Investor Update

TUESDAY, FEBRUARY 13, 2024



Intelligent Security. Everywhere.

Safe Harbor Statement

Some of the statements made during this presentation constitute forward-looking statements and are made pursuant to the safe harbor provisions of applicable U.S. and Canadian securities laws.

Forward-looking statements are indicated by using words such as expect, will, should, model, intend, believe and similar expressions. Forward-looking statements are based on estimates and assumptions made by the company in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors that the company believes are relevant.

Many factors could cause the company's actual results or performance to differ materially from those expressed or implied by the forward-looking statements, including the risk factors that are discussed in the company's annual report on Form 10-K and in our MD&A.

You should not place undue reliance on the company's forward-looking statements. Any forward-looking statements are made only as of today and the company has no intention and undertakes no obligation to update or revise any of them, except as required by law.

This presentation includes certain non-GAAP measures. We believe that these non-GAAP measures, which may be defined differently by other companies, explain our results of operations in a manner that allows for a more complete understanding of the underlying trends in our business. However, these measures should not be viewed as a substitute for those determined in accordance with GAAP. For a reconciliation between the non-GAAP measures used in this presentation and our GAAP results, please see our Q3 Fiscal 2024 earnings press release available through our website and on EDGAR and SEDAR+.

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Recap on our Corporate Objectives

Full separation of IoT and Cybersecurity divisions

- Standalone divisions with thin Corporate layer
- Greater optionality for enhancing shareholder value

Move quickly to profitability and positive cash flow

- Optimize cost profile

Estimated Q4 FY24 opex as % of revenue

- Research & Development	30%	→	~20%
- Sales & Marketing	27%		
- General & Administrative	20%	→	~10-12%



36
Office Locations



12
R&D Locations

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Progress Made on Path to Profitability

Prior quarter: ~$50M annualized cost savings actioned ✓

- Majority in Cybersecurity division
- Included: ~200 HC reductions
  - Facilities rationalization

Target: Additional $100M annualized net profit improvements

- Predominantly cost reductions, but some operating leverage

Current quarter: ~$55M annualized savings identified and to be actioned

- ~$35M from Cybersecurity: Combination of HC (~$25M) and non-HC (~$10M)
- ~$20M from G&A: Facilities (~$7M), HC (~$13M), and other efficiencies

Cybersecurity division going forward: Streamlined, agile, focused

Reiterating Cyber ARR stabilization & Total Company Q4 revenue outlook: $150M - $159M

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Expected Return to Positive Cash Flow

Operating cash flow usage:

Q2 FY24: -$56M Q3 FY24: -$31M

- Further sequential improvement expected in current quarter (Q4 FY24)

Return to positive operating cash flow in FY25:

- First fiscal quarter is seasonal low point for BlackBerry
- Sequential improvements expected in Q2’25 and Q3’25
- Expect positive operating cash flow in Q4 FY25
- Expect to maintain positive net cash balance

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Progress Made in Separating the Divisions

Establishment of Divisional Leadership Teams

- Appointed Divisional CFOs, CPOs and General Counsel
- Work in progress to establish divisional G&A teams

Leveraging expertise of leading consultancy firm: Alvarez and Marsal

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Solid Balance Sheet

Successfully raised long-term, debt financing

- As previously communicated, replaced expiring debt with longer-term debt
- Pleased with strong level of interest: Raised $200M

45% reduction in level of debt compared to $365M that expired November 2023

Company well-positioned with solid balance sheet

- Long-term financing in place
- Expect return to positive cash flow in Q4 of coming fiscal year

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Key takeaways

- **Significant progress made in path to profitability**
  - **~$50M of annualized savings enacted in prior quarter**
  - **Additional $100M target set for annualized improvements**
  - **~$55M of which identified and to be actioned this quarter**
- **Expect positive operating cash flow in Q4 FY25**
- **Solid balance sheet, with long-term debt financing now in place**
- **Progress made in separation of divisions**

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Q&A

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