 30 years. Mr. Bunio is a Co-founder and the CEO of TheoryMesh, a Winnipeg, Manitoba based company focused on agriculture and food supply chains. He operationalized TheoryMesh in 2021 to develop technology for traceability solutions leveraging blockchain and machine learning. Prior to founding TheoryMesh, Mr. Bunio spent 18 years with Microsoft, leading strategy, sales and business development globally as a senior director primarily covering public sector industries, including government, healthcare and higher education while being based in Jordan, UK, Turkey and the United States. Mr. Bunio has deep experience in solution architecture, software development and global business development. Returning to Winnipeg after nearly 20 years abroad, Mr. Bunio has been

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actively engaging in the technology ecosystem in Manitoba and assisting various organizations with planning for strategic development of the tech industry and capacity building. Mr. Bunio completed his degree in Physics at the University of Manitoba focusing on theoretical physics and computational methods.

On April 29, 2026, Burcon announced the departure of Ms. Jeanne McCaherty and Mr. Richard Nazur Jr. from the Board. Since joining Burcon’s Board in July 2021, Ms. McCaherty has drawn from her extensive experience in the food industry to impart invaluable guidance to Burcon. While Mr. Nazur Jr. joined Burcon in September 2025, Burcon appreciates Mr. Nazur Jr.’s contributions during his tenure, and in particular, his expertise in commodity markets.

Mr. Philip Dowad was elected to Burcon’s Board of Directors at the annual general meeting held on September 17, 2025. Phil Dowad was an audit and professional practice partner of KPMG with over 43 years of experience working with global companies primarily based out of locations across Canada. He held senior positions within KPMG including as a Canadian and U.S. securities partner reviewing filing documents prior to their filing with securities regulators in both countries. Since his retirement in 2022, Mr. Dowad has acted as a consultant to North American based entities as well as acting as an expert witness in certain litigation matters. Mr. Dowad is a former director and Chairman of the Audit Committee of the YMCA of Greater Vancouver.

Mr. Richard Nazur Jr. was elected to Burcon’s Board of Directors at the annual general meeting held on September 17, 2025. Mr. Nazur has been involved in the agricultural commodity markets for over 20 years, beginning his career at Archer Daniels Midland Company (“ADM”). During his six years at ADM, Mr. Nazur Jr. was involved in nine different agricultural commodities leveraging all logistical conveyances in North America. Being a global food processing powerhouse, ADM’s Ag services unit oversaw arbitraging global commodity markets for both profit and to secure supplies for the vast network of processing facilities. Prior to his departure from ADM, Mr. Nazur Jr. was Wheat Commodity Line Manager and oversaw ADM’s North American wheat trading and logistics segments. In 2012, Mr. Nazur Jr. left ADM and became an independent commodity futures trader. In the last 13 years, Mr. Nazur Jr. has applied the experience gained over his career to build a successful family office that is actively involved in over ten different commodity markets that span across five different continents and is a regular commentator on various nationally broadcasted agricultural shows.

INTELLECTUAL PROPERTY

Burcon’s patent strategy is to seek protection for new technologies as well as further protecting current technologies. Over the years, Burcon has filed patent applications in various countries over its inventions. Burcon’s patent applications can be grouped into three categories:

- Applications to protect additional novel protein extraction and purification technologies;
- Applications to protect the uses of Puratein[®], Supertein[®] and Nutratein[®] canola proteins, CLARISOY[®] soy protein, Peazazz[®] pea protein, Solatein[™] sunflower protein, FavaPro[™] fava protein and other plant proteins including hemp protein, for example, as functional food and beverage ingredients; and
- Applications to protect the “signature characteristics” of Puratein[®], Supertein[®] and Nutratein[®] canola proteins, CLARISOY[®] soy protein, Peazazz[®] pea protein, Solatein[™] sunflower protein, FavaPro[™] fava protein and other plant proteins, including and hemp protein.

As part of Burcon’s regular review of its patent portfolio, Burcon focuses its efforts on the maintenance and prosecution of patents that are essential to achieving its strategic efforts. Accordingly, Burcon may

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defer or cease its maintenance payments on certain non-core patents and patent applications which it deems to be non-essential or redundant for the purposes of achieving its strategic objectives.

Burcon currently holds 31 U.S. issued patents relating to canola protein, soy protein, pulse (including pea and fava) protein, flax protein and protein from other oilseeds including sunflower and hemp. In addition, Burcon has a further 10 patent applications currently filed with USPTO.

