

## BlackBerry Investor Relations Supplement

### GAAP Income Statement (Three Months Ended)

	Q1FY22	Q2FY22	Q3FY22	Q4FY22	FY22	Q1FY23	Q2FY23
Cybersecurity	\$ 107	\$ 120	\$ 128	\$ 122	\$ 477	\$ 113	\$ 111
IoT	43	40	43	52	178	51	51
Software and Services	150	160	171	174	655	164	162
Licensing and Other	24	15	13	11	63	4	6
<b>Revenue</b>	<b>174</b>	<b>175</b>	<b>184</b>	<b>185</b>	<b>718</b>	<b>168</b>	<b>168</b>
<b>Cost of Sales</b>	<b>60</b>	<b>63</b>	<b>67</b>	<b>61</b>	<b>251</b>	<b>64</b>	<b>62</b>
<b>Gross Margin</b>	<b>114</b>	<b>112</b>	<b>117</b>	<b>124</b>	<b>467</b>	<b>104</b>	<b>106</b>
<b>Operating expenses</b>					-		
Research and development	57	58	57	47	219	53	54
Selling, marketing and administration	73	83	77	64	297	82	86
Amortization	46	45	42	32	165	27	25
Impairment of long-lived assets	-	-	-	-	-	-	4
Gain on sale of property, plant and equipment, net	-	-	-	-	-	-	(6)
Debentures fair value adjustment	(4)	67	(110)	(165)	(212)	(46)	(10)
Litigation settlement	-	-	-	-	-	165	-
Total operating expenses	172	253	66	(22)	469	281	153
<b>Operating Income (Loss)</b>	<b>(58)</b>	<b>(141)</b>	<b>51</b>	<b>146</b>	<b>(2)</b>	<b>(177)</b>	<b>(47)</b>
Investment income (loss), net	(2)	(1)	25	(1)	21	(1)	(2)
<b>Income (Loss) before income taxes</b>	<b>(60)</b>	<b>(142)</b>	<b>76</b>	<b>145</b>	<b>19</b>	<b>(178)</b>	<b>(49)</b>
Provision for income taxes	2	2	2	1	7	3	5
<b>Net Income (Loss)</b>	<b>\$ (62)</b>	<b>\$ (144)</b>	<b>\$ 74</b>	<b>\$ 144</b>	<b>\$ 12</b>	<b>\$ (181)</b>	<b>\$ (54)</b>
<b>Earnings (Loss) per share</b>							
Basic earnings (loss) per share	\$ (0.11)	\$ (0.25)	\$ 0.13	\$ 0.25	\$ 0.02	\$ (0.31)	\$ (0.09)
Diluted loss per share	\$ (0.11)	\$ (0.25)	\$ (0.05)	\$ (0.03)	\$ (0.31)	\$ (0.35)	\$ (0.10)
<b>Weighted-average number of common shares outstanding (000s)</b>							
Basic	567,358	568,082	571,138	575,883	570,607	576,877	577,314
Diluted	567,358	568,082	631,971	636,716	631,440	637,710	638,147

### Segment Gross Margin (Three Months Ended)

	Q1FY22	Q2FY22	Q3FY22	Q4FY22	FY22	Q1FY23	Q2FY23
<b>Cybersecurity</b>							
Segment revenue	\$ 107	\$ 120	\$ 128	\$ 122	\$ 477	\$ 113	\$ 111
Segment cost of sales	46	49	52	47	194	53	50
Segment gross margin	61	71	76	75	283	60	61
Segment gross margin %	57%	59%	59%	61%	59%	53%	55%
<b>IoT</b>							
Segment revenue	43	40	43	52	178	51	51
Segment cost of sales	7	7	8	8	30	8	9
Segment gross margin	36	33	35	44	148	43	42
Segment gross margin %	84%	83%	81%	85%	83%	84%	82%
<b>Licensing and Other</b>							
Segment revenue	24	15	13	11	63	4	6
Segment cost of sales	6	6	6	5	23	2	2
Segment gross margin	18	9	7	6	40	2	4
Segment gross margin %	75%	60%	54%	55%	63%	50%	67%
<b>Total Segment Gross Margin</b>	<b>115</b>	<b>113</b>	<b>118</b>	<b>125</b>	<b>471</b>	<b>105</b>	<b>107</b>
Adjustment to cost of sales	(1)	(1)	(1)	(1)	(4)	(1)	(1)
<b>Total Gross Margin</b>	<b>\$ 114</b>	<b>\$ 112</b>	<b>\$ 117</b>	<b>\$ 124</b>	<b>\$ 467</b>	<b>\$ 104</b>	<b>\$ 106</b>

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### Key Metrics (Three Months Ended)

