

Burcon NutraScience Corporation

Condensed Consolidated Interim Financial Statements

Three and six months ended September 30, 2025 and 2024

(Unaudited)

(In Canadian dollars)

Notice of No Auditor Review of Condensed Consolidated Interim Financial Statements

The accompanying unaudited condensed consolidated interim financial statements of Burcon NutraScience Corporation for the interim period ended September 30, 2025 have been prepared by management and approved by the Audit Committee of the Board of Directors of the Company. These unaudited condensed consolidated interim financial statements have not been reviewed by an auditor in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

BURCON NUTRASCIENCE CORPORATION
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
As at September 30, 2025 and March 31, 2025

(In Canadian dollars)

	Notes	September 30, 2025	March 31, 2025
Assets			
Current assets			
Cash		1,753,942	7,275,972
Amounts receivable and other receivables		385,759	131,974
Inventory	6	469,065	201,145
Prepaid expenses and deposits		171,452	191,390
		2,780,218	7,800,481
Long-term deposit			
	4	858,956	853,943
Property and equipment	7	1,638,179	961,418
Right-of-use assets	4, 8	13,271,322	14,834,751
Deferred development costs		4,741,896	4,952,647
Goodwill		1,254,930	1,254,930
Total assets		24,545,501	30,658,170
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		1,218,933	1,271,743
Current portion of secured loan	9	8,243,489	2,085,567
Current portion of lease liabilities	4, 10	1,521,678	890,566
Deferred revenue and government assistance		-	46,870
		10,984,100	4,294,746
Secured loan			
	9	-	5,792,049
Lease liabilities	4, 10	13,432,281	13,627,713
Total liabilities		24,416,381	23,714,508
Shareholders' equity			
Capital stock	11	131,581,539	131,581,539
Contributed surplus	11	19,710,224	19,216,437
Options	11	5,503,800	5,748,320
Warrants	11	710,613	670,019
Restricted share units	11	41,106	37,553
Foreign currency translation reserve		(29,863)	1,080
Deficit		(157,388,299)	(150,311,286)
Total shareholders' equity		129,120	6,943,662
Total liabilities and shareholders' equity		24,545,501	30,658,170
Going concern			
	1		
Subsequent events			
	9		

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

BURCON NUTRASCIENCE CORPORATION

Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
(Unaudited)

For the three and six months ended September 30, 2025 and 2024

(In Canadian dollars)

	Notes	Three months ended September 30		Six months ended September 30	
		2025	2024	2025	2024
Revenue	12	357,194	40,458	699,387	277,075
Cost of sales	13	2,105,060	159,952	3,881,744	372,246
Research and development	14	379,706	1,150,201	714,499	1,833,868
General and administrative	15	775,062	934,480	1,481,187	2,038,188
Loss from operations		(2,902,634)	(2,204,175)	(5,378,043)	(3,967,227)
Interest and other income		35,624	14,486	94,539	43,903
Interest and other expenses	9, 10	(822,552)	(150,928)	(1,607,190)	(305,995)
Foreign exchange gain (loss)		96,428	(14,370)	(186,319)	5,061
Net loss		(3,593,134)	(2,354,987)	(7,077,013)	(4,224,258)
Other comprehensive gain					
Foreign currency translation adjustment		(33,919)	-	(30,943)	-
Total comprehensive loss		(3,627,053)	(2,354,987)	(7,107,956)	(4,224,258)
Basic and diluted loss per share	16	(0.28)	(0.33)	(0.56)	(0.59)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

BURCON NUTRASCIENCE CORPORATION

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Unaudited)

For the six months ended September 30, 2025 and 2024

(In Canadian dollars, except share amounts)