Burcon has also filed applications for most of its inventions internationally under the Patent Cooperation Treaty of the World Intellectual Property Organization. Together with patents issued in other countries, Burcon now holds a total of 55 issued patents covering inventions that include the 31 granted U.S. patents. Currently, Burcon has 41 additional patent applications that are being reviewed by the respective patent offices in various countries.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) MATTERS

Burcon's extraction processes use no harsh chemicals and emit no noxious odours or significant waste products. Biodegradable, natural and/or recyclable input materials, end-products and by-products are used and, therefore, are expected to present no significant environmental risk. As such, Burcon does not foresee any financial and operational effects of environmental protection or requirements on the capital expenditures, earnings and the competitive position of Burcon in the foreseeable future.

As part of Burcon's sustainability initiatives to reduce the environmental impact of food and agriculture through its plant-based protein technologies, management is actively investigating sustainability disclosure frameworks to which Burcon may utilize to identify and quantify its carbon footprint of its technologies and ongoing research and development. Identifying the sustainability issues pertinent to Burcon's operations and technologies is the first step in the process of reducing environmental emissions.

In June 2023, The International Sustainability Standards Board (ISSB) released standards which set out requirements for sustainability (IFRS S1) and climate-related (IFRS S2) financial disclosures (ISSB Standards). The Canadian Sustainability Standards Board (CSSB) then published, in December 2024, two standards (CSDS 1 and CSDS2), which are aligned with the IFRS S1 and S2 standards, but provide additional transition and implementation relief. CSDS 1 and CSDS 2 are effective for annual reporting periods beginning on or after January 1, 2025, on a voluntary basis.

In April 2025, the Canadian Securities Administrators (CSA) announced that it has paused its efforts to develop a new mandatory climate-related disclosure rule for Canadian issuers. The CSA had intended to modify the proposed National Instrument 51-107 taking into account the CSSB standards with reporting requirements generally requiring governance disclosure, strategy disclosure, risk management disclosure and metrics and targets disclosure. Burcon will continue to monitor the developments and its reporting requirements.

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Based on Burcon’s preliminary materiality assessment of its operations, Burcon has identified the following top five sustainability issues it believes are the most material to its business and stakeholders:

1. Greenhouse gas emissions
2. Energy management
3. Water and wastewater management
4. Product quality and safety
5. Employee health and safety

Burcon is in a unique position in that it conducts research and development on a small pilot scale to develop technologies for the global commercialization of its novel protein ingredients. As such, Burcon does not believe it is exposed to environmental and climate-related issues on the same scale as major agricultural and ingredient processors. Nevertheless, Burcon believes it may be in the best interests of Burcon, its stakeholders and investors for the Company to identify and provide transparency around its sustainability initiatives to address the ESG issues most relevant to the Company.

With a goal to assess Burcon’s carbon footprint, Burcon intends to further explore methods of data collection, where the Company can begin to quantify the top five environmental impacts listed above associated with all the stages of technology development – from conception to commercialization. To meet mandatory reporting requirements once implemented, Burcon expects that it may be required to engage a consultant with expertise on ESG matters to assist Burcon with this process. Burcon believes that a comprehensive ESG review and preparation of a report may require at least 12 months or more to complete.

SUMMARY OF OPERATING RESULTS

Years ended March 31 (in thousands of dollars, except share and per-share amounts)

	2026	2025
Revenue	2,265	381
Loss from operations	(11,376)	(7,699)
Net loss	(14,253)	(8,265)
Basic loss per share	(1.12)	(1.06)
Diluted loss per share	(1.13)	(1.06)
Weighted average shares outstanding - basic	12,689,698	7,819,704
Weighted average shares outstanding - diluted	12,728,055	7,819,704

For the year ended March 31, 2026, loss from operations increased 48% over the prior year, driven by the Company’s increase in cost of sales from the commissioning and operation of the Protein Production Facility. This increase was partially offset by reductions in research and development and in general and administrative as the Company focuses its resources on production.

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RESULTS OF OPERATIONS

Revenues

Components of revenue for years ended March 31 (in thousands of dollars)

	2026	2025
Sale of protein	1,494	192
Contract research services	94	189
Contract manufacturing services	677	-
Revenue	2,265	381

For the year ended March 31, 2026, revenues increased 494% over the prior year. In the year ended March 31, 2026, Burcon commissioned the Protein Production Facility and generated revenues through the commercial launch of its pea, fava and canola proteins and the provision of contract manufacturing services at the Protein Production Facility. The Company further generated contract research services revenues at the WTC.

In the year ended March 31, 2025, the Company generated revenues through the sale of its hemp proteins produced at a contract manufacturer and through contract research services provided at the WTC.

