

BlueRush Reports Fiscal 2020 First Quarter Financial Results

Strategic Disposition and Heightened Focus Reaffirms Positive Trajectory

TORONTO, Dec. 19, 2019 /CNW/ - BlueRush Inc. ("**BlueRush**" or the "**Company**") (TSX-V: BTV), an emerging personalized video Software as a Service ("**SaaS**") company, today announced its financial results for the three-month period ended October 31, 2019 ("**Q1 2020**").

"Our first fiscal quarter of 2020 marked an important milestone in BlueRush's fifteen-year history with the successful sale of the DigitalReach™ platform and Broadridge's Smart Advisor® application to Broadridge Financial Solutions, Inc. for \$2.3 million in cash," said Steve Taylor, CEO of BlueRush. "The sale further allows BlueRush to focus on our core IndiVideo product that is driving incredible results for an expanding list of financial institutions around the world."

"The strategic transaction to an industry leader like Broadridge illustrates the high-quality software solutions that BlueRush is consistently able to deliver to our clients. Having divested of these assets, our focus on the IndiVideo platform has only increased, specifically in the Customer Communication Management (CCM) industry. The CCM industry is on the cusp of a change that was last seen in the 1990s when the PDF began to replace the printed bill. As more CCM vendors integrate video into their customer engagement solutions, IndiVideo will be there as a technological leader in the interactive personalized video segment, ultimately delivering meaningful returns for our shareholders driven by recurring revenue."

"We are proud of the 35% increase in revenue over last year, driven primarily by IndiVideo sales. We have built upon the successes of fiscal 2019 and will continue to grow throughout the next three quarters and beyond," stated Mr. Taylor.

Q1 2020 Highlights:

- BlueRush sold the technology and source code for its DigitalReach™ platform and Broadridge's Smart Advisor® application to Broadridge Financial Solutions, Inc. for \$2.3 million in cash;
- The Company's overall revenues increased by 35% to \$800,857, compared to \$594,782 for Q1 2019;
- BlueRush continues to successfully transition towards the recurring revenue model, increasing its subscription and support revenue by 313% to \$267,164, compared to \$64,611 for Q1 2019;
- Services remains a key component of the Company's overall revenue, delivering \$527,524, compared to \$525,055 for Q1 2019;
- SaaS gross profit significantly advanced in Q1 2020 by 568% to \$183,440, from \$27,461, in Q1 2019;
- Gross margins in the SaaS business increased to 69%, compared to 43% in Q1 2019, a result primarily driven by the technological advantage of the IndiVideo platform;
- BlueRush continued to focus on strategic partnerships, adding InfoSlips, the Company's first CCM partner, which will strengthen its digital document offering using the IndiVideo platform;
- The Company announced a contract with a large U.S. financial services provider for up to \$810,000 USD in services including IndiVideo;
- Net loss from continuing operations was \$1,223,095 compared to \$822,881 in Q1 2019, while comprehensive income was \$1,017,747 after the gain on sale of asset compared to comprehensive loss of \$860,106 in Q1 2019.

Financial Results for Q1 2020

The Unaudited Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations for the three-month period ended October 31, 2019, have been posted both to the BlueRush website at www.bluerush.com and on the SEDAR website at www.sedar.com. The financial information included in this news release is qualified in its entirety and should be read together with the unaudited consolidated financial statements for the three-month period ended October 31, 2019, including the notes thereto.

About BlueRush

BlueRush develops and markets IndiVideo™, a disruptive, award-winning interactive personalized video platform that drives return on investment throughout the customer lifecycle, from increased conversions to more engaging statements and customer care. IndiVideo enables BlueRush clients to capture knowledge and data from their customers' video interaction, creating new and compelling data driven customer insights.

Forward-Looking Statements

Certain statements contained in this press release may constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential",

"will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, and current information available to the Company, and are subject to certain risks, uncertainties and assumptions. Material factors or assumptions were applied in providing forward-looking information. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. These factors include, without limitation: changes in law; the ability to implement business strategies and pursue business opportunities; state of the capital markets; the availability of funds and resources to pursue operations; a novel business model; dependence on key suppliers and local partners; competition; the outcome and cost of any litigation; as well as general economic, market and business conditions, as well as those risk factors discussed or referred to in disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE BlueRush Inc.

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<https://bluerush.mediaroom.com/2019-12-19-BlueRush-Reports-Fiscal-2020-First-Quarter-Financial-Results>