	Number of fully paid common shares	Capital stock	Contributed surplus	Options	Warrants	Restricted share units	Deficit	Foreign currency translation reserve	Total shareholders' equity
Balance, March 31, 2024	7,104,446	122,069,825	17,283,934	7,436,262	237,201	172,776	(142,046,499)	-	5,153,499
Loss and comprehensive loss for the period	-	-	-	-	-	-	(4,224,258)	-	(4,224,258)
Issue costs	-	-	-	-	(8,200)	-	-	-	(8,200)
Options exercised	26,500	143,847	-	(29,897)	-	-	-	-	113,950
Options forfeited	-	-	146,546	(146,546)	-	-	-	-	-
Restricted share units redeemed	458	7,876	-	-	-	(7,876)	-	-	-
Warrants vested	-	-	-	-	216,370	-	-	-	216,370
Stock-based compensation	-	-	-	161,146	225,000	18,154	-	-	404,300
Balance, September 30, 2024	7,131,404	122,221,548	17,430,480	7,420,965	670,371	183,054	(146,270,757)	-	1,655,661
Balance, March 31, 2025	12,688,076	131,581,539	19,216,437	5,748,320	670,019	37,553	(150,311,286)	1,080	6,943,662
Net loss	-	-	-	-	-	-	(7,077,013)	-	(7,077,013)
Foreign currency translation adjustment	-	-	-	-	-	-	-	(30,943)	(30,943)
Options forfeited	-	-	493,787	(493,787)	-	-	-	-	-
Stock-based compensation	-	-	-	249,267	40,594	3,553	-	-	293,414
Balance, September 30, 2025	12,688,076	131,581,539	19,710,224	5,503,800	710,613	41,106	(157,388,299)	(29,863)	129,120

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

BURCON NUTRASCIENCE CORPORATION
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)
For the six months ended September 30, 2025 and 2024
(In Canadian dollars)

	Six months ended September 30	
	2025	2024
Cash flows from operating activities		
Net loss for the period	(7,077,013)	(4,224,258)
Items not affecting cash		
Depreciation expense	982,038	143,534
Amortization of deferred development costs	210,751	210,751
Unrealized foreign exchange loss (gain)	171,370	(7,085)
Interest expense on secured loan	365,873	291,992
Interest expense on lease liabilities	1,241,216	14,018
Interest income earned on long-term deposit	(31,780)	-
Write-down of inventory net realizable value	1,009,346	102,195
Stock-based compensation expense	293,414	404,300
	(2,834,785)	(3,064,553)
Changes in non-cash working capital items		
Amounts receivable and other receivables	(254,852)	205,281
Inventory	(1,080,208)	(231,171)
Prepaid expenses and deposits	16,011	61,498
Accounts payable and accrued liabilities	(121,925)	84,260
Deferred revenue and government assistance	(46,870)	(35,985)
	(4,322,629)	(2,980,670)
Interest income	(27,135)	(43,903)
Interest expense paid	(290,526)	(14,018)
Net cash used in operating activities	(4,640,290)	(3,038,591)
Cash flows from investing activities		
Interest income received	27,135	43,903
Acquisition of property and equipment	(669,470)	(202,015)
Net cash used in investing activities	(642,335)	(158,112)
Cash flows from financing activities		
Share and warrant issue costs	(78,987)	(30,103)
Options exercised	-	113,950
Payments of lease liabilities	(13,496)	(54,378)
Net cash (used in) provided by financing activities	(92,483)	29,469
Foreign exchange (loss) gain on cash	(146,922)	7,085
Decrease in cash	(5,522,030)	(3,160,149)
Cash, beginning of period	7,275,972	4,197,141
Cash, end of period	1,753,942	1,036,992

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

BURCON NUTRASCIENCE CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six months ended September 30, 2025 and 2024

(Unaudited)

(In Canadian dollars)

1. Going concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a “going concern”, which assumes that Burcon NutraScience Corporation (“Burcon” or the “Company”) 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, management considers all available information and actions within its control with respect to the period 12 months from the date of approval of these condensed consolidated interim financial statements.