Cost of sales

Components of cost of sales for years ended March 31 (in thousands of dollars)

	2026	2025
Raw materials consumed	1,529	196
Salaries and benefits	2,880	195
Depreciation of property and equipment and right-of-use assets	2,161	136
Utilities	1,165	38
Maintenance	622	19
Amortization of deferred development costs	422	-
Other	1,098	616
Change in finished goods inventory	(175)	52
Cost of sales	9,702	1,252

In the year ended March 31, 2026, included in the cost of products is a write-down of inventory to net realizable value of \$4,410,094 (2025 - \$541,823).

Cost of sales for the year ended March 31, 2026 increased 674% over the prior year driven by the commissioning and operation of the Protein Production Facility, which began in March 2025.

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Research and development expenses

Components of research and development (“R&D”) expenditures for years ended March 31 (in thousands of dollars)

	2026	2025
Amortization of deferred development costs	-	421
Salaries and benefits	379	1,375
Intellectual property	323	552
Depreciation of property and equipment	132	252
Rent	124	125
Laboratory operation	121	251
Analyses and testing	43	498
	1,122	3,474
Government assistance	(76)	(425)
Research and development expenses	1,046	3,049

Salaries and benefits

Salaries and benefits for the year ended March 31, 2026 decreased 73% relative to the prior year. The decrease is due to the Company’s shift in focus to production on the Protein Production Facility which resulted in staff changes as well as a greater proportion of salaries and benefits allocated to cost of sales.

Intellectual property

Intellectual property (“IP”) comprises mainly patent fees and disbursements for the prosecution and maintenance of Burcon’s patent portfolio. Burcon’s patent strategy is to seek protection for new technologies as well as further protecting current technologies. Over the years, Burcon believes it has developed a dynamic and extensive patent portfolio and has filed patent applications in various countries over its inventions.

Intellectual property expenses for the year ended March 31, 2026 decreased 42% relative to the prior year. The decrease was driven by Burcon’s continued efforts to focus its IP spend on patents essential to its strategic objectives and cease maintenance payments on non-core patents and patent applications.

Laboratory operations and analyses and testing

For the year ended March 31, 2026, analyses and testing costs decreased 92% relative to the prior year and laboratory operations costs decreased 52% relative to the prior year. The decreases are driven by Burcon’s shift in focus to commercial production at the Protein Production Facility.

Government assistance

For the year ended March 31, 2026, government assistance decreased 82% relative to the prior year. The decrease is driven by lower research and development costs and the conclusion of the hemp and sunflower PIC project in May 2025.

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General and administrative expenses

Components of general and administrative (“G&A”) expenditures for years ended March 31 (in thousands of dollars)

	2026	2025
Salaries and benefits	1,329	1,417
Professional fees	928	1,526
Office supplies and services	234	249
Investor relations	135	347
Travel and meals	106	105
Other	96	81
Transfer agent and filing fees	45	30
Depreciation of property and equipment	30	32
	2,903	3,787
Government assistance	(10)	(7)
General and administrative expenses	2,893	3,780

Salaries and benefits

Salaries and benefits for the year ended March 31, 2026 decreased 6% relative to the prior year. The decrease is due to staff and salary changes and the suspension of director fees, partially offset by an increase in stock-based compensation from a higher number of option awards in the current year.

Professional fees

Professional fees for the year ended March 31, 2026 decreased 39% relative to the prior year. The decrease is primarily driven by the decrease in stock-based compensation expense from the warrants issued in exchange for the provision of financial and strategic advisory services (refer to Related Party Transactions on pages 23 - 24) which decreased from \$441,370 in the year ended March 31, 2025 to \$155,396 in the year ended March 31, 2026. The remaining decrease is driven by the Company’s reduction in the number of consultants engaged as the Company focuses its efforts on commercialization and production at the Protein Production Facility.

Investor relations

Investor relations for the year ended March 31, 2026 decreased 61% relative to the prior year. The decrease is due to a decrease in investor outreach as the Company focuses its resources on commercialization and production at the Protein Production Facility.

LIQUIDITY AND FINANCIAL POSITION

At March 31, 2026, the Company had cash of \$0.9 million and negative working capital of \$10.6 million, largely driven by the current nature of the Secured Loan with a balance of \$8.6 million. The Company has access to \$3.0 million of undrawn capacity on the second tranche of the Secured Loan. Subsequent to March 31, 2026, the maturity of the first tranche of the Secured Loan was extended and both tranches of the Secured Loan now mature on December 17, 2026 (refer to Secured Loan on pages 11 – 12). On April 24,

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2026 the Company closed the third and final tranche of the Private Placement raising gross proceeds of \$2.9 million (refer to pages 6 - 7).

