

BlackBerry Investor Relations Supplement

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP Income Statement										
(Three Months Ended)										
QNX	\$ 53.2	\$ 54.7	\$ 62.3	\$ 65.8	\$ 236.0	\$ 57.5	\$ 63.1	\$ 68.7	\$ 78.7	\$ 268.0
Secure Communications	64.2	66.5	74.6	67.3	272.6	59.5	59.9	67.0	72.5	258.9
Software and Services	117.4	121.2	136.9	133.1	508.6	117.0	123.0	135.7	151.2	526.9
Licensing	6.0	5.0	6.7	8.6	26.3	4.7	6.6	6.1	4.8	22.2
Revenue	123.4	126.2	143.6	141.7	534.9	121.7	129.6	141.8	156.0	549.1
Cost of Sales	33.4	37.6	31.4	37.6	140.0	31.4	33.0	31.9	34.6	130.9
Gross Margin	90.0	88.6	112.2	104.1	394.9	90.3	96.6	109.9	121.4	418.2
Operating expenses										
Research and development	30.6	27.1	27.9	23.2	108.8	25.0	25.6	29.6	33.4	113.6
Sales and marketing	23.8	21.3	23.4	27.1	95.5	28.7	24.4	29.3	31.6	114.0
General and administrative	40.3	32.8	36.4	50.0	159.7	30.5	31.5	36.1	30.7	128.8
Amortization	4.7	4.6	4.4	4.1	17.7	4.0	3.1	2.4	1.9	11.4
Impairment of long-lived assets	3.5	0.6	0.6	4.9	9.6	0.1	0.5	0.6	0.9	2.1
Litigation settlement	-	-	-	2.8	2.8	-	-	-	-	-
Total operating expenses	102.9	86.4	92.7	112.1	394.1	88.3	85.1	98.0	98.5	369.9
Operating income (loss)	(12.9)	2.2	19.5	(8.0)	0.8	2.0	11.5	11.9	22.9	48.3
Investment income (loss), net	4.0	2.7	(0.6)	1.6	7.7	2.9	1.9	2.9	3.0	10.7
Income (loss) before income taxes	(8.9)	4.9	18.9	(6.4)	8.5	4.9	13.4	14.8	25.9	59.0
Provision for income taxes	7.6	1.4	6.6	1.4	17.0	3.0	0.1	1.1	1.6	5.8
Income (loss) from continuing operations	(16.5)	3.5	12.3	(7.8)	(8.5)	1.9	13.3	13.7	24.3	53.2
Income (loss) from discontinued operations, net of tax	(24.9)	(23.2)	(22.8)	0.4	(70.5)	-	-	-	-	-
Net income (loss)	\$ (41.4)	\$ (19.7)	\$ (10.5)	\$ (7.4)	\$ (79.0)	\$ 1.9	\$ 13.3	\$ 13.7	\$ 24.3	\$ 53.2
Earnings (loss) per share										
Total basic earnings (loss) per share	\$ (0.07)	\$ (0.03)	\$ (0.02)	\$ (0.01)	\$ (0.13)	\$ 0.00	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.09
Diluted basic earnings (loss) per share	\$ (0.07)	\$ (0.03)	\$ (0.02)	\$ (0.01)	\$ (0.13)	\$ 0.00	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.09
Weighted-average number of common shares outstanding (000s)										
Basic	589,821	590,549	591,240	594,267	591,470	596,300	592,938	590,892	588,783	592,251
Diluted	589,821	591,610	593,530	594,267	591,470	600,831	597,369	596,303	643,613	597,585