The Company has incurred losses since its inception and as at September 30, 2025, had an accumulated deficit of \$157.4 million (March 31, 2025 - \$150.3 million) and negative working capital of \$8.2 million (March 31, 2025 – positive working capital of \$3.5 million). During the six months ended September 30, 2025, the Company incurred a net loss of \$7.1 million (2024 - \$4.2 million) and had negative cash flow from operations of \$4.6 million (2024 - \$3.0 million). Subsequent to September 30, 2025, the Company received a loan of \$0.7 million, extended the maturity of the second tranche of the Secured Loan and announced an offering of convertible debentures. Refer to Note 9.

In the year ended March 31, 2025, the Company entered into a binding term sheet for a contract manufacturing agreement (the “Manufacturing Agreement”) with a strategic investment partner and related party. The Manufacturing Agreement provides Burcon with exclusive access to the facility’s manufacturing capacity and Burcon will use the facility as its exclusive manufacturer. In March 2025, Burcon obtained access to the manufacturing facility and began commissioning the facility. In the six months ended September 30, 2025, Burcon commissioned the facility and launched commercial production and sales.

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 financing 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.

These condensed consolidated interim 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. These condensed consolidated interim financial statements do not reflect adjustments to the carrying values of assets and liabilities that would be

BURCON NUTRASCIENCE CORPORATION

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necessary if the Company was unable to continue as a going concern and such adjustments could be material.

2. Nature of operations

Burcon is headquartered in Vancouver, British Columbia, Canada. The Company's common shares are traded on the Toronto Stock Exchange ("TSX") and under the symbol "BU".

Burcon is a plant protein technology company that has developed high purity and functional proteins for foods and beverages derived from pea, canola, soy, hemp, sunflower seeds, fava, among other plant sources.

The following entities have been consolidated within these condensed consolidated interim financial statements:

Subsidiaries	Country	Functional Currency	% Interest
Burcon NutraScience Corporation	Canada	Canadian Dollar	Parent Company
Burcon NutraScience (MB) Corp.	Canada	Canadian Dollar	100%
Burcon NutraScience (US) Corp.	United States	US Dollar	100%

Basis of presentation

These condensed consolidated interim financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and, as such, should be read in conjunction with the Company's consolidated annual financial statements for the year ended March 31, 2025.

These condensed consolidated interim financial statements are recorded and presented in Canadian dollars (\$), which is the Company's functional currency.

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. All material intercompany transactions and balances have been eliminated on consolidation.

These condensed consolidated interim financial statements were approved and authorized for issue by the Audit Committee of the Board of Directors on November 12, 2025.

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NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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3. Material accounting policies

The material accounting policies adopted in the presentation of these condensed consolidated interim financial statements are the same as those set out in the annual audited consolidated financial statements for the year ended March 31, 2025. Unless otherwise stated, these policies have been consistently applied to all periods presented.

Revenue recognition

The Company has multiple revenue streams and revenue is recognized in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled for those goods and services.

- Revenue from the sale of protein isolate is recorded at the point of sale, when the customer assumes control of the products as defined in the terms of agreement with the customer.
- Revenue associated with contract research services are recognized when the services are rendered.
- Revenue associated with contract manufacturing services are recognized when the services are rendered.

Accounting standards and amendments issued and 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 for 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.

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 using electronic payment 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 the instrument can be measured at amortized cost. The Company is currently assessing the impact of the amendments.

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NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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4. 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”). 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 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) during the term of the Manufacturing Agreement. In the three and six months ended September 30, 2025, the Company has paid \$143,430 and \$287,540, respectively (2024 - \$nil and \$nil). Refer to Note 17 for disclosure of timing of contractual commitments.

In March 2025, Burcon paid a security deposit of US \$1 million (CA \$1.4 million), which is non-interest bearing and was recorded as a long-term deposit at amortized cost using the effective interest rate method. The difference between the fair value and nominal value is included in right-of-use assets. In the three months and six months ended September 30, 2025, the Company earned interest income on this deposit of \$16,331 and \$31,780, respectively (2024 - \$nil and \$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 operating cost reimbursements. The operating cost reimbursements are expensed in the period that 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 similar value to the right-of-use asset arising from the lease, and the economic environment

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(In Canadian dollars)

in which the lease is executed. The initial measurement of the lease liability issued in exchange for right-of-use asset was \$14,340,910. The balance of the lease liability as at September 30, 2025 is \$14,929,801 (March 31, 2025 - \$14,427,910).