Net cash used in operations during the year ended March 31, 2026 was \$9.2 million, as compared to \$5.5 million in the prior year. The increase in net cash used in operations was driven by the \$8.5 million increase in cost of sales due to the operations at the Protein Production Facility which began in March 2025. This increase was partially offset by a \$2.0 million reduction in research and development expenses and a \$0.9 million reduction in general and administrative expenses as the Company focuses its efforts and expenditures on the Protein Production Facility.

In the prior year the Company entered into the Manufacturing Agreement and commenced operation of the Protein Production Facility in March 2025. In the year ended March 31, 2026 the Company completed the commissioning of the Protein Production Facility, launched commercial production of its proteins and began generating revenue at the Protein Production Facility through product sales and the provision of contract manufacturing services.

The Company completed the Private Placement of convertible debentures in three tranches as follows:

- Tranche 1 – gross proceeds of \$1.25 million on December 31, 2025
- Tranche 2 – gross proceeds of \$2.75 million on February 27, 2026
- Tranche 3 – gross proceeds of \$2.9 million on April 24, 2026

The Company used a portion of the proceeds to repay the November 2025 Loan and the February 2026 Loan and is using the proceeds to fund its near-term liquidity requirements and acceleration of production and sales at the Protein Production Facility. The Company will require additional funding to meet its long-term liquidity requirements and there can be no assurances that additional financing will be available on acceptable terms, if at all.

FINANCIAL INSTRUMENTS

The Company's financial instruments are cash, amounts receivable, long-term deposit, accounts payable and accrued liabilities, Secured Loan, Convertible Notes and derivative liability.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss being incurred by the Company. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash, amounts receivable, and long-term deposit. The carrying amounts of financial assets represent the maximum credit exposure.

The Company's cash may comprise interest-bearing savings instruments with Canadian and US banks. The Company limits its exposure to credit loss by placing its cash with multiple financial institutions.

The Company provides credit to its customers and counterparties in the normal course of operations. In order to mitigate collection risk, the Company assesses the credit worthiness of customers and counterparties by assessing their financial strength through a formal credit process and by routinely monitoring credit risk exposures.

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Expected credit loss on amounts receivable arising from contracts with customers recognized in statements of operations and comprehensive loss was \$11,397 for the year ended March 31, 2026 (2025 - \$nil).

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Company's financial instruments are non-interest bearing except for cash that earns interest at variable market rates, the secured loan at a fixed rate and the convertible notes at a fixed rate. The Company is not subject to interest rate risk on its secured loan or convertible notes as these instruments are on a fixed rate basis. Burcon's cash is held at two Canadian chartered banks and one US bank to maximize interest and to diversify risk. For the year ended March 31, 2026, the weighted average interest rate earned on the Company's cash was 2.3% per annum (2025 – 3.1% per annum). The impact of a 1% strengthening or weakening of interest rates on the Company's cash at March 31, 2026 is estimated to be a \$9,500 (2025 - \$73,000) increase or decrease in interest income per year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk through the management of its capital structure. It also manages liquidity risk by monitoring actual and forecasted cash flows taking into account current and planned operations.

The timing of undiscounted cash outflows relating to financial liabilities, including interest payments, are outlined in the table below. For accounts payable and other payables, the undiscounted cashflows are equal to the carrying value.

(in thousands of dollars)

As at March 31, 2026	1 year	2 years	3-5 years	Thereafter
Accounts payable and accrued liabilities	2,074	-	-	-
Lease liabilities ¹	2,570	4,159	15,550	4,422
Convertible notes	-	-	4,082	-
Secured Loan	8,642	-	-	-
	13,286	4,159	19,632	4,422
<hr/>				
As at March 31, 2025	1 year	2 years	3-5 years	Thereafter
Accounts payable and accrued liabilities	1,272	-	-	-
Lease liabilities ¹	1,006	2,675	14,285	10,641
Secured Loan	2,126	5,956	-	-
	4,404	8,631	14,285	10,641

1. The contracted cash flows included in the Manufacturing Agreement pertain solely to the initial 7-year term of the Manufacturing Agreement and do not include any potential payments under the 10-year property lease following the Manufacturing Agreement which will be negotiated at market rates.

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Fair value

The fair value of the Company's short-term financial assets and financial liabilities, including cash, amounts receivable, and accounts payable and accrued liabilities approximates their carrying values due to the short-term maturities of these financial instruments.

