

## BlackBerry Investor Relations Supplement

### GAAP Income Statement

#### (Three Months Ended)

	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25
Secure Communications	\$ 68	\$ 53	\$ 91	\$ 72	\$ 284	\$ 64	\$ 67	\$ 74
IoT	45	49	55	66	215	53	55	62
Software and Services	113	102	146	138	499	117	122	136
Licensing	235	4	6	15	260	6	3	7
<b>Revenue</b>	<b>348</b>	<b>106</b>	<b>152</b>	<b>153</b>	<b>759</b>	<b>123</b>	<b>125</b>	<b>143</b>
<b>Cost of Sales</b>	<b>176</b>	<b>30</b>	<b>33</b>	<b>31</b>	<b>270</b>	<b>33</b>	<b>38</b>	<b>31</b>
<b>Gross Margin</b>	<b>172</b>	<b>76</b>	<b>119</b>	<b>122</b>	<b>489</b>	<b>90</b>	<b>87</b>	<b>112</b>
<b>Operating expenses</b>								
Research and development	36	33	29	29	127	31	26	27
Sales and marketing	27	26	25	26	104	24	22	23
General and administrative	55	32	45	54	186	41	33	38
Amortization	8	8	6	5	27	5	5	4
Impairment of goodwill	-	-	-	35	35	-	-	-
Impairment of long-lived assets	-	1	9	2	12	3	-	1
Gain on sale of property, plant and equipment, net	-	-	-	-	-	-	-	-
Debtors fair value adjustment	22	(6)	(13)	-	3	-	-	-
Litigation settlement	-	-	-	-	-	-	-	-
Total operating expenses	148	94	101	151	494	104	86	93
<b>Operating Income (loss)</b>	<b>24</b>	<b>(18)</b>	<b>18</b>	<b>(29)</b>	<b>(5)</b>	<b>(14)</b>	<b>1</b>	<b>19</b>
Investment income, net	3	7	5	4	19	5	3	-
<b>Income (loss) before income taxes</b>	<b>27</b>	<b>(11)</b>	<b>23</b>	<b>(25)</b>	<b>14</b>	<b>(9)</b>	<b>4</b>	<b>19</b>
Provision for income taxes	3	2	15	4	24	8	1	7
<b>Income (loss) from continuing operations</b>	<b>24</b>	<b>(13)</b>	<b>8</b>	<b>(29)</b>	<b>(10)</b>	<b>(17)</b>	<b>3</b>	<b>12</b>
<b>Loss from discontinued operations, net of tax</b>	<b>(35)</b>	<b>(29)</b>	<b>(29)</b>	<b>(27)</b>	<b>(120)</b>	<b>(25)</b>	<b>(22)</b>	<b>(23)</b>
<b>Net Loss</b>	<b>\$ (11)</b>	<b>\$ (42)</b>	<b>\$ (21)</b>	<b>\$ (56)</b>	<b>\$ (130)</b>	<b>\$ (42)</b>	<b>\$ (19)</b>	<b>\$ (11)</b>
<b>Earnings (loss) per share</b>								
Total basic earnings (loss) per share	\$ (0.02)	\$ (0.07)	\$ (0.04)	\$ (0.10)	\$ (0.22)	\$ (0.07)	\$ (0.03)	\$ (0.02)
Diluted basic earnings (loss) per share	\$ (0.02)	\$ (0.07)	\$ (0.05)	\$ (0.10)	\$ (0.22)	\$ (0.07)	\$ (0.03)	\$ (0.02)
<b>Weighted-average number of common shares outstanding (000s)</b>								
Basic	582,812	583,524	584,331	587,523	584,543	589,821	590,549	591,240
Diluted	582,812	583,524	638,470	587,523	584,543	589,821	590,549	593,530

### Discontinued Operations

	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25
<b>Revenue</b>	\$ 25	\$ 26	\$ 23	\$ 20	\$ 94	\$ 21	\$ 20	\$ 19
<b>Cost of Sales</b>	16	15	13	11	55	13	12	11
<b>Gross Margin</b>	<b>9</b>	<b>11</b>	<b>10</b>	<b>9</b>	<b>39</b>	<b>8</b>	<b>8</b>	<b>8</b>
<b>Operating expenses</b>								
Research and development	15	13	10	8	46	9	9	9
Sales and marketing	16	15	15	14	60	13	11	11
General and administrative	6	6	5	5	22	4	4	4
Amortization	7	6	7	7	27	7	6	7
Impairment of long-lived assets	-	-	2	2	4	0	-	-
Total operating expenses	44	40	39	36	159	33	30	31
<b>Operating Loss</b>	<b>(35)</b>	<b>(29)</b>	<b>(29)</b>	<b>(27)</b>	<b>(120)</b>	<b>(25)</b>	<b>(22)</b>	<b>(23)</b>
<b>Provision for income taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loss from discontinued operations</b>	<b>\$ (35)</b>	<b>\$ (29)</b>	<b>\$ (29)</b>	<b>\$ (27)</b>	<b>\$ (120)</b>	<b>\$ (25)</b>	<b>\$ (22)</b>	<b>\$ (23)</b>