5. 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.

During the year ended March 31, 2024, Burcon entered into a collaborative agreement with PIC for the commercialization of hempseed and sunflower seed protein. In the three months ended September 30, 2025, Burcon entered into an agreement with PIC to amend the collaborative agreement to further support the commercialization of canola protein. On May 13, 2025, the collaborative agreement with respect to the commercialization of hempseed and sunflower seed proteins concluded.

During the three and six months ended September 30, 2025, Burcon recorded PIC grants of \$39,194 and \$74,700, respectively (2024 - \$217,915 and \$557,747), as government assistance against research and development expenses, general and administrative expenses, inventory, and property and equipment, of which \$39,194 is included in amounts receivable at September 30, 2025 (March 31, 2025 - \$nil). As at September 30, 2025, Burcon had received \$nil in advance payments in respect of eligible expenses to be incurred in subsequent periods, which is recognized as deferred government assistance (March 31, 2025 - \$46,870).

6. Inventory

	September 30, 2025	March 31, 2025
Protein isolate	79,555	-
Raw materials	389,510	201,145
Balance – end of period	469,065	201,145

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NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six months ended September 30, 2025 and 2024

(Unaudited)

(In Canadian dollars)

7. Property and equipment

	Equipment	Computer Equipment	Leasehold Improvements	Total
Cost:				
March 31, 2024	5,137,624	140,998	97,811	5,376,433
Additions	144,230	616	-	144,846
Transfers from right-of-use assets ¹	287,942	-	-	287,942
Foreign translation adjustment	364	-	-	364
March 31, 2025	5,570,160	141,614	97,811	5,809,585
Additions	152,181	751	675,037	827,969
Foreign translation adjustment	(11,683)	8	5,569	(6,106)
September 30, 2025	5,710,658	142,373	778,417	6,631,448
Accumulated depreciation:				
March 31, 2024	4,334,514	117,536	94,960	4,547,010
Depreciation	261,821	6,802	2,851	271,474
Transfers from right-of-use assets ¹	29,672	-	-	29,672
Foreign translation adjustment	11	-	-	11
March 31, 2025	4,626,018	124,338	97,811	4,848,167
Depreciation	136,916	2,427	8,570	147,913
Foreign translation adjustment	(2,901)	-	90	(2,811)
September 30, 2025	4,760,033	126,765	106,471	4,993,269
Net book value:				
March 31, 2025	944,142	17,276	-	961,418
September 30, 2025	950,625	15,608	671,946	1,638,179

1. Transfers from right-of-use assets consisted of the purchase of previously leased assets.

BURCON NUTRASCIENCE CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six months ended September 30, 2025 and 2024

(Unaudited)

(In Canadian dollars)

8. Right-of-use assets

	Office Lease	Property and Equipment	Total
Cost:			
March 31, 2024	135,050	294,344	429,394
Additions	105,268	14,925,972	15,031,240
Transfers to property and equipment ¹	-	(287,942)	(287,942)
Disposals	(135,050)	-	(135,050)
Foreign translation adjustment	-	(56,886)	(56,886)
March 31, 2025	105,268	14,875,488	14,980,756
Change in expected lease term ²	(52,716)	-	(52,716)
Foreign translation adjustment	-	(470,607)	(470,607)
September 30, 2025	52,552	14,404,881	14,457,433
Accumulated depreciation:			
March 31, 2024	126,470	36,074	162,544
Depreciation	28,318	119,865	148,183
Transfers to property and equipment ¹	-	(29,672)	(29,672)
Disposals	(135,050)	-	(135,050)
March 31, 2025	19,738	126,267	146,005
Depreciation	15,840	1,019,715	1,035,555
Foreign translation adjustment	-	4,551	4,551
September 30, 2025	35,578	1,150,533	1,186,111
Net book value:			
March 31, 2025	85,530	14,749,221	14,834,751
September 30, 2025	16,974	13,254,348	13,271,322

1. Transfers to property and equipment consisted of the purchase of previously leased assets.

2. The change in expected lease term is due to management's change in expectation that the Company is no longer reasonably certain to exercise its option to renew the office lease.

