

# REKLAIM LTD.

Management's Discussion & Analysis  
As of September 30, 2025

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**Date of this report: November 28, 2025**

This Management's Discussion and Analysis ("MD&A") provides a review of Reclaim Ltd.'s ("Reclaim", the "Company", "we", "us" or "our") consolidated financial performance and financial position for the three months ended September 30, 2025, compared with the three months ended September 30, 2024. It should be read in conjunction with Reclaim's unaudited interim consolidated financial statements and accompanying notes for the period ended September 30, 2025, as well as the Company's most recent audited annual consolidated financial statements and 2024 annual MD&A (available at [www.reclaimyours.com](http://www.reclaimyours.com) or [www.sedarplus.ca](http://www.sedarplus.ca)).

The financial information contained in this MD&A has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), the required reporting framework for Canadian publicly accountable enterprises. All financial amounts are presented in Canadian dollars unless otherwise noted. Additional information is available on our Investor Relations page.

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## Management's Responsibility for Financial Information

Management is responsible for the preparation and fair presentation of the consolidated financial statements and this MD&A. The annual consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, and this MD&A has been prepared in accordance with applicable securities regulations, including National Instrument 51-102F1 of the Canadian Securities Administrators.

The consolidated financial statements and related disclosures in this MD&A include amounts based on informed judgments and estimates regarding the expected effects of current events and transactions, with appropriate consideration of materiality. In preparing this information, management must interpret applicable standards, determine the relevance of information to be included, and make estimates and assumptions that affect the reported results.

This MD&A also provides analysis regarding current-period events and transactions, liquidity and capital resources, operating trends, risks, and uncertainties. Actual future results may differ materially from management's current judgments and estimates.

# 1. Summary of MD&A

Reklaim Ltd.'s Management Discussion & Analysis (MD&A) for the three months ended September 30, 2025, highlights continued strategic investment in new products to diversify revenue, year-over-year revenue growth, and operational discipline.

Revenue for Q3 2025 decreased 26% year-over-year to \$1.1 million and increased 10% on a nine-month basis year-over-year. This performance was fueled by brands and advertising agencies' need for compliant consumer data. Gross margins remained healthy at 75% for the quarter and 77% year to date, reflecting the Company's ability to balance growth with cost discipline, even as new product investments were prioritized.

The Company ended the quarter with \$0.4 million in cash, in line with Q2 2025, supported by warrant exercises and the full repayment of the debenture balance. Reklaim continues to allocate capital toward operations, share buybacks, and long-term growth initiatives while maintaining a focus on profitability.

From a regulatory perspective, Reklaim's positioning strengthened further in Q3 2025. By late 2025, 20 U.S. states had enacted comprehensive consumer-privacy laws, building on significant updates and expansions introduced in 2024 and earlier years. This continued expansion of state-level regulation increases compliance complexity for brands and platforms, reinforcing Reklaim's role as a trusted partner offering user-consented, transparent data solutions.

Strategically, Reklaim advanced its consumer product suite with the launch of **Reklaim Protect** in May 2025. This subscription-based privacy service allows consumers to remove their personal information from data brokers, monitor dark-web exposure, and manage state-level opt-outs. As this product remains in its early stages, the Company continues to invest in product development, user experience, and acquisition funnels to support long-term growth. Reklaim expects Protect to begin contributing meaningfully to revenue in Q1 2026 as adoption builds. Protect complements the Company's existing Reklaim Rewards offering, creating a more diversified consumer revenue model that serves both users seeking to monetize their data and those prioritizing privacy and protection.

Reklaim's priorities remain clear: maintain profitability, drive double-digit revenue growth, expand B2B distribution, and scale its consumer subscription base. With regulatory momentum providing tailwinds and new products expanding the addressable market, the Company is well-positioned to sustain responsible, profitable growth through the remainder of 2025.

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## 2. Cautionary Statement Regarding Forward-Looking Information

This MD&A contains forward-looking statements, other than statements of historical fact, that reflect management’s expectations and projections as of the date hereof. These include, but are not limited to, statements regarding user base growth, strategic partnerships, revenue development, business scaling, product and feature launches, user experience improvements, and overall business outlook.

Forward-looking statements are often identified by terms such as “will,” “may,” “should,” “continue,” “anticipate,” “believe,” “plan,” “estimate,” “project,” “expect,” and “intend.” These statements involve risks and uncertainties that may cause actual results to differ materially, including: failure to acquire or convert data accounts; stagnant user growth; inability to secure or maintain partnerships; limited revenue growth; inability to scale operations; failure to obtain user opt-in; delays or absence of new features or products; and challenges in executing the Company’s growth strategy.