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### Segment Gross Margin and EBITDA (Three Months Ended)

	<u>Q1FY24</u>	<u>Q2FY24</u>	<u>Q3FY24</u>	<u>Q4FY24</u>	<u>FY24</u>	<u>Q1FY25</u>	<u>Q2FY25</u>	<u>Q3FY25</u>
<b>Secure Communications</b>								
Segment revenue	\$ 68	\$ 53	\$ 91	\$ 72	\$ 284	\$ 64	\$ 67	\$ 74
Segment cost of sales	20	19	23	19	81	21	26	20
Segment gross margin	48	34	68	53	203	43	41	54
<i>Segment gross margin %</i>	71%	64%	75%	74%	71%	67%	61%	73%
Segment research and development	17	15	12	12	56	12	12	11
Segment sales and marketing	16	15	15	12	58	12	11	12
Segment general and administrative	13	13	9	12	47	10	11	10
Less amortization included in the above	1	2	1	1	5	1	1	1
Total Secure Communications Segment EBITDA	3	-7	33	18	47	10	8	22
<b>IoT</b>								
Segment revenue	45	49	55	66	\$ 215	53	55	62
Segment cost of sales	8	8	8	10	34	9	10	9
Segment gross margin	37	41	47	56	181	44	45	53
<i>Segment gross margin %</i>	82%	84%	85%	85%	84%	83%	82%	85%
Segment research and development	17	17	15	15	64	17	14	16
Segment sales and marketing	11	10	10	12	43	11	10	11
Segment general and administrative	11	11	10	11	43	8	8	9
Less amortization included in the above	1	1	-	1	3	1	-	1
Total IoT Segment EBITDA	(1)	4	12	19	34	9	13	18
<b>Licensing</b>								
Segment revenue	235	4	6	15	\$ 260	6	3	7
Segment cost of sales	147	2	1	2	152	2	1	2
Segment gross margin	88	2	5	13	108	4	2	5
<i>Segment gross margin %</i>	37%	50%	83%	87%	42%	67%	67%	71%
Segment research and development	-	-	-	-	-	-	-	-
Segment sales and marketing	-	-	-	-	-	-	-	-
Segment general and administrative	9	4	6	4	23	2	2	1
Less amortization included in the above	3	2	3	2	10	2	2	2
Total Licensing Segment EBITDA	82	0	2	11	95	4	2	6
<b>Total Segment Gross Margin</b>	<b>173</b>	<b>77</b>	<b>120</b>	<b>122</b>	<b>492</b>	<b>91</b>	<b>88</b>	<b>112</b>
Adjustment to cost of sales	(1)	(1)	(1)	-	(3)	(1)	(1)	-
<b>Total Gross Margin</b>	<b>\$ 172</b>	<b>\$ 76</b>	<b>\$ 119</b>	<b>\$ 122</b>	<b>\$ 489</b>	<b>\$ 90</b>	<b>\$ 87</b>	<b>\$ 112</b>

### Key Metrics (Three Months Ended)

	<u>Q1FY24</u>	<u>Q2FY24</u>	<u>Q3FY24</u>	<u>Q4FY24</u>		<u>Q1FY25</u>	<u>Q2FY25</u>	<u>Q3FY25</u>
Cybersecurity Annual Recurring Revenue	\$ 289	\$ 279	\$ 273	\$ 280		\$ 285	\$ 279	\$ 281
Cybersecurity Dollar-Based Net Retention Rate	81%	81%	82%	85%		87%	88%	90%
Secure Communications Annual Recurring Revenue	\$ 199	\$ 198	\$ 199	\$ 202		\$ 211	\$ 209	\$ 215
Secure Communications Dollar-Based Net Retention Rate	89%	91%	91%	91%		93%	93%	95%
Cybersecurity Total Contract Value Billings	\$ 122	\$ 74	\$ 109	\$ 91		\$ 91	\$ 91	\$ 91
QNX Royalty Backlog				815				

### Net cash provided by (used in) operating activities

	<u>Q1FY24</u>	<u>Q2FY24</u>	<u>Q3FY24</u>	<u>Q4FY24</u>	<u>FY24</u>	<u>Q1FY25</u>	<u>Q2FY25</u>	<u>Q3FY25</u>
Net cash provided by (used in) operating activities	99	(56)	(31)	(15)	(3)	(15)	(13)	3
Acquisition of property, plant and equipment	(2)	(1)	(2)	(2)	(7)	(1)	(2)	-
<b>Free cash flow (usage)</b>	<b>\$ 97</b>	<b>\$ (57)</b>	<b>\$ (33)</b>	<b>\$ (17)</b>	<b>\$ (10)</b>	<b>\$ (16)</b>	<b>\$ (15)</b>	<b>\$ 3</b>