	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>		<u>Q1FY23</u>	<u>Q2FY23</u>
Cybersecurity Annual Recurring Revenue	\$ 364	\$ 364	\$ 358	\$ 347		\$ 334	\$ 321
Cybersecurity Dollar-Based Net Retention Rate	94%	95%	95%	91%		88%	85%
Cybersecurity Total Contract Value Billings	\$ 77	\$ 104	\$ 112	\$ 125		\$ 89	\$ 102
QNX Royalty Revenue Backlog	\$ 490					\$ 560	

### Non-GAAP Income Statement (Three Months Ended)

	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
Cybersecurity	\$ 107	\$ 120	\$ 128	\$ 122	\$ 477	\$ 113	\$ 111
IoT	43	40	43	52	178	51	51
Software and Services	150	160	171	174	655	164	162
Licensing and Other	24	15	13	11	63	4	6
<b>Revenue</b>	<b>174</b>	<b>175</b>	<b>184</b>	<b>185</b>	<b>718</b>	<b>168</b>	<b>168</b>
<b>Cost of Sales</b>	<b>59</b>	<b>62</b>	<b>66</b>	<b>60</b>	<b>247</b>	<b>63</b>	<b>61</b>
<b>Adjusted Gross Margin</b>	<b>115</b>	<b>113</b>	<b>118</b>	<b>125</b>	<b>471</b>	<b>105</b>	<b>107</b>
<b>Operating expenses</b>							
Research and development	55	56	55	45	211	51	52
Selling, marketing and administration	69	74	74	62	279	77	80
Amortization	14	13	13	10	50	4	3
Gain on sale of property, plant and equipment, net	-	-	-	-	-	-	(6)
Total adjusted operating expenses	138	143	142	117	540	132	129
<b>Adjusted Operating Income (Loss)</b>	<b>(23)</b>	<b>(30)</b>	<b>(24)</b>	<b>8</b>	<b>(69)</b>	<b>(27)</b>	<b>(22)</b>
Investment income (loss), net	(2)	(1)	25	(1)	21	(1)	(2)
<b>Adjusted Income (Loss) before income taxes</b>	<b>(25)</b>	<b>(31)</b>	<b>1</b>	<b>7</b>	<b>(48)</b>	<b>(28)</b>	<b>(24)</b>
Provision for income taxes	2	2	2	1	7	3	5
<b>Adjusted Net Income (Loss)</b>	<b>\$ (27)</b>	<b>\$ (33)</b>	<b>\$ (1)</b>	<b>\$ 6</b>	<b>\$ (55)</b>	<b>\$ (31)</b>	<b>\$ (29)</b>
<b>Adjusted EBITDA</b>	<b>\$ (6)</b>	<b>\$ (14)</b>	<b>\$ (8)</b>	<b>\$ 20</b>	<b>\$ (8)</b>	<b>\$ (21)</b>	<b>\$ (16)</b>
<b>Adjusted earnings (loss) per share</b>							
Basic and diluted earnings (loss) per share	\$ (0.05)	\$ (0.06)	\$ (0.00)	\$ 0.01	\$ (0.10)	\$ (0.05)	\$ (0.05)

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### Reconciliation of non-GAAP based measures with most directly comparable U.S. GAAP based measures