BURCON NUTRASCIENCE CORPORATION

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(Unaudited)

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9. Debt

(a) Secured Loan

As at September 30, 2025, the principal amount outstanding from the first tranche of the Secured Loan is \$5.0 million (March 31, 2025 - \$5.0 million) and from the second tranche of the Secured Loan is \$2.0 million (March 31, 2025 - \$2.0 million). Refer to Note 18 for discussion of the related party nature of the Secured Loan.

	Six months ended September 30, 2025	Year ended March 31, 2025
Balance, beginning of period	7,877,616	6,404,778
Draw downs	-	1,000,000
Interest expense accreted	365,873	472,838
Balance, end of period	8,243,489	7,877,616
Current portion of Secured Loan	8,243,489	2,085,567
Long-term portion of Secured Loan	-	5,792,049
	8,243,489	7,877,616

Subsequent to September 30, 2025, Burcon entered into a letter agreement to amend the second tranche maturity date to December 17, 2026.

(b) Convertible Debentures

Subsequent to September 30, 2025, Burcon announced a non-brokered private placement of convertible debentures (the “Convertible Debentures”) for an aggregate principal amount of up to \$4 million (the “Offering”). The Offering is subject to approval of the TSX.

Each Convertible Debenture will consist of \$1,000 principal amount, be unsecured, have a term of 48 months from the date of issuance and will bear interest at a rate of 15% per annum, payable in full upon maturity. Each Convertible Debenture will be convertible at the option of the holder, in whole or in part, into commons shares of the Company (the “Shares”) at a conversion price of \$2.27 per share (“Conversion Price”).

At any time after the first anniversary of the issuance date of the Convertible Debentures, if the volume weighted average price of the Shares on the TSX (or such other stock exchange where the Shares principally trade) is above 200% of the Conversion Price for a period of 14 consecutive trading days, the Company may prepay the principal amount and any accrued and unpaid interest to the holders of the Convertible Debentures. Upon written notice from the Company of such

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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 Debentures into Shares at the Conversion Price.

The Offering is expected to close on or about November 28, 2025 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals.

(c) Loan

Subsequent to September 30, 2025, Burcon entered into a loan agreement with an entity related to a director of Burcon (the “Lender”) who will provide Burcon with an unsecured loan (the “Loan”) of up to US\$500,000 (CA \$700,000) for a term of the earlier of four months and the completion of the Offering. The Loan bears interest at a rate of 12% per annum and is payable on the last day of each calendar month.

The Loan was drawn on November 7, 2025 and the Lender will be paid a commitment fee of \$7,000.

10. Lease liabilities

	Six months ended September 30, 2025	Year ended March 31, 2025
Balance, beginning of period	14,518,279	260,845
Additions	-	14,445,351
Change in expected lease term ¹	(52,716)	-
Interest expense accreted	1,241,216	161,393
Principal and interest payments	(304,023)	(294,656)
Foreign translation adjustment	(448,797)	(54,654)
Balance, end of period	14,953,959	14,518,279
Current portion of lease liabilities	1,521,678	890,566
Long-term portion of lease liabilities	13,432,281	13,627,713
	14,953,959	14,518,279

1. The change in expected lease term is due to management’s change in expectation that the Company is no longer reasonably certain to exercise its option to renew the office lease.

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(In Canadian dollars)

11. Shareholders' equity

(a) Capital stock

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"). On the date of consolidation, the exercise price and number of common shares issuable on the exercise of Burcon's outstanding warrants and stock options 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 in these condensed consolidated interim financial statements.