These statements are intended to help stakeholders understand management’s current expectations but may not be suitable for other purposes. The Company undertakes no obligation to update or revise any forward-looking statements, except as required by law, and readers are cautioned not to place undue reliance on them.

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## 3. Company Overview

Reclaim is a privacy-first data platform that returns personal data control to consumers. Our mission is to make data transparency, protection, and monetization accessible to every individual.

### **Reclaim Rewards**

Consumers across North America can access their personal data through the Reclaim Rewards app, which is available on both iOS and Android.

This is Reclaim’s core data monetization offering. Consumers can opt in to share their data directly with brands, platforms, and advertising agencies in exchange for compensation. All data is explicitly consented to and compliant with evolving regulations, such as the CCPA and PIPEDA, as well as the 20 U.S. states that updated their privacy laws to require greater consumer inclusion.

Each data transaction generates a commission for Reklaim, creating a self-reinforcing flywheel: more users share data, more brands and platforms buy it, consumers earn more, and the platform grows.

## **Reklaim Protect**

Launched in May 2025, Reklaim Protect is a subscription-based service for consumers who prefer safeguarding their data rather than monetizing it. This new vertical enables users to remove their personal information from data broker and people-finder sites, as well as to monitor the dark web for signs of data exposure.

Reklaim Protect introduces a recurring revenue stream and expands the company's reach to a broader privacy-conscious audience.

Reklaim Rewards and Reklaim Protect enable Reklaim to serve both sides of the privacy spectrum, those who choose to **monetize** their data and those who choose to **protect** it, while driving long-term growth through diversified, privacy-compliant revenue streams.

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## 4. Q2-2025 Highlights

### **Financial Performance**

The Company continued to progress in all key aspects of the business, making significant investments in product and sales.

- Q3-2025 Revenue: \$1,099,363 down 26.1% YoY
- Q3-2025 EBITDA: (\$450,592) vs \$359,978 Q3-2024
- Gross margin: 75% vs. 81% in Q3-2024
- Cash Position Q3: \$400,002, down 4.5% from Q2-2025
- Q3-2025 Net income/(loss) : (\$514,636) vs \$260,896 in Q3-2024

For the quarter ended September 30, 2025, Reklaim reported revenue of \$1,099,363, representing a 26.1% year-over-year decrease and a 15.5% decrease QoQ. On a year-to-date basis, revenue grew 10.4% over the same period last year. This growth was primarily driven by rising demand for compliant consumer data from brands and agencies seeking to navigate increasingly strict privacy regulations.

Gross margin remained strong at 75%, down slightly from 81% in Q3 2024, as the company ramped up investment in infrastructure and product development, including the May 2025 launch of Reclaim Protect. Gross margin was impacted by the rapid increase in revenue from a third-party platform that distributes data to The Trade Desk at a lower margin. The Company has since integrated directly with The Trade Desk, eliminating the third party, which will allow Reclaim to reclaim this margin over the coming quarters.

These forward-looking investments, specifically in product, impacted near-term profitability. EBITDA was (\$450,592), compared to \$359,978 in Q3 2024. Total comprehensive income (loss), which factors in FX, was (\$429,223), compared to \$269,742\$ a year earlier. Net loss, excluding foreign exchange, was \$514,636.

The company ended the quarter with \$400,002 in cash, down marginally from Q2-25.

### **Regulatory Tailwinds and Market Positioning**

Reclaim is well-positioned as regulatory pressure accelerates across the U.S. data ecosystem. Since the first state-wide data-privacy law was passed, an increasing number of states have adopted comprehensive consumer-privacy legislation, and by 2025, 20 states had done so.

These states include early adopters like California, Virginia, Colorado, Connecticut, Utah, Florida, Texas, Oregon, and Montana, as well as more recent additions such as Delaware, Iowa, Nebraska, New Hampshire, New Jersey, Minnesota, Maryland, and Tennessee.

The expansion has created a patchwork of varied regulatory regimes: different consent standards, state-specific definitions of “sensitive data,” unique opt-out requirements, and divergent enforcement triggers. This regulatory fragmentation significantly increases the compliance burden for brands and platforms operating across multiple states.