<b>Non-GAAP Adjustments (Three Months Ended)</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
Debentures fair value adjustment	(4)	67	(110)	(165)	(212)	(46)	(10)
Restructuring charges	-	-	-	-	-	1	3
Stock compensation expense	7	12	6	5	30	7	6
Acquired intangibles amortization	32	32	29	22	115	23	22
LLA impairment charge	-	-	-	-	-	-	4
Litigation settlement	-	-	-	-	-	165	-
<b>Total Non-GAAP Adjustments</b>	<b>\$ 35</b>	<b>\$ 111</b>	<b>\$ (75)</b>	<b>\$ (138)</b>	<b>\$ (67)</b>	<b>\$ 150</b>	<b>\$ 25</b>
<b>Adjusted Gross Margin</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
GAAP revenue	\$ 174	\$ 175	\$ 184	\$ 185	\$ 718	\$ 168	\$ 168
Total cost of sales	60	63	67	61	251	64	62
Non-GAAP adjustments to cost of sales	(1)	(1)	(1)	(1)	(4)	(1)	(1)
<b>Adjusted Gross Margin</b>	<b>\$ 115</b>	<b>\$ 113</b>	<b>\$ 118</b>	<b>\$ 125</b>	<b>\$ 471</b>	<b>\$ 105</b>	<b>\$ 107</b>
<b>Adjusted Gross Margin %</b>	<b>66%</b>	<b>65%</b>	<b>64%</b>	<b>68%</b>	<b>66%</b>	<b>63%</b>	<b>64%</b>
<b>Research and development</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
GAAP research and development expense	\$ 57	\$ 58	\$ 57	\$ 47	\$ 219	\$ 53	\$ 54
Stock compensation expense	2	2	2	2	8	2	2
<b>Adjusted research and development expense</b>	<b>\$ 55</b>	<b>\$ 56</b>	<b>\$ 55</b>	<b>\$ 45</b>	<b>\$ 211</b>	<b>\$ 51</b>	<b>\$ 52</b>
<b>Selling, marketing and administration</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
GAAP selling, marketing and administration expense	\$ 73	\$ 83	\$ 77	\$ 64	\$ 297	\$ 82	\$ 86
Restructuring charges	-	-	-	-	-	1	3
Stock compensation expense	4	9	3	2	18	4	3
<b>Adjusted selling, marketing and administration expense</b>	<b>\$ 69</b>	<b>\$ 74</b>	<b>\$ 74</b>	<b>\$ 62</b>	<b>\$ 279</b>	<b>\$ 77</b>	<b>\$ 80</b>
<b>Amortization</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
GAAP amortization expense	\$ 46	\$ 45	\$ 42	\$ 32	\$ 165	\$ 27	\$ 25
Acquired intangibles amortization	32	32	29	22	115	23	22
<b>Adjusted amortization expense</b>	<b>\$ 14</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 10</b>	<b>\$ 50</b>	<b>\$ 4</b>	<b>\$ 3</b>
<b>Adjusted EBITDA</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
GAAP operating income (loss)	\$ (58)	\$ (141)	\$ 51	\$ 146	\$ (2)	\$ (177)	\$ (47)
Non-GAAP adjustments to operating income (loss)	35	111	(75)	(138)	(67)	150	25
Adjusted operating income (loss)	(23)	(30)	(24)	8	(69)	(27)	(22)
Amortization	49	48	45	34	176	29	28
Acquired intangibles amortization	(32)	(32)	(29)	(22)	(115)	(23)	(22)
<b>Adjusted EBITDA</b>	<b>\$ (6)</b>	<b>\$ (14)</b>	<b>\$ (8)</b>	<b>\$ 20</b>	<b>\$ (8)</b>	<b>\$ (21)</b>	<b>\$ (16)</b>
<b>Reconciliation from GAAP Net Income (Loss) to Adjusted Net Income (Loss) and Adjusted Earnings (Loss) per Share</b>	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
GAAP net income (loss)	\$ (62)	\$ (144)	\$ 74	\$ 144	\$ 12	\$ (181)	\$ (54)
Total Non-GAAP adjustments (Three months ended, after-tax)	35	111	(75)	(138)	(67)	150	25
<b>Adjusted Net Income (Loss)</b>	<b>\$ (27)</b>	<b>\$ (33)</b>	<b>\$ (1)</b>	<b>\$ 6</b>	<b>\$ (55)</b>	<b>\$ (31)</b>	<b>\$ (29)</b>
<b>Adjusted Earnings (Loss) per Share</b>	<b>\$ (0.05)</b>	<b>\$ (0.06)</b>	<b>\$ (0.00)</b>	<b>\$ 0.01</b>	<b>\$ (0.10)</b>	<b>\$ (0.05)</b>	<b>\$ (0.05)</b>
Shares outstanding for adjusted earnings (loss) per share reconciliation	567,358	568,082	571,138	575,883	570,607	576,877	577,314

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### Pre-Tax Restructuring Details

Restructuring charges	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
Cost of Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Selling, marketing and administration	-	-	-	-	-	1	3
<b>Total restructuring charges</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 3</b>

### Amortization of Intangibles and Property, Plant and Equipment Details

	<u>Q1FY22</u>	<u>Q2FY22</u>	<u>Q3FY22</u>	<u>Q4FY22</u>	<u>FY22</u>	<u>Q1FY23</u>	<u>Q2FY23</u>
<b>Cost of sales amortization</b>							
Property, plant and equipment	\$ 1	\$ 1	\$ -	\$ 1	\$ 3	\$ -	\$ 2
Intangible assets	2	2	3	1	8	2	1
Total in cost of sales amortization	3	3	3	2	11	2	3
<b>Operating expenses amortization</b>							
Property, plant and equipment	3	3	4	2	12	4	1
Intangible assets	43	42	38	30	153	23	24
Total in operating expenses amortization	46	45	42	32	165	27	25
<b>Total amortization</b>							
Property, plant and equipment	4	4	4	3	15	4	3
Intangible assets	45	44	41	31	161	25	25
<b>Total amortization</b>	<b>\$ 49</b>	<b>\$ 48</b>	<b>\$ 45</b>	<b>\$ 34</b>	<b>\$ 176</b>	<b>\$ 29</b>	<b>\$ 28</b>

Adjusted income (loss) before income taxes, adjusted net income (loss), adjusted Gross Margin, adjusted gross margin percentage, adjusted Operating Income (Loss), adjusted Net Income (Loss), adjusted EBITDA, and adjusted Earnings (Loss) Per Share, adjusted research and development expense, adjusted selling, marketing and administrative expense, and adjusted amortization expense do not have a standardized meaning 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 and non-GAAP ratios 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"), Cybersecurity total contract value ("TCV") billings and QNX Royalty Revenue Backlog do not have a standardized meaning and 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.