

## Second Quarter Results: BlueRush tops \$2.5 Million of Committed ARR and Achieves 76% Year to Date ARR Growth

*CDN \$5 Million raise provides working capital and strong balance sheet*

TORONTO, March 29, 2021 /CNW/ - BlueRush Inc. ("**BlueRush**" or the "**Company**") (TSXV: BTV), an emerging personalized video Software as a Service ("**SaaS**") company, is pleased to announce a number of significant milestones in a transformational quarter and announce its financial results for the three- and six-month period ended January 31, 2021 ("**Q2 2021**").

"IndiVideo's time has come. We recognized early in 2020 that an increasingly virtualized world meant that borders and geography are not barriers but opportunity for companies at our stage and we are seeing the resulting traction in the form of new customers and partners," said Steve Taylor, CEO of BlueRush.

The Company improved its balance sheet significantly through a combination of a capital raise and conversion of significant portion of its outstanding convertible debentures. BlueRush signed partners and customers in existing and new markets, made significant strides on its R&D roadmap and pivoted marketing and sales strategies effectively in response to the COVID-19 pandemic.

### Quarterly Highlights

- 76% YTD growth in ARR - recognized revenue of \$969,140 compared to \$551,257 for same period prior year.
- YTD Committed Annual Recurring Revenue (CARR), up 26%, or \$2.54M from \$2.01M from July 31, 2020. This signals a healthy growth in new customer acquisitions, 'land-and-expand' strategies and continued growth in the second half of the year.
- Initiated \$5M private placement and closed initial tranche of \$3,898,675 ("Tranche I") through issuance of 37,130,238 units of the Company at \$0.105 per unit prior to end of quarter and ending subsequent to the quarter. Net proceeds to be used to fund sales and marketing growth and invest in integration and development efforts.
- Concurrent with the private placement, the Company converted \$2.7M of outstanding convertible debentures resulting in a strengthened balance sheet.
- Continued growth in international markets with new customer wins in the US, Indonesia, and South America.
- Recognized Subscription and Support (SaaS) revenue continues to grow at a healthy pace with Q2 2021 up 72% to \$488,303, compared to \$284,092 for Q2 2020. Similarly, higher gross margins of 81% or \$397,023 is realized compared to 63% or \$179,708 for same time last year.
- Completed the first phase of recruiting and onboarding of its marketing team to drive lead generation, increased global brand awareness of the IndiVideo platform and accelerate growth from direct and partner sales.

"Companies are looking for the scale and reach of digital, but they do not want to lose the human touch. Customers demand relevant and engaging content. Our highly scalable and highly personal technology is able to bridge this gap, and this, along with the excellent results we deliver for our customers, has been a significant driver of our success," said Larry Lubin, President and Chairman of BlueRush.

The Company is pleased to report its results for the second quarter of 2021.

### SELECTED QUARTERLY INFORMATION (Unaudited)

	At January 31, 2021		At October 31, 2020		At July 31, 2020	
Committed Annual Recurring Revenue <sup>1</sup> (CARR: <i>Non-IFRS</i> )- Closing balance	\$	2,537,494	\$	2,383,183	\$	2,010,534
% Increase over prior year period		6%		19%		0%
Contract Liabilities	\$	1,189,292	\$	1,122,752	\$	1,066,461
% Increase over prior year period		6%		5%		-9%
Total Assets	\$	5,506,954	\$	2,230,021	\$	2,558,785
Shareholders' (Deficit) Equity	\$	678,360	\$	(4,380,429)	\$	(3,837,138)
	Three months ended January 31, 2021		Nine months ended January 31, 2021		Nine months ended January 31, 2020	
<b>Revenue: Subscription and Support (SaaS)</b>	\$	488,303	\$	284,092	\$	551,257
% Increase over prior year		72%		193%		241%
Cost of Sales	\$	91,280	\$	104,384	\$	188,109
<b>Gross Margin- Subscription and Support</b>	\$	397,023	\$	179,707	\$	363,148
<b>Gross Margin % of SaaS Revenue</b>		81%		63%		66%
<b>Revenue: Service</b>	\$	402,972	\$	840,254	\$	1,367,778
% Increase over prior year		-52%		59%		30%
Cost of Sales	\$	285,639	\$	499,464	\$	789,012
<b>Gross Margin</b>	\$	117,333	\$	340,791	\$	578,766
<b>Gross Margin % of Services Revenue</b>		29%		41%		42%
Operating Expenses <sup>2</sup>	\$	2,015,653	\$	1,565,999	\$	3,222,735
Loss from Continuing Operations before taxes	\$	(1,406,273)	\$	(1,037,838)	\$	(2,266,989)
Loss Per Share- Continuing Operations- Basic and Diluted	\$	(0.02)	\$	(0.01)	\$	(0.03)

<sup>1</sup>. 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 sum 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.

<sup>2</sup>. Operating Expenses include Sales & Marketing, Research & Development, General & Administrative, Share Based payments, financing charges and amortization & depreciation expenses.

### Financial Results for Q2 2021

The Unaudited Interim Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations for the three- and six-month period ended January 31, 2021, have been posted both to the BlueRush website at [www.bluerush.com](http://www.bluerush.com) and on the SEDAR website at [www.sedar.com](http://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 and six-month period ended January 31, 2021, including the notes thereto.

### **About BlueRush**

Interactive Personalized Video (IPV) positions BlueRush very well to continue supporting our customers during the COVID crisis and beyond. BlueRush develops and markets IndiVideo™, a disruptive, award-winning IPV 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.

For more information visit <http://www.bluerush.com>

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### **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 the 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](http://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.

SOURCE BlueRush Inc.

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<https://bluerush.mediaroom.com/2021-03-29-Second-Quarter-Results-BlueRush-tops-2-5-Million-of-Committed-ARR-and-Achieves-76-Year-to-Date-ARR-Growth>