The estimated fair value of the long-term deposit and convertible notes are based on level II inputs and is estimated based on risk free interest rates on government debt instruments of similar maturities, adjusted for credit risk.

The carrying values and fair values of financial instruments, by class, are as follows:

(in thousands of dollars)

	At fair value through profit or loss	Financial assets at amortized cost	Financial liabilities at amortized cost	Fair value
As at March 31, 2026				
Financial assets				
Cash	-	951	-	951
Amounts receivable	-	666	-	666
Long-term deposit	-	894	-	845
Total	-	2,511	-	2,462
Financial liabilities				
Accounts payable and accrued liabilities	-	-	2,074	2,074
Convertible notes	-	-	2,225	2,181
Secured Loan	-	-	8,550	8,550
Derivative liability	239	-	-	239
Total	239	-	12,849	13,044

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	At fair value through profit or loss	Financial assets at amortized cost	Financial liabilities at amortized cost	Fair value
As at March 31, 2025				
Financial assets				
Cash	-	7,276	-	7,276
Amounts receivable	-	87	-	87
Long-term deposit	-	854	-	854
Total	-	8,217	-	8,217
Financial liabilities				
Accounts payable and accrued liabilities	-	-	1,272	1,272
Secured Loan	-	-	7,878	7,878
Total	-	-	9,150	9,150

Currency risk

The Company has not hedged certain of its liabilities from currency fluctuations. The Company is exposed to currency risk through the following assets and liabilities denominated in U.S. dollars:

	March 31, 2026	March 31, 2025
U.S. Dollars (in thousands)		
Cash	408	2,942
Amounts receivable and other receivables	476	44
Long-term deposit	641	594
Accounts payable and accrued liabilities	(896)	(359)
Lease liabilities	(11,206)	(10,036)
Net exposure	(10,577)	(6,815)
Canadian dollar equivalents (in thousands)	(14,744)	(9,798)

Based on the above net exposure at March 31, 2026, a 10% appreciation or depreciation of the U.S. dollar against the Canadian dollar would have resulted in a decrease/increase of approximately \$1.5 million (March 31, 2025 - \$1.0 million) in the Company's loss from operations.

OUTSTANDING SHARE DATA

As at March 31, 2026, Burcon had 12,692,276 common shares outstanding, stock options convertible into 1,159,474 common shares at a weighted average exercise price of \$8.38, warrants exercisable into 1,544,249 common shares at a weighted average exercise price of \$3.50, convertible notes outstanding convertible into 2,500,000 shares at a conversion price of \$1.60, and 3,950 restricted share units outstanding.

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As at the date of this MD&A, Burcon had 12,692,942 common shares outstanding, stock options convertible into 1,124,547 common shares at a weighted average exercise price of \$8.29, warrants exercisable into 1,544,249 common shares at a weighted average exercise price of \$3.50, convertible notes outstanding convertible into 4,312,500 shares at a conversion price of \$1.60, and 2,950 restricted share units outstanding.

QUARTERLY FINANCIAL DATA

(Derived from unaudited interim financial statements. All figures in thousands of dollars, except per-share amounts)

	Three months ended			
	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Revenue	827	739	357	342
Interest and other income	22	22	36	59
Net loss	(3,601)	(3,575)	(3,593)	(3,484)
Basic loss per share	(0.29)	(0.28)	(0.28)	(0.27)
Diluted loss per share	(0.30)	(0.28)	(0.28)	(0.27)

	Three months ended			
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Revenue	43	61	40	237
Interest and other income	34	5	14	29
Net loss	(2,256)	(1,784)	(2,355)	(1,869)
Basic and diluted loss per share	(0.23)	(0.25)	(0.33)	(0.26)

Fiscal 2026 fourth quarter net loss increased by 60% over the same quarter in fiscal 2025. The increase is due primarily to the commencement of operations at the Protein Production Facility and the associated cost of operations.

RELATED PARTY TRANSACTIONS

Secured Loan

Refer to pages 11 – 12.

Manufacturing Agreement

ProMan is controlled by Mr. John Vassallo, a director and shareholder of Burcon. On February 2, 2025, Burcon entered into the Manufacturing Agreement with ProMan for the right to use and operate the Protein Production Facility (refer to pages 4 - 5). In accordance with the Manufacturing Agreement, Burcon agrees to use ProMan exclusively to manufacture its products, which creates an economic dependency. As at March 31, 2026, Burcon had an amount receivable from ProMan of \$287,772 (2025 - \$60,055) and an amount payable to ProMan of \$367,480 (2025 - \$118,500) in respect of expense reimbursements.