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Adjusted EBITDA	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25
Net loss	\$ (11)	\$ (42)	\$ (21)	\$ (56)	\$ (130)	\$ (42)	\$ (19)	\$ (11)
Non-GAAP adjustments to operating loss								
Restructuring charges	5	3	9	20	37	8	1	7
Stock compensation expense	9	11	8	5	33	8	7	6
Prior Debentures fair value adjustment	22	(6)	(13)	-	3	-	-	-
Acquired intangibles amortization	10	10	9	8	38	8	9	9
Impairment of goodwill	-	-	-	35	35	-	-	-
Impairment of long-lived assets	-	1	11	4	15	3	-	1
Total Non-GAAP adjustments	46	19	24	72	161	27	17	23
Amortization	16	16	14	13	59	13	13	13
Acquired intangibles amortization	(10)	(10)	(9)	(8)	(38)	(8)	(9)	(9)
Investment Income	(3)	(7)	(5)	(4)	(19)	(5)	(3)	-
Provision for income taxes	3	2	15	4	24	8	1	7
<b>Total Company Adjusted EBITDA</b>	<b>\$ 41</b>	<b>\$ (22)</b>	<b>\$ 18</b>	<b>\$ 21</b>	<b>\$ 57</b>	<b>\$ (7)</b>	<b>\$ -</b>	<b>\$ 23</b>
Less:								
IoT Segment EBITDA	(1)	4	12	19	34	9	13	18
Licensing Segment EBITDA	82	-	2	11	95	4	2	6
Corporate general and administrative expense	(16)	3	(10)	(10)	(34)	(13)	(9)	(9)
<b>Total Cybersecurity Adjusted EBITDA</b>	<b>\$ (24)</b>	<b>\$ (29)</b>	<b>\$ 14</b>	<b>\$ 1</b>	<b>\$ (38)</b>	<b>\$ (7)</b>	<b>\$ (6)</b>	<b>\$ 8</b>

Non-GAAP Adjustments on continuing operations (Three Months Ended)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25
Prior Debentures fair value adjustment	22	(6)	(13)	-	3	-	-	-
Restructuring charges	5	3	9	20	37	8	1	7
Stock compensation expense	8	10	7	4	29	7	5	4
Acquired intangibles amortization	3	4	2	1	10	1	3	2
Impairment of goodwill	-	-	-	35	35	-	-	-
Impairment of long-lived assets	-	1	9	2	12	3	-	1
<b>Total Non-GAAP Adjustments on continuing operations</b>	<b>\$ 38</b>	<b>\$ 12</b>	<b>\$ 14</b>	<b>\$ 62</b>	<b>\$ 126</b>	<b>\$ 19</b>	<b>\$ 9</b>	<b>\$ 14</b>
<b>Non-GAAP Adjustments on discontinued operations</b>								
Stock based Compensation	1	1	1	1	4	1	2	2
Impairment of long-lived assets	-	-	2	2	4	-	-	-
Acquired intangibles amortization	7	6	7	7	27	7	6	7
<b>Total Non-GAAP Adjustments on discontinued operations</b>	<b>\$ 8</b>	<b>\$ 7</b>	<b>\$ 10</b>	<b>\$ 10</b>	<b>\$ 35</b>	<b>\$ 8</b>	<b>\$ 8</b>	<b>\$ 9</b>
<b>Total Company Non-GAAP Adjustments</b>	<b>\$ 46</b>	<b>\$ 19</b>	<b>\$ 24</b>	<b>\$ 72</b>	<b>\$ 161</b>	<b>\$ 27</b>	<b>\$ 17</b>	<b>\$ 23</b>

Adjusted EBITDA, and free cash flow (usage) do not have standardized meanings prescribed by GAAP and thus are not comparable to similarly titled measures presented by other issuers.

The Company believes that the presentation of these non-GAAP measures enables the Company and its shareholders to better assess the Company's operating results relative to its operating results in prior periods and improves the comparability of the information presented. This non-GAAP information should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. You are encouraged to review the Company's filings on SEDAR+ and EDGAR. The company makes no commitment to update the information above subsequently.

Key metrics such as Annual Recurring Revenue ("ARR"), Dollar-Based Net Retention Rate ("DBNRR") and QNX Royalty Backlog do not have standardized meanings are unlikely to be comparable to similarly titled measures reported by other companies. The Company regularly monitors a number of financial and operating metrics, including key metrics, in order to measure the Company's current performance and estimate future performance.