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

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
QNX										
Segment revenue	\$ 53.2	\$ 54.7	\$ 62.3	\$ 65.8	\$ 236.0	\$ 57.5	\$ 63.1	\$ 68.7	\$ 78.7	\$ 268.0
Segment cost of sales	9.5	9.3	8.9	11.1	38.8	11.2	10.7	11.3	12.2	45.4
Segment adjusted gross margin	43.7	45.4	53.4	54.7	197.2	46.3	52.4	57.4	66.5	222.6
Segment adjusted gross margin %	82%	83%	86%	83%	84%	81%	83%	84%	84%	83%
Segment research and development	16.2	14.6	15.6	12.9	59.3	12.3	13.0	16.8	19.6	61.7
Segment sales and marketing	10.7	9.7	11.6	14.4	46.4	13.2	10.7	15.3	17.0	56.2
Segment general and administrative	7.9	8.0	8.3	8.2	32.4	8.1	8.2	9.0	8.5	33.8
Less amortization included in segment cost of sales	-	-	-	-	-	-	-	0.1	-	0.1
QNX Segment Adjusted EBITDA	8.9	13.1	17.9	19.2	59.1	12.7	20.5	16.4	21.4	71.0
Secure Communications										
Segment revenue	64.2	66.5	74.6	67.3	272.6	59.5	59.9	67.0	72.5	258.9
Segment cost of sales	21.8	26.1	20.3	24.5	92.7	18.1	20.2	18.6	20.3	77.2
Segment adjusted gross margin	42.4	40.4	54.3	42.8	179.9	41.4	39.7	48.4	52.2	181.7
Segment adjusted gross margin %	66%	61%	73%	64%	66%	70%	66%	72%	72%	70%
Segment research and development	12.2	11.6	11.0	9.0	43.8	11.2	11.0	11.3	12.3	45.8
Segment sales and marketing	12.3	11.0	11.1	12.0	46.4	13.6	12.1	12.4	12.9	51.0
Segment general and administrative	8.8	9.9	9.8	9.2	37.7	7.1	6.9	7.5	7.5	29.0
Less amortization included in segment cost of sales	0.2	-	0.1	0.0	0.3	0.1	-	0.1	-	0.2
Secure Communications Segment Adjusted EBITDA	9.3	7.9	22.5	12.6	52.3	9.6	9.7	17.3	19.5	56.1
Licensing										
Segment revenue	6.0	5.0	6.7	8.6	26.3	4.7	6.6	6.1	4.8	22.2
Segment cost of sales	1.4	1.6	1.5	1.6	6.1	1.6	1.5	1.5	1.5	6.1
Segment adjusted gross margin	4.6	3.4	5.2	7.0	20.2	3.1	5.1	4.6	3.3	16.1
Segment adjusted gross margin %	77%	68%	78%	81%	77%	66%	77%	75%	69%	73%
Segment general and administrative	1.3	1.0	1.0	7.1	10.4	0.9	0.9	0.9	(1.5)	1.2
Less amortization included in segment cost of sales	1.4	1.6	1.5	1.5	6.0	1.6	1.4	1.6	1.5	6.1
Licensing Segment Adjusted EBITDA	4.7	4.0	5.7	1.4	15.8	3.8	5.6	5.3	6.3	21.0
Total Segment Gross Margin	90.7	89.2	112.9	104.5	397.3	90.8	97.2	110.4	122.0	420.4
Adjustment to cost of sales	(0.7)	(0.6)	(0.7)	(0.4)	(2.4)	(0.5)	(0.6)	(0.5)	(0.6)	(2.2)
Total Gross Margin	\$ 90.0	\$ 88.6	\$ 112.2	\$ 104.1	\$ 394.9	\$ 90.3	\$ 96.6	\$ 109.9	\$ 121.4	\$ 418.2

Key Metrics (Three Months Ended)

	Q1FY25	Q2FY25	Q3FY25	Q4FY25		Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
Secure Communications Annual Recurring Revenue	\$ 211	\$ 209	\$ 215	\$ 208		\$ 209	\$ 213	\$ 216	\$ 218	
Secure Communications Dollar-Based Net Retention Rate	93%	93%	95%	93%		92%	93%	92%	94%	
QNX Royalty Backlog				\$ 865					\$ 950	

Net cash provided by (used in) operating activities

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
Acquisition of property, plant and equipment	\$ (15.1)	\$ (16.0)	\$ 5.8	\$ 42.0	\$ 16.5	\$ (18.0)	\$ 3.4	\$ 17.9	\$ 45.6	\$ 50.3
Free cash flow (usage)	(1.3)	(0.5)	(0.8)	(0.5)	(3.1)	(0.9)	(0.8)	(0.9)	(1.2)	(3.8)
	(16.4)	(16.5)	5.0	41.5	13.4	(18.9)	2.6	17.0	44.4	46.5

Non-GAAP Income Statement (Three Months Ended)