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Consultant Warrants

On March 25, 2024, the Company entered into a one-year consulting agreement with a director of the Company for the provision of financial and strategic advisory services. As compensation for the services, the Company issued 250,000 warrants with an exercise price of \$5.40 and an expiry date of June 25, 2026 ("Consultant Warrants"). The Consultant Warrants were measured at a fair value of \$1.80 per Consultant Warrant, which was determined from the fair value of the services to be received. In the year ended March 31, 2026, the following adjustments were made to the Consultant warrants:

- Exercise price was adjusted to \$4.544 and the number of warrants exercisable into common shares was adjusted to 297,112 following the Share Consolidation and Rights Offering.
- Exercise price was amended to \$3.50 in September 2025.
- Expiry date was amended to June 30, 2026 in February 2026.

In the year ended March 31, 2026, the Company recognized stock-based compensation for the Consultant Warrants in general and administrative expenses of \$155,396 (2025 - \$441,370).

Convertible Notes

In connection with the Private Placement of Convertible Notes (refer to pages 6 - 7), certain directors and entity's controlled by certain directors were issued convertible notes as follows:

- Tranche 1: \$1.25 million of convertible notes were issued to an entity controlled by a director of the Company.
- Tranche 2: \$1.45 million of convertible notes were issued to directors and an entity controlled by a director of the Company.
- Tranche 3: \$1.7 million of convertible notes were issued to an entity controlled by a director of the Company.

Rights Offering

In connection with the Rights Offering that closed in February 2025, certain directors, officers and employees of the Company exercised 1,826,819 rights to purchase common shares for a gross purchase price of \$3,105,593.

Short term loans

Refer to page 12.

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CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), requires management to apply judgement in applying accounting policies. The judgements that have the most significant effect on the amounts recognized in the consolidated financial statements are outlined below. In addition, IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, the reported amount of revenue and expenses during the reporting period, and disclosures made in the notes to the consolidated financial statements. Outlined below are the assumptions and other sources of estimation uncertainty as at March 31, 2026 that have a risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next year.

Areas of judgement

Judgement is used in situations when there is a choice and/or assessment required by management. The following are critical judgements apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have a significant effect on the amounts recognized in the consolidated financial statements.

Going concern

The determination as to the Company's ability to continue as a going concern is dependent on its ability to commercialize its technology, scale production and/or to secure debt and equity financing. Certain judgements were made when determining if and when the Company will successfully implement its commercialization efforts and to secure debt and equity financing.

Determination of Cash-Generating Units ("CGUs")

For the purposes of assessing impairment of goodwill and long-lived assets, the Company must identify CGUs. Assets and liabilities are grouped into CGUs at the lowest level of separately identified cash flows. Determination of what constitutes a CGU is subject to management judgement. The composition of a CGU can directly impact the recoverability of non-financial assets included within the CGU. Management has determined that the Company has one CGU.

Assessment of indicators of impairment of long-lived assets including property and equipment, right-of-use assets, deferred development costs and goodwill

Judgement is required in assessing whether there are indicators of impairment of long-lived assets. The Company tests property and equipment, right-of-use assets and deferred development costs for impairment whenever events or circumstances indicate that the carrying value of an asset or group of assets may not be recoverable. The information management considered in its assessment of indicators of impairment included plant-based protein market information, the Company's market capitalization, and other internal sources of information.

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Sources of estimation uncertainty

Critical accounting estimates are those that require management to make assumptions about matters that are highly uncertain at the time the estimate or assumption is made. Critical accounting estimates are also those that could potentially have a material impact on the Company's financial results where a different estimate or assumption is used. The significant areas of estimation uncertainty are:

Useful lives of property and equipment, right-of-use assets and deferred development costs

Depreciation of property and equipment and right-of-use assets and amortization of deferred development costs are dependent upon estimates of useful lives and residual value which are determined through the use of assumptions. Estimates of residual value and useful lives are based on data and information from various sources including industry practice and historic experience. Although management believes the estimated useful lives of the Company's property and equipment, right-of-use assets and deferred development costs are reasonable, changes in estimates could occur, affecting the expected useful lives and salvage values of the property and equipment and intangible assets.

Goodwill impairment assessment

The Company determines the recoverable amount of its CGU when performing its annual impairment test for goodwill. In determining the recoverable amount, the Company considers its market capitalization in determining the recoverable amount. The estimate of recoverable amount is based on management's best estimates of what an independent market participant would consider appropriate.