In this environment, Reclaim has continued to strengthen its product offering, rolling out features like automated opt-outs for data brokers (e.g., for California and other states), real-time breach alerts, and compliance-oriented infrastructure, reinforcing its role as a trusted partner for agencies and Fortune 500 companies aiming to manage liability while preserving addressability in a fragmented, high-regulation landscape.

Advertising agencies and Fortune 500 companies increasingly seek partners with built-in compliance, transparency, and user consent. Reclaim’s ability to meet these evolving needs, through **Reclaim Rewards** (for monetization) and **Reclaim Protect** (for privacy), positions the company to win share from legacy operators unable to adapt to the new regulatory environment.

## 5. Business Strategy and Key Objectives

Reklaim is committed to growing responsibly and profitably by:

- Maintain business profitability
- Achieve profitable, double-digit, top-line revenue growth
- Maintain existing margins
- Expand data distribution with B2B partners
- Prioritize data verticals that require strict compliance (Sensitive Personal Information (SPI), Ethnicity, Health)
- Grow Reklaim's 'Protect' user base to contribute to Reklaim's profitability meaningfully

Profitability remains the Company's primary objective; however, sustained growth also requires disciplined investment in new products and capabilities. Reklaim will continue to grow at a pace aligned with its profitability and cash flow, while making strategic investments that are necessary to secure the Company's long-term competitiveness. At times, this may result in short-term pressure on earnings as the Company takes deliberate steps backward to create greater value and durability in the future.

We currently see no restrictions on our growth trajectory and expect this momentum to continue. At the same time, we recognize the challenges facing small-cap public companies, including access to capital, market volatility, and macroeconomic uncertainty, which can constrain performance. Reklaim believes that operating as a high-growth, profitable company, one that maintains control over its own strategic direction, is the only durable formula for success in this environment. Accordingly, the Company will continue to balance disciplined profitability with the targeted investments required to sustain growth and strengthen its competitive position over the long term.

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## 6. Platform Growth & Operations

### **B2B Expansion**

Reklaim's B2B expansion continues to accelerate with the addition of new platform partners offering Reklaim data to their client bases. This includes a strategic focus on the supply side of the ecosystem, where Supply Side Platforms (SSPs), which represent publishers, are increasingly seeking compliant data partners to enhance and differentiate their inventory.

This expansion is foundational to Reclaim’s Deal Revenue, which is directly tied to Reclaim data's presence within these SSPs. Much like a product gaining shelf space in a grocery store, the more platforms that carry Reclaim data, the greater the exposure and opportunity for revenue. Reclaim continues to add new “shelves” each quarter, increasing reach and positioning across the ecosystem.

### Data Augmentation

Reclaim partners with third parties to enhance their datasets with identifiers, attributes, or direct consent, enabling addressability in a privacy-regulated market.

### Accounts vs. Active Users

Reclaim integrates both directly acquired and third-party consented user data. Active users are those who interact with the Reclaim platform and manage their profiles. Reclaim does not “own” data; it facilitates ownership for the end consumer.

## 7. Financial Performance

### Revenue Breakdown

Revenue Stream	Q3-2025	Q3-2024	Change YoY
Total Revenue	\$1,099M	\$1,487	-26.1%
Margin	75%	82%	-7 pts

### Expense Summary

Expense Category	Q3-2025	Q3-2024	Change YoY
G&A	\$457K	\$348K	+31%
R&D	\$203K	\$146K	+38%
Sales & Business Development	\$511K	\$358K	+43%
Marketing	\$170K	\$100K	+70%

Total Operating Expenses	\$1.342M	\$953K	+41%
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General and administrative expenses increased \$109K for the three months ended September 30, 2025, over the same period in 2024, primarily due to the increased Salaries, Consulting, Legal, and Travel, offset by a decrease in interest and accretion expense.

Research and development expenses increased for the three months ending September 30, 2025, primarily due to increased headcount and consulting expenses around the launch of Reclaim Protect as well as Reclaim Invest. These expenses will not continue at this current trajectory moving forward.

Selling and business development expenses increased for the three months ended September 30, 2025. The increase was mainly driven by an increased investment in the sales team, with new hires and consultants added.

Marketing expenses increased for the three months ended September 30, 2025, compared to Q3 2024, primarily due to acquisition costs related to the launch of Jackpot in the USA and, subsequently, in Canada. These costs will reset to a considerably lower level as Jackpot increasingly becomes the default mechanism for redemption moving forward.