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
QNX	\$ 53.2	\$ 54.7	\$ 62.3	\$ 65.8	\$ 236.0	\$ 57.5	\$ 63.1	\$ 68.7	\$ 78.7	\$ 268.0
Secure Communications	64.2	66.5	74.6	67.3	272.6	59.5	59.9	67.0	72.5	258.9
Software and Services	117.4	121.2	136.9	133.1	508.6	117.0	123.0	135.7	151.2	526.9
Licensing	6.0	5.0	6.7	8.6	26.3	4.7	6.6	6.1	4.8	22.2
Revenue	123.4	126.2	143.6	141.7	534.9	121.7	129.6	141.8	156.0	549.1
Cost of Sales	32.7	37.0	30.7	37.2	137.6	30.9	32.4	31.4	34.0	128.7
Adjusted Gross Margin	90.7	89.2	112.9	104.5	397.3	90.8	97.2	110.4	122.0	420.4
Operating expenses										
Research and development	28.8	25.9	26.8	22.0	103.5	23.7	24.2	28.2	32.1	108.2
Sales and marketing	23.0	20.6	22.8	26.4	92.7	27.3	23.1	28.1	30.4	108.9
General and administrative	30.1	29.1	27.5	36.6	123.5	25.1	25.5	27.0	25.0	102.6
Amortization	2.9	2.9	2.6	2.4	10.7	2.3	2.0	2.1	1.9	8.3
Total adjusted operating expenses	84.8	78.5	79.7	87.4	330.4	78.4	74.8	85.4	89.4	328.0
Adjusted Operating Income	5.9	10.7	33.2	17.1	66.9	12.4	22.4	25.0	32.6	92.4
Investment income (loss), net	4.0	2.7	(0.6)	1.6	7.7	2.9	1.9	2.9	3.0	10.7
Adjusted Income before income taxes	9.9	13.4	32.6	18.7	74.6	15.3	24.3	27.9	35.6	103.1
Provision for income taxes	7.6	1.4	6.6	1.4	17.0	3.0	0.1	1.1	1.6	5.8
Income from continuing operations	2.3	12.0	26.0	17.3	57.6	12.3	24.2	26.8	34.0	97.3
Adjusted Income (Loss) from discontinued operations	(16.6)	(14.6)	(14.3)	0.4	(45.1)	-	-	-	-	-
Adjusted Net Income (Loss)	\$ (14.3)	\$ (2.6)	\$ 11.7	\$ 17.7	\$ 12.5	\$ 12.3	\$ 24.2	\$ 26.8	\$ 34.0	\$ 97.3

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

Non-GAAP Adjustments (Three Months Ended)

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
Restructuring charges	\$ 7.3	\$ 0.9	\$ 6.5	\$ 11.4	\$ 26.1	\$ 2.9	\$ 3.4	\$ 6.1	\$ 3.3	\$ 15.7
Stock compensation expense	6.2	5.3	4.8	4.3	20.6	5.7	5.9	6.1	5.5	23.2
Acquired intangibles amortization	1.8	1.7	1.8	1.7	7.0	1.7	1.1	0.3	-	3.1
Impairment of long-lived assets	3.5	0.6	0.6	4.9	9.6	0.1	0.5	0.6	0.9	2.1
Litigation settlement	-	-	-	2.8	2.8	-	-	-	-	-
Non-GAAP Adjustments on continuing operations	\$ 18.8	\$ 8.5	\$ 13.7	\$ 25.1	\$ 66.1	\$ 10.4	\$ 10.9	\$ 13.1	\$ 9.7	\$ 44.1

Non-GAAP Adjustments on discontinued operations (Three Months Ended)

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
Stock compensation expense	\$ 1.5	\$ 1.8	\$ 1.7	\$ -	\$ 5.0	\$ -	\$ -	\$ -	\$ -	\$ -
Acquired intangibles amortization	6.8	6.8	6.8	-	20.4	-	-	-	-	-
Non-GAAP Adjustments on discontinued operations	8.3	8.6	8.5	-	25.4	-	-	-	-	-

