

Third Quarter Results: BlueRush Delivers Record SaaS revenue, up 44% quarterly and 63% Year to Date Growth

TORONTO, June 28, 2021 /CNW/ - BlueRush Inc. ("**BlueRush**" or the "**Company**") (TSXV: BTV), an emerging personalized video Software as a Service ("**SaaS**") company, is pleased to announce its financial results for the three- and nine-month periods ended April 30, 2021 ("**Q3 2021**").

"We are happy to report continued progress on the key metrics that are driving our success and increasing value for our shareholders. SaaS revenue continues to grow with a 63% increase year to date, gross margins now exceed 80% and our renewal rate remains at an impressive 95%," said Steve Taylor, CEO of BlueRush.

Mr. Taylor continued, "Our ability to deliver personalization at scale, create meaningful touchpoints in the digital channels and drive measurable ROI sets us apart. We work with an increasing number of leading brands committed to delivering a high value, engaging and personalized experience to their customers which have embraced IndiVideo to fulfill this promise. We note for first nine months our SaaS revenue is up 63% and service revenue down by 51% as our strategic transformation from a services- focused digital agency into a subscription revenue focused product company continues to propel our growth."

BlueRush Inc. is also pleased to announce its common shares have commenced trading on the OTC-QB Market under the ticker symbol "BTVRF". "In Q3-21 we closed a \$5 million private placement equity financing to fuel growth and working capital needs. And with this OTC-QB cross-listing, the company anticipates the benefits of increased US ownership and liquidity enhancement, ultimately leading to share value creation in both home and international markets," commented Ankur Gupta, CFO of BlueRush.

BlueRush Highlights for the Three- and Nine-Month Periods Ended April 30, 2021:

- **44% year over year growth in Subscription and Support (SaaS) revenue in Q3 2021:** Over 60% of YTD 2021 revenue (YTD 2020: 31%) is recurring from annual SaaS agreements and SaaS revenue continues to grow at a healthy pace with Q3 2021, up 44% to \$517,878, compared to \$359,652 for Q3 2020. Achieved YTD SaaS revenue of \$1,487,018 up by 63% or \$576,109 compared to YTD 2020 at \$910,909. The revenue growth is primarily due to new customers, expansion of existing customers and increasing traction with our growing partner network.
- **Significant improvement to balance sheet and cash position:** BlueRush successfully concluded a private placement for gross proceeds of \$5M through the issuance of 47,619,046 units of the Company at \$0.105 per unit. Net proceeds are to be used to fund sales, marketing, and R&D.
- **Gross Margins grew year over year to 82%:** Year to date, SaaS gross margins grew from 68% to 82% compared to same time last year. Strong gross margins are driven by our dynamic rendering capability which is due to extremely efficient use of cloud resources.
- **Contract renewal rate remains above 95%:** BlueRush continues to report very low churn with our customers, a significant health indicator for any SaaS business. This contract durability is driven by the results the IndiVideo platform generates for our clients and the excellent work of our Customer Success team.

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

SELECTED QUARTERLY INFORMATION (Unaudited)

SELECTED QUARTERLY INFORMATION

	Three months ended April 30, 2021		2020		Nine months ended April 30, 2021		2020	
Revenue: Subscription and Support (SaaS)	\$	517,878	\$	359,652	\$	1,487,018	\$	910,909
<i>% Increase over prior year</i>		44%		173%		63%		211%
Cost of Sales	\$	93,443	\$	99,872	\$	274,062	\$	287,980
<i>COS as % of Subscription revenue</i>		18%		28%		18%		32%
SaaS Revenue, net of Cost of Sales	\$	424,