Rights Offering

On November 20, 2024, Burcon announced it was offering rights (the "Rights Offering") to holders of its common shares of record at close of business on November 27, 2024. Pursuant to the Rights Offering, each holder of common shares 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 is equal to an approximately 39% discount to the volume weighted average trading price of the common shares on the TSX for the 5-day period ending November 19, 2024.

On February 13, 2025, the Company 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 and total issue costs of \$230,921.

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(Unaudited)

(In Canadian dollars)

(b) Options

The Company has a stock option plan in which all directors, officers, employees and consultants of the Company and its subsidiaries are eligible to participate.

As at September 30, 2025, an additional 567,366 (March 31, 2025 – 631,739) options may be granted in future years under this plan.

	Number of options	Weighted average exercise price \$
Outstanding - Beginning of period	637,065	16.48
Granted	80,000	2.29
Forfeited / cancelled	(15,624)	48.69
Outstanding - End of period	701,441	14.15

The following table summarizes information about stock options outstanding and exercisable at September 30, 2025:

Range of exercise prices \$	Options Outstanding			Options exercisable	
	Number outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price \$	Number exercisable	Weighted average exercise price \$
1.80 – 20.00	538,566	5.5	3.93	221,915	4.33
20.01 – 40.00	84,449	4.5	31.47	64,450	30.37
40.01 – 60.00	44,926	3.1	53.69	29,927	50.53
80.00 – 97.89	33,500	2.6	81.64	33,500	81.64
	701,441	5.1	14.15	349,792	20.49

The fair value of each option is estimated as at the date of grant or other measurement date using the Black-Scholes option pricing model and the following weighted average assumptions:

	Six months ended September 30, 2025
Exercise price	2.29
Share price	2.29
Dividend yield	0%
Expected volatility	78.8%
Risk-free interest rate	2.8%
Expected forfeitures	4.9%
Expected average option term (years)	5.0

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The weighted average fair value of the options granted during the six months ended September 30, 2025 was \$1.49 per option.

For the three and six months ended September 30, 2025, included in research and development expenses (salaries and benefits) is \$19,854 and \$38,936, respectively (2024 - \$22,700 and \$42,833) (Note 14), of stock-based compensation and included in general and administrative expenses (salaries and benefits and professional fees) is \$105,358 and \$210,332, respectively (2024 - \$54,753 and \$118,313) (Note 15), of stock-based compensation.

(c) Restricted Share Unit (“RSU”) Plan

The Company has an RSU plan in which all directors, officers, employees and consultants of the Company and its subsidiaries are eligible to participate.

(number of RSUs)	Six months ended September 30, 2025
Outstanding – beginning of period	8,150
Granted	-
Redeemed	-
Forfeited / cancelled	-
Outstanding – end of period	8,150

RSUs are measured at fair value based on the closing price of our common shares for the day preceding the date of the grant. No RSUs were granted during the six months ended September 30, 2025.

For the three and six months ended September 30, 2025, included in research and development expenses is \$1,243 and \$2,434, respectively (2024 - \$7,305 and \$14,305) (Note 14), and in general and administrative expenses (salaries and benefits) is \$571 and \$1,118, respectively (2024 - \$2,544 and \$3,850) (Note 15) of RSU stock-based compensation.

(d) Warrants

On September 17, 2025, the Company received shareholder approval to amend the exercise price of all outstanding warrants, which ranged from \$4.54 to \$5.89, to \$3.50 per common share (“Warrant Modification”). Included in general and administrative expenses (professional fees) in the three and six months ended September 30, 2025 is \$40,594 and \$40,594, respectively (2024 - \$nil and \$nil) (Note 15), of stock-based compensation due to the Warrant Modification of the Consultant Warrants. In the three and six months ended September 30, 2025, the Company recognized stock-based compensation included in general and administrative expenses (professional fees) of \$112,500 and \$225,000, respectively.