Lease discount rate

At commencement date of a lease, the Company measures the lease liability at the present value of future lease payments, discounted using the interest rate implicit in the lease when the interest rate in the lease can be readily determined. If the implicit rate is not readily determinable, the Company applies its incremental borrowing rate ("IBR"). The IBR reflects the rate of interest that the Company would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of similar value in a comparable economic environment.

Determining the IBR requires the application of significant judgment, particularly in the absence of observable market rates. The Company estimates the IBR for each lease by considering the terms and conditions including the lease term, type of asset and amount needed to obtain an asset of similar value to the right-of-use asset arising from the lease, and the economic environment in which the lease is executed. Changes in the assumptions used to determine the IBR could result in material differences in the measurement of lease liabilities and corresponding right-of-use assets.

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Share-based payments

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options. In estimating the fair value, management is required to make certain assumptions and estimates such as the expected life of options, volatility of the Company's future share price, risk-free rate, and estimated forfeitures at the initial grant date. Changes in assumptions used to estimate fair value could result in different outcomes.

Convertible Notes

At issuance of the notes convertible into common shares, the Company measures the host liability fair value at the present value of future payments of principal and interest discounted at the comparable market rate of debt that does not include conversion features for the Company. Determining the discount rate requires the application of significant judgment, particularly in the absence of observable market rates. The Company estimates the discount rate for each tranche of the convertible net by market conditions, terms of the convertible notes, and credit risk of the Company. The equity component is measured as the residual amount of proceeds after deducting the fair value assigned to the host liability. Changes in the assumptions used to determine the discount rate could result in material differences in the measurement of the financial liability of the convertible notes and the corresponding equity component of convertible notes.

At issuance of the notes convertible into pre-funded warrants, The PF Warrant Conversion Option is classified as a financial liability recognized at FVTPL and the Company uses the Partial Differential Equation to determine the fair value of the compound instrument. Management determined that the fair value of compound instrument and the host liability are more reliably measured than that of the derivative liability. Accordingly, these values were used by the Company to indirectly determine the fair value of the derivative liability. In estimating the fair value, management is required to make certain assumptions and estimations such as the volatility of the Company's future share price, risk free rate, expected life of the convertible notes and future dividend yields. Changes in assumptions used to estimate fair value could result in different outcomes.

ACCOUNTING STANDARDS AND AMENDMENTS NOT YET ADOPTED

IFRS 18 – Presentation and disclosure in financial statements

In April 2024, the International Accounting Standards Board (“IASB”) issued IFRS 18 Presentation and Disclosure in Financial Statements to replace IAS 1 Presentation of Financial Statements and is effective to annual periods beginning on or after January 1, 2027 with early adoption permitted. IFRS 18 introduces a defined structure for the presentation of the consolidated statement of operations and comprehensive loss, including required totals and subtotals and aggregating and disaggregating principles to categorize financial information. The standard also requires all Management-defined performance measures to be disclosed in the notes to the consolidated financial statements. The Company is currently assessing the impact of this new standard on the consolidated financial statements.

Amendments to IFRS 9 – financial instruments and IFRS 7 – financial instruments: disclosures

In May 2024, the IASB issued amendments to the classification and measurement of financial instruments which amended IFRS 9 and IFRS 7 and will be effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted. The amendments are related to settling financial liabilities

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using electronic payments systems, and assessing contractual cash flow characteristics of financial assets with contingent features and when these features can be considered consistent with a basic lending agreement, in which case the instrument can be measured at amortized cost. The Company is currently assessing the impact of the amendments on the consolidated financial statements and does not currently expect there to be a material impact.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer, as well as other executives, have designed disclosure control and procedures (“DC&P”), or have caused them to be designed under their supervision, to provide reasonable assurance that material information relating to the Company has been made known to them. The officers have evaluated the effectiveness and design of its DC&P as at March 31, 2026 and have determined these controls to be effective.

These officers are also responsible for designing and maintaining internal controls over financial reporting (“ICFR”) and have caused them to be designed under their supervision, to provide reasonable assurance regarding the reliability of the Company’s ICFR. They have evaluated and determined these internal controls and procedures over financial reporting as at March 31, 2026 and concluded they are effective.

There have been no significant changes in the DC&P and ICFR that occurred during the year ended March 31, 2026 that could have materially affected, or are reasonably likely to materially affect, such controls.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties that can significantly affect its financial condition and future operations. Key risks factors are outlined below. In addition, a detailed explanation of the risk factors which we face is provided in our AIF for the year ended March 31, 2026 under the section titled “Risk Factors”, which is incorporated by reference herein. The AIF is available at www.sedarplus.ca.

