

BlueRush reports record Subscription and Support revenue for Q1 2021 financial results

Delivers record Q1 Subscription-Based Revenue up 80% and Committed Annual Recurring Revenue hits \$2.4M

TORONTO, Dec. 17, 2020 /CNW/ - BlueRush Inc. ("**BlueRush**" or the "**Company**") (TSXV: BTV), an emerging personalized video Software as a Service ("**SaaS**") company, today announced its financial results for the three-month period ended October 31, 2020 ("**Q1 2021**").

"Our first fiscal quarter of 2021 marked an important milestone as BlueRush introduced the self-serve functionality for its personalized video platform- IndiVideo. The functionality will allow companies to easily create, personalize, and deploy videos on their own" said Steve Taylor, CEO of BlueRush. "We're excited to expand our platform functionality, which enables a much larger market of customer to easily create world-class personalized videos or optimize existing video assets on a cost-effective basis to improve their video marketing performance."

"The market for our focus on the IndiVideo platform has only increased with the signing of additional strategic partnerships in the Customer Communication Management (CCM) industry. COVID-19 has permanently changed the CCM industry as customer expectations require instant access to relevant and interactive personalized information. As more CCM vendors integrate video into their customer engagement solutions, the IndiVideo platform will optimize customer experience through much improved data analytics and campaign insights. As a technology leader in the interactive personalized video segment, BlueRush continues to capture significant future growth in the personalized content market by boosting open and click-through rates and conversion, calibrated to produce maximum customer lifetime value."

"We are proud of the record 80% increase in subscription-based revenue over last year, driven primarily by IndiVideo sales. We have built upon the successes of fiscal 2020 and we anticipate we will continue to grow over the next three quarters and beyond," stated Mr. Taylor.

Q1 2021 Highlights:

- Subscription and Support (SaaS) revenue continues to grow at a healthy pace with Q1 2021 up 80% to \$480,837, compared to \$267,164 for Q1 2020 and up 22% sequentially to prior quarter ending July 31, 2020 (\$395,518), as the Company continues to execute its recurring subscription-based transformation strategies.
- Increased Committed Annual Recurring Revenue (CARR)¹, up 19%, or \$2.38M from \$2.01M from July 31, 2020. The increase is a result of new customer acquisitions, 'land-and-expand' strategies and 'self-serve' functionality.
- BlueRush continues to grow internationally, with revenue from customers outside North America increasing by 55% to \$110,970 for Q1 2021 compared to Q1 2020.
- The Company announced a three-year contract with a large U.S. insurance services provider for up to US\$1.17 million to include annual subscription and tiered consumption elements of IndiVideo and an additional US\$50,000 of annual recurring professional services.
- BlueRush incurred operating expenses of \$1,226,065 in Q1 2021, a 26% decrease from \$1,656,738 in Q1 2020 a function of reduction in travel and reduced administration costs due to remote work setting in response to COVID-19.

QUICK SUMMARY OF QUARTERLY PERFORMANCE

	Three months ended October 31,	
	2020	2019
Revenue	\$ 836,649	\$ 800,857
<i>% Increase over prior year</i>	4%	35%
Cost of Sales	\$ 380,446	\$ 373,272
<i>COS as % of Total Revenue</i>	45%	47%
Gross Margin	\$ 456,203	\$ 427,585
<i>Gross Margin % of Total Revenue</i>	55%	53%
Operating Expenses ²	\$ 1,226,065	\$ 1,656,738
<i>% (Decrease) Increase over prior year</i>	(26%)	(48%)
Loss from Continuing Operations before taxes	\$ (585,235)	\$ (1,229,153)
<i>% (Decrease) Increase over prior year</i>	(52%)	49%
Loss Per Share- Continuing Operations- Basic and Diluted	\$ (0.007)	\$ (0.016)

Committed Annual Recurring Revenue ¹ (non-IFRS: CARR)- Closing balance	\$	2,383,183	\$	2,010,534
<i>% Increase over prior quarter</i>		19%		
Contract Liabilities	\$	1,122,752	\$	1,066,461
<i>% Increase over prior quarter</i>		5%		
Total Assets	\$	2,230,021	\$	2,558,785
Shareholders' Deficit	\$	(4,380,431)	\$	(3,837,138)

1. Committed Annual Recurring Revenue (CARR) is a measure that provides the annualized value of recurring revenue and future billings from commercial customers as of the reporting date. CARR represents the summation of the annual recurring revenue from existing customer contracts or commitments of future revenue as of the reporting period end date. CARR will increase (or decrease) in a period through retention (or attrition) and expansion (or contraction) of 'Subscription and Support' contracts from existing commercial customer, and through the acquisition of new commercial customers. Please refer to the "Definitions and Discussion on Non-IFRS Measures and Key Metrics" section of this MD&A for further discussion on this non-IFRS measures.
2. Operating Expenses include Sales & Marketing, Research & Development, General & Administrative, Share Based payments, financing charges and amortization & depreciation expenses.

Financial Results for Q1 2021

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, 2020, 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 and management's discussion and analysis for the three-month period ended October 31, 2020, 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; the general impact of COVID-19 pandemic, 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.

Discussion on Non-IFRS Measures and Key Metrics

The Company prepares its financial statements in accordance with IFRS. However, in this MD&A, the Company

may refer to a number of measures and metrics which we believe are meaningful in the assessment of the Company's performance. Many of these measures and metrics are non-standard measures under International Financial Reporting Standards ("IFRS"), do not have any standardized meaning under IFRS, and are unlikely to be comparable to similarly titled measures reported by other companies. These measures, which it believes are widely used by investors, security analysts and other interested parties to evaluate its performance and may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Readers are cautioned that the disclosure of these items is meant to add to, and not replace, the discussion of financial results or cash flows from operations as determined in accordance with IFRS.

The purpose of these non-IFRS measures and key metrics is to provide supplemental information that may prove useful to readers who wish to consider the impact of certain non-cash or uncontrollable items on the Company's operating performance. Management uses both IFRS and non-IFRS measures when planning, monitoring and evaluating the Company's performance.

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/2020-12-17-BlueRush-reports-record-Subscription-and-Support-revenue-for-Q1-2021-financial-results>