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As at September 30, 2025, Burcon had the following warrants outstanding:

	2023 Private Placement	2024 Private Placement	Consultant Warrants (note 18)
Warrants exercisable into common shares	644,043	603,094	297,112
Exercise price	\$3.50	\$3.50	\$3.50
Expiry date	May 8-16, 2026	March 12, 2026	June 25, 2026

12. Revenue

	Three months ended September 30		Six months ended September 30	
	2025	2024	2025	2024
Sale of protein	35,455	1,099	72,452	186,509
Contract research services	55,378	39,359	55,378	90,566
Contract manufacturing services	266,361	-	571,557	-
Revenue	357,194	40,458	699,387	277,075

13. Cost of Sales

	Three months ended September 30		Six months ended September 30	
	2025	2024	2025	2024
Cost of products	433,398	147,601	1,070,449	336,921
Salaries and benefits	628,636	12,024	1,097,061	31,663
Depreciation expense	523,338	-	822,783	-
Other	322,908	327	588,894	3,662
Utilities	196,780	-	302,557	-
Cost of sales	2,105,060	159,952	3,881,744	372,246

For the three and six months ended September 30, 2025, included in the cost of products is a write-down of inventory to net realizable value of \$393,081 and \$1,009,346, respectively (2024 - \$102,195 and \$102,195). Other costs include direct costs for the provisioning of contract research services and operating costs of the Protein Production Facility.

BURCON NUTRASCIENCE CORPORATION**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****For the three and six months ended September 30, 2025 and 2024**

(Unaudited)

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14. Research and development

	Three months ended September 30		Six months ended September 30	
	2025	2024	2025	2024
Amortization of deferred development costs	105,376	105,376	210,751	210,751
Salaries and benefits	99,997	393,941	197,142	804,448
Intellectual property	104,490	293,207	164,414	385,549
Depreciation of property and equipment	33,600	69,586	64,958	123,218
Rent	30,559	30,087	61,888	60,088
Laboratory operation	23,628	74,948	54,802	161,027
Analyses and testing	11,842	315,009	25,421	360,882
	409,492	1,282,154	779,376	2,105,963
Government assistance	(29,786)	(131,953)	(64,877)	(272,095)
Research and development expenses	379,706	1,150,201	714,499	1,833,868

15. General and administrative

	Three months ended September 30		Six months ended September 30	
	2025	2024	2025	2024
Salaries and benefits	350,966	353,477	712,044	759,701
Professional fees	198,312	316,708	408,836	694,208
Office supplies and services	52,259	75,284	97,992	145,704
Investor relations	64,335	128,389	87,754	314,657
Travel and meals	49,057	18,671	75,839	57,343
Transfer agent and filing fees	24,056	4,335	38,308	20,525
Other	44,322	43,077	68,720	52,420
	783,307	939,941	1,489,493	2,044,558
Government assistance	(8,245)	(5,461)	(8,306)	(6,370)
General and administrative expenses	775,062	934,480	1,481,187	2,038,188

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(Unaudited)

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16. Basic and diluted loss per share

The following table sets forth the computation of basic and diluted loss per share:

	Three months ended September 30		Six months ended September 30	
	2025	2024	2025	2024
Basic and diluted net loss attributable to common shareholders	(3,593,134)	(2,354,987)	(7,077,013)	(4,224,258)
			Shares	Shares
Weighted average common shares - basic and diluted	12,688,076	7,108,361	12,688,076	7,106,475
Basic and diluted loss per share	(0.28)	(0.33)	(0.56)	(0.59)

For the three and six months ended September 30, 2025 and 2024, the Company excluded all potential common share equivalents from the diluted loss per share calculation as they were anti-dilutive.

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17. Financial instruments

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 and commitments, including interest payments, are outlined in the table below. Apart from lease liabilities and the Secured Loan, the undiscounted cash flows are equal to the carrying value. The capital commitments include capital purchases for the Company's current capital projects at the Protein Production Facility and all amounts are current and due within one year.