Patents and proprietary rights – Burcon’s success will depend, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing on the proprietary rights of others or having others infringe on its rights. Burcon has filed applications for most of its inventions internationally under the Patent Cooperation Treaty of the World Intellectual Property Organization. As at the date of this MD&A, Burcon has been granted a total of 55 patents in various countries covering a number of key processes and uses of Burcon’s protein products as functional food and beverage ingredients. Of those patents, 31 have been granted in the United States. Although Burcon expends significant resources and efforts to patent its discoveries and innovations, there can be no assurance that our patent applications will result in the issuance of patents, or any patents issued to Burcon will provide it with adequate protection or any competitive advantages, or that such patents will not be successfully challenged by third parties. Burcon cannot be assured that competitors will not independently develop products similar to the Company’s products or manufacture products designed to circumvent the exclusive patent rights granted to the Company. Further, Burcon may need to incur significant expenditures in prosecuting claims against others whom it believes are infringing on its rights and by defending claims of intellectual property infringement brought by its competitors and others.

Development and commercialization – Since inception, Burcon has conducted research and development on a number of plant proteins, including soy, pea, canola, hemp, sunflower and others.

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In the year ended March 31, 2026, Burcon entered into the Manufacturing Agreement to obtain production capacity through the Protein Production Facility and Burcon began operating this facility on March 10, 2025. In the year ended March 31, 2026, the Company commissioned the Protein Production Facility and launched commercial production and sales of its pea, canola and fava proteins, which were produced at a negative gross margin. There can be no assurances that the Company will be able to successfully produce at sufficient scale and production cost to enable the Company to achieve profitability and generate positive cash flows. In addition, Burcon faces pricing risks for its products as its proteins are priced at a premium to market in order to achieve its business objectives.

The Company intends to launch commercial production of its sunflower proteins in fiscal 2027. There can be no assurance as to whether Burcon will be able to successfully commercialize its sunflower protein.

The rising popularity of plant proteins has resulted in significant growth with increased participation by competitors entering the market to produce plant proteins. Many competitors and potential competitors have substantially greater product development capabilities and financial, scientific, marketing, and human resources than Burcon. These competitors may succeed in commercializing their products earlier than Burcon or in development of products that are more effective than those proposed to be developed by Burcon.

History of operating losses and financing requirements – Burcon has accumulated net losses of approximately \$164.5 million from its date of incorporation through March 31, 2026. In the year ended March 31, 2026, Burcon began generating significant revenues through the sale of its protein products; however, it will take time for Burcon to scale production and revenues such that they can sustain the Company's operations without external financing. Burcon expects its accumulated losses to increase in the near term as it continues to commercialize its products, scale production and advance its research and development of plant proteins. Burcon cannot predict if it will ever achieve profitability and, if it does, it may not be able to sustain or increase its profitability. The commercial success of any of Burcon's products will depend on whether they receive public and industry acceptance as a food ingredient and dietary supplement, and whether they may be sold at competitive prices or are able to obtain sufficient royalty revenue from licensing, which adequately exceeds Burcon's business costs.

Developing Burcon's products and conducting product application trials is capital intensive. Since acquiring its subsidiary in October 1999, Burcon has raised gross proceeds of \$138.5 million from the sale or issuance of equity securities and convertible debentures. As at March 31, 2026, Burcon had \$1.0 million in cash and will need to raise additional capital to fund its strategic objectives and operations. Subsequent to March 31, 2026, the Company closed the final tranche of the Private Placement for gross proceeds of \$2.9 million and extended the maturity date of the first tranche of the Secured Loan. Additional financing may not be available on acceptable terms, if at all.

OUTLOOK

For fiscal 2027, Burcon's main objectives will be scale production at the Protein Production Facility and grow sales of its proteins. Burcon will further develop its pipeline of plant-based protein technologies to include other novel renewable plant sources. Burcon's activities will include:

- working with ProMan to produce Burcon's plant proteins at the scale, cost and quality to meet customer expectations;

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- building its sales pipeline for its plant proteins to fuel revenue growth;
- leveraging Burcon's research and development team to tailor product attributes to maximize margin potential;
- Advancing Burcon's pipeline of plant-based protein technologies by conducting research to develop and refine its extraction and purification processes for novel protein products.
- working with ProMan to execute the parties' capacity expansion plans at the Protein Production Facility;
- pursuing product development agreements with major food, beverage and nutritional product companies to develop improved or novel applications for Burcon's other specialty proteins into their products;
- filing patent applications to protect intellectual property arising from research and development of new protein technologies.