## 8. Cash Flows and Liquidity

During the quarter, non-cash working capital contributed \$342k, and proceeds from warrant exercises contributed \$36k to cash flow, offsetting the costs compared to Q2 2025. Ending cash: \$400K (consistent with Q2-2025)

- Operating cash flow: -\$182K
- Financing cash flow: -\$96K

### Outstanding Warrants

- Of the 7.5 million Reclaim warrants outstanding at \$0.10 at the beginning of Q3, 0.4 million were exercised, and 3.3 million expired, leaving 3.7 million outstanding at the end of Q3. The Company has an early exercise option should the VWAP exceed \$0.15 for 20 consecutive trading days.

## 9. Select Quarterly Results

	2025			2024			2023	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue	1,099,363	1,298,703	1,262,191	1,764,270	1,487,321	1,099,696	728,427	1,416,230
Cost of services	272,104	297,120	246,005	304,712	273,373	211,612	132,398	326,068
Gross profit	827,259	1,001,583	1,016,186	1,459,558	1,213,948	888,084	596,029	1,090,162
Total operating expenses	1,342,472	1,225,520	1,223,324	1,086,943	953,052	1,002,943	776,258	734,172
Other income	577	374	636	382	-	-	-	(80,031)
Net Income/(Loss)	(514,636)	(223,563)	(206,502)	372,997	260,896	(114,859)	(180,229)	275,959
Gross Margin (%)	75%	77%	81%	83%	82%	81%	82%	77%

The quarterly financial summary demonstrates steady revenue and margins. Margins are expected to stay within their current range moving forward.

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## 10. Accounting Policies

For a complete summary of significant accounting policies, see Note 2 in the audited financial statements for the year ended 2024.

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## 11. Judgments and Estimates

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its consolidated financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed continuously based on historical experience and other relevant factors. Revisions to estimates and the effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Note 2 (e) in the audited consolidated financial statements for the year ended 2024 reflects the critical judgments, estimates, and assumptions used to prepare the Company's consolidated financial statements.

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## 12. Risk Factors and Uncertainties

Reclaim is subject to several risk factors that could impact future performance, including:

- Evolving privacy regulations (CCPA, PIPEDA)
- Dependency on key personnel and strategic partners
- Cybersecurity risks and potential data breaches
- Currency fluctuations (USD exposure)
- Capital market volatility and overall small-cap visibility and liquidity
- IP protection and competitive infringement
- Foreign jurisdictional and compliance risk

The risk factors outlined in the Management's Discussion and Analysis (MD&A) for the year ended December 31, 2023, remain materially unchanged as of September 30, 2025. For a detailed discussion of the risks and uncertainties that could impact the Company's future performance, please refer to the "Risk Factors and Uncertainties" section of our MD&A for the year ended December 31, 2023.

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### 13. Financial Instruments & Risks

Reclaim has exposure to counterparty credit risk, liquidity risk, and market risk associated with its financial assets and liabilities. The Company's risk management program aims to mitigate potential adverse impacts on its financial performance and, ultimately, on shareholder value. The Company manages its risks and exposures through insurance, internal controls, and sound business practices.

- Credit Risk: Trade receivables are monitored with an expected credit loss model.

Credit risk arises from cash held with banks and trade receivables, which are subject to the expected credit loss model. The maximum exposure to credit risk equals the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company minimizes credit risk associated with cash by depositing it only with reputable financial institutions. It reduces the credit risk of trade receivables by monitoring the counterparty's creditworthiness and setting exposure limits.

*Trade accounts receivable*

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. Trade receivables have been grouped based on shared credit risk characteristics and the days past the transaction date to measure the expected credit losses. The expected loss rates are based on the payment profiles of sales made over the 24 months preceding September 30, 2025. Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that impact customers' ability to settle receivables. The Company has identified the creditworthiness of current and future customers, as well as the GDP and unemployment rates of the countries where it sells goods, as the most relevant factors. Accordingly, it adjusts the historical loss rates based on expected changes in these factors.

Trade receivables result from billings of services performed. The Company's credit risk arises from the possibility that a counterparty owing the Company money is unable or unwilling to meet its obligations under the Company's contracts, resulting in a financial loss for the Company.

The carrying amount of trade receivables is reduced through an allowance for credit losses, which is recognized in the consolidated statements of loss and comprehensive loss under the general and administrative expenses section. The Company closely monitors all receivable balances. When a balance is more than 180 days past the transaction date, the Company evaluates whether it is uncollectible. It is deemed uncollectible when the customer has ceased communication for more than 90 days or has communicated non-payment due to liquidity issues, and the Company does not believe other resources would be financially beneficial, and there is no reasonable expectation of recovery. When a receivable balance is considered uncollectible, it is written off against the allowance for credit loss. Subsequent recoveries of amounts previously written off reduce general and administrative expenses in the consolidated statements of loss and comprehensive loss.