Adjusted Gross Margin

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP revenue	\$ 123.4	\$ 126.2	\$ 143.6	\$ 141.7	\$ 534.9	\$ 121.7	\$ 129.6	\$ 141.8	\$ 156.0	\$ 549.1
Total cost of sales	33.4	37.6	31.4	37.6	140.0	31.4	33.0	31.9	34.6	130.9
Non-GAAP adjustments to cost of sales	(0.7)	(0.6)	(0.7)	(0.4)	(2.4)	(0.5)	(0.6)	(0.5)	(0.6)	(2.2)
Adjusted Gross Margin	\$ 90.7	\$ 89.2	\$ 112.9	\$ 104.5	\$ 397.3	\$ 90.8	\$ 97.2	\$ 110.4	\$ 122.0	\$ 420.4
Adjusted Gross Margin %	74%	71%	79%	74%	74%	75%	75%	78%	78%	77%

Research and development

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP research and development expense	\$ 30.6	\$ 27.1	\$ 27.9	\$ 23.2	\$ 108.8	\$ 25.0	\$ 25.6	\$ 29.6	\$ 33.4	\$ 113.6
Stock compensation expense	1.8	1.2	1.1	1.2	5.3	1.3	1.4	1.4	1.3	5.4
Adjusted research and development expense	\$ 28.8	\$ 25.9	\$ 26.8	\$ 22.0	\$ 103.5	\$ 23.7	\$ 24.2	\$ 28.2	\$ 32.1	\$ 108.2

Sales and marketing

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP sales and marketing	\$ 23.8	\$ 21.3	\$ 23.4	\$ 27.1	\$ 95.5	\$ 28.7	\$ 24.4	\$ 29.3	\$ 31.6	\$ 114.0
Stock compensation expense	0.8	0.7	0.6	0.7	2.8	1.4	1.3	1.2	1.2	5.1
Adjusted sales and marketing expense	\$ 23.0	\$ 20.6	\$ 22.8	\$ 26.4	\$ 92.7	\$ 27.3	\$ 23.1	\$ 28.1	\$ 30.4	\$ 108.9

General and administrative

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP General and administrative expense	\$ 40.3	\$ 32.8	\$ 36.4	\$ 50.0	\$ 159.7	\$ 30.5	\$ 31.5	\$ 36.1	\$ 30.7	\$ 128.8
Restructuring charges	7.3	0.9	6.5	11.4	26.1	2.9	3.4	6.1	3.3	15.7
Stock compensation expense	2.9	2.8	2.4	2.0	10.1	2.5	2.6	3.0	2.4	10.5
Adjusted general and administrative expense	\$ 30.1	\$ 29.1	\$ 27.5	\$ 36.6	\$ 123.5	\$ 25.1	\$ 25.5	\$ 27.0	\$ 25.0	\$ 102.6

Amortization

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP amortization expense	\$ 4.7	\$ 4.6	\$ 4.4	\$ 4.1	\$ 17.7	\$ 4.0	\$ 3.1	\$ 2.4	\$ 1.9	\$ 11.4
Acquired intangibles amortization	1.8	1.7	1.8	1.7	7.0	1.7	1.1	0.3	-	3.1
Adjusted amortization expense	\$ 2.9	\$ 2.9	\$ 2.6	\$ 2.4	\$ 10.7	\$ 2.3	\$ 2.0	\$ 2.1	\$ 1.9	\$ 8.3

Adjusted EBITDA

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP operating income (loss)	\$ (12.9)	\$ 2.2	\$ 19.5	\$ (8.0)	\$ 0.8	\$ 2.0	\$ 11.5	\$ 11.9	\$ 22.9	\$ 48.3
Non-GAAP adjustments to operating income (loss)	18.8	8.5	13.7	25.1	66.1	10.4	10.9	13.1	9.7	44.1
Adjusted operating income	5.9	10.7	33.2	17.1	66.9	12.4	22.4	25.0	32.6	92.4
Amortization	6.4	6.1	6.1	5.7	24.3	5.7	4.6	4.0	3.5	17.8
Acquired intangibles amortization	(1.8)	(1.7)	(1.8)	(1.7)	(7.0)	(1.7)	(1.1)	(0.3)	-	(3.1)
Adjusted EBITDA	\$ 10.5	\$ 15.1	\$ 37.5	\$ 21.1	\$ 84.2	\$ 16.4	\$ 25.9	\$ 28.7	\$ 36.1	\$ 107.1
Total Segment Adjusted EBITDA	22.9	25.0	46.1	33.2	127.2	26.1	35.8	39.0	47.2	148.1
Adjusted corporate operating costs excluding amortization	\$ (12.4)	\$ (9.9)	\$ (8.6)	\$ (12.1)	\$ (43.0)	\$ (9.7)	\$ (9.9)	\$ (10.3)	\$ (11.1)	\$ (41.0)