September 30, 2025	1 year	2 years	3-5 years	Thereafter
Accounts payable and accrued liabilities	1,218,933	-	-	-
Lease liabilities	1,690,707	3,621,400	14,662,403	7,360,294
Secured loan	8,362,849	-	-	-
	11,272,489	3,621,400	14,662,403	7,360,294

March 31, 2025	1 year	2 years	3-5 years	Thereafter
Accounts payable and accrued liabilities	1,271,743	-	-	-
Lease liabilities	1,005,752	2,675,037	14,285,948	10,641,205
Secured loan	2,126,466	5,955,616	-	-
	4,403,961	8,630,653	14,285,948	10,641,205

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 is based on level II inputs and is estimated based on risk-free interest rates on government debt instruments of similar maturities, adjusted for estimated credit risk.

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

	At fair value through profit or loss	Financial assets at amortized cost	Financial liabilities at amortized cost	Fair value
As at September 30, 2025				
Financial assets				
Cash	-	1,753,942	-	1,753,942
Amounts receivable	-	319,487	-	319,487
Long-term deposit	-	858,956	-	853,421
	-	2,932,385	-	2,926,850
Financial liabilities				
Accounts payable and accrued liabilities	-	-	1,218,933	1,218,933
Secured loan	-	-	8,243,489	8,243,489
	-	-	9,462,422	9,462,422
As at March 31, 2025				
Financial assets				
Cash	-	7,275,972	-	7,275,972
Amounts receivable	-	87,090	-	87,090
Long-term deposit	-	853,943	-	853,943
	-	8,217,005	-	8,217,005
Financial liabilities				
Accounts payable and accrued liabilities	-	-	1,271,743	1,271,743
Secured loan	-	-	7,877,616	7,877,616
	-	-	9,149,359	9,149,359

18. Related party transactions

In June 2022, Burcon entered into a loan agreement with Large Scale Investments Limited, a wholly-owned subsidiary of Firewood Elite Limited (“Firewood”), for a secured loan of up to \$10 million that would be made available to Burcon in two tranches of \$5 million. 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. Refer to Note 9.

In March 2024, the Company entered into a consulting agreement with a director of the Company for the provision of financial and strategic advisory services, whereby the Company issued warrants (“Consultant Warrants”) as compensation of the services. The vesting of the Consultant Warrants was subject to shareholder approval, which was obtained at the Company’s annual general meeting in

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September 2024. In the six months ended September 30, 2025, the exercise price and number of common shares issuable on the exercise of the Consultant Warrants were proportionally adjusted to reflect the Share Consolidation and Rights Offering in accordance with the terms of such securities. For the three months and six months ended September 30, 2025, the Company record stock-based compensation related to these warrants of \$40,594 and \$40,594, respectively (2024 - \$112,500 and \$225,000).

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 (Note 4). In accordance with the Manufacturing Agreement, Burcon agrees to use ProMan exclusively to manufacture its products, which creates an economic dependency. As at September 30, 2025, Burcon had an amount receivable from ProMan of \$8,899 (March 31, 2025 - \$60,055) and an amount payable to ProMan of \$124,294 (March 31, 2025 - \$118,500) in respect of expense reimbursements.

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.

Subsequent to September 30, 2025, Burcon entered into the Loan with an entity related to a director of Burcon. Refer to Note 9.

19. Segment information

The Company operates in a single reportable operating segment involving the production and development of plant-based proteins.

The geographic breakdown of the Company's revenue and non-current assets are:

	Three months ended September 30		Six months ended September 30	
	2025	2024	2025	2024
Canada	56,099	40,458	59,801	277,075
United States	301,095	-	639,586	-
Total revenue	357,194	40,458	699,387	277,075

	As at	
	September 30, 2025	March 31, 2025
Canada	6,624,054	6,958,380
United States	15,141,229	15,899,309
Total non-current assets	21,765,283	22,857,689