As of September 30, 2025, it was determined that an allowance for credit losses of \$131,780 was required, compared to \$65,934 in Q2-2025. Additionally, uncollectible balances of \$nil (from December 31, 2024) were written off.

The aging of the Company's accounts receivable was as follows:

	<b>As at</b>	<b>As at</b>
	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Current	\$ 661,864	\$ 1,162,214
31 - 60 days	55,502	97,809
61 - 90 days	50,666	49,662
over 91 days	135,687	128,021
<b>Total accounts receivable</b>	<b>903,719</b>	<b>1,437,706</b>
<b>Allowance for credit loss</b>	<b>(131,780)</b>	<b>(72,261)</b>
	<b>\$ 771,939</b>	<b>\$ 1,365,445</b>

- Liquidity Risk: Forecast-driven cash management approach.

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk by continuously monitoring forecasts and actual cash flows and taking the necessary actions to maintain enough liquidity for operations and growth objectives.

The following table details the Company's contractual maturities (including interest payments where applicable) for its financial liabilities as of September 30, 2025, and December 31, 2024:

	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Total
<b>As at September 30, 2025</b>					
Trade and other liabilities	\$ 660,290	-	-	-	\$ 660,290
Contract liabilities	549	-	-	-	549
Loan payable	747	-	-	-	747
Secured debentures	-	-	-	-	-
Term loan	11,002	22,004	99,018	33,006	165,030
	<u>\$ 672,588</u>	<u>\$ 22,004</u>	<u>\$ 99,018</u>	<u>\$ 33,006</u>	<u>\$ 826,616</u>
<b>As at December 31, 2024</b>					
Trade and other liabilities	\$ 679,190	-	-	-	\$ 679,190
Loan Payable	747	1,494	5,232	-	7,473
Secured debentures	-	543,697	-	270,000	813,697
Term loan	11,002	22,004	99,018	117,773	249,797
	<u>\$ 690,939</u>	<u>\$ 567,195</u>	<u>\$ 104,250</u>	<u>\$ 387,773</u>	<u>\$ 1,750,157</u>

- Overall liabilities decreased by 53% from Q4 2024 to Q3 2025, primarily due to the repayment of the debenture.
- FX Risk: 10% CAD/USD fluctuation could impact earnings by \$341K.

The Company's financial instruments and the nature of the risks they may be subject to are set out in the following table.

	Risks			
	Credit	Liquidity	Market	
			Foreign Exchange	Interest Rate
Cash and cash equivalents	Yes		Yes	
Trade and other receivables	Yes		Yes	
Trade and other liabilities		Yes	Yes	
Loans payable		Yes		Yes
Secured debentures		Yes		Yes

The carrying values of cash and cash equivalents, trade and other receivables, trade and other liabilities, and short-term loan payables approximate their fair values due to their relatively short maturity periods.

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## 14. Capital Management

The Company seeks to balance capital preservation, liquidity, and long-term shareholder value. Capital includes common equity, debt, and warrants.

The Company's authorized share capital comprises an unlimited number of common shares without par value. The Company had the following securities outstanding as of June 30, 2025:

Common Shares	129,702,476 <i>(Q2:126,438,525)</i>
Warrants	3,716,190 <i>(Q2:7,456,930)</i>
Stock Options	8,510,800 <i>(Q2:11,729,021)</i>
Restricted Share Units	645,647
Fully Diluted	142,575,113 <i>((Q2:146,270,123)</i>

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## 15. Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of September 30, 2025.

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## 16. Related Party Transactions

Compensation for key management personnel, including the Company's officers and directors, was as follows for the three months ended September 30:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Salaries, benefits, and contractors	\$ 132,568	\$ 131,143	\$ 431,003	\$ 376,509
Stock based compensation	-	818	\$ 133,793	105,578
Board fees and related stock based compensation	-	-	-	66,000
<b>Total key management compensation</b>	<b>\$ 132,568</b>	<b>\$ 131,961</b>	<b>\$ 564,796</b>	<b>\$ 548,087</b>

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## 17. Management's Responsibility Statement

Management is responsible for the accuracy and integrity of the financial statements and this MD&A. Internal controls and procedures are in place to ensure reliability and compliance with IFRS.