Adjusted corporate operating costs excluding amortization

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
Corporate operating costs	\$ 25.4	\$ 13.1	\$ 16.8	\$ 31.1	\$ 86.4	\$ 14.9	\$ 16.2	\$ 19.3	\$ 17.6	\$ 68.0
Restructuring charges	7.3	0.9	6.4	11.4	26.0	2.9	3.4	6.1	3.3	15.7
Stock compensation expense	1.3	1.0	0.7	1.3	4.3	1.9	2.1	2.1	2.1	8.2
Impairment of long-lived assets	3.5	0.6	0.5	2.9	7.5	-	0.5	0.6	0.9	2.1
Litigation settlement	-	-	-	2.8	2.8	-	-	-	-	-
Adjusted corporate operating costs	13.3	10.6	9.2	12.7	45.8	10.1	10.2	10.5	11.3	42.1
Amortization	0.9	0.7	0.6	0.6	2.8	0.4	0.3	0.2	0.2	1.1
Adjusted corporate operating costs excluding amortization	\$ 12.4	\$ 9.9	\$ 8.6	\$ 12.1	\$ 43.0	\$ 9.7	\$ 9.9	\$ 10.3	\$ 11.1	\$ 41.0

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

Reconciliation from GAAP Net Income (Loss) to Adjusted Net Income (Loss) and Adjusted Earnings (Loss) per Share

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
GAAP net income (loss)	\$ (41.4)	\$ (19.7)	\$ (10.5)	\$ (7.4)	\$ (79.0)	\$ 1.9	\$ 13.3	\$ 13.7	\$ 24.3	\$ 53.2
Total Non-GAAP adjustments (Three months ended, after-tax)	27.1	17.1	22.2	25.1	91.5	10.4	10.9	13.1	9.7	44.1
Adjusted Net Income (Loss)	\$ (14.3)	\$ (2.6)	\$ 11.7	\$ 17.7	\$ 12.5	\$ 12.3	\$ 24.2	\$ 26.8	\$ 34.0	\$ 97.3

Adjusted Earnings (Loss) per Share

Total adjusted earnings (loss) per share	\$ (0.02)	\$ (0.00)	\$ 0.02	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.05	\$ 0.06	\$ 0.16
Diluted adjusted earnings (loss) per share	\$ (0.02)	\$ (0.00)	\$ 0.02	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.04	\$ 0.06	\$ 0.16

Reconciliation of GAAP Net Income (Loss) from Continuing Operations, and Adjusted Earnings per Share from Continuing Operations

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26
Net Income (loss) from continuing operations	\$ (16.5)	\$ 3.5	\$ 12.3	\$ (7.8)	\$ (8.5)	\$ 1.9	\$ 13.3	\$ 13.7	\$ 24.3	\$ 53.2
Total Non-GAAP adjustments (Three months ended, after-tax)	18.8	8.5	13.7	25.1	66.1	10.4	10.9	13.1	9.7	44.1
Adjusted Net Income from Continuing Operations	\$ 2.3	\$ 12.0	\$ 26.0	\$ 17.3	\$ 57.6	\$ 12.3	\$ 24.2	\$ 26.8	\$ 34.0	\$ 97.3

Adjusted Earnings per Share from Continuing Operations

Total adjusted earnings per share from Continuing Operations	\$ 0.00	\$ 0.02	\$ 0.04	\$ 0.03	\$ 0.10	\$ 0.02	\$ 0.04	\$ 0.05	\$ 0.06	\$ 0.16
Diluted adjusted earnings per share from Continuing Operations	\$ 0.00	\$ 0.02	\$ 0.04	\$ 0.03	\$ 0.10	\$ 0.02	\$ 0.04	\$ 0.04	\$ 0.06	\$ 0.16

Weighted-average number of common shares outstanding for adjusted earnings

Basic	589,821	590,549	591,240	594,267	591,470	596,300	592,938	590,892	588,783	592,251
Diluted	589,821	591,610	645,076	594,267	591,470	600,831	648,915	647,849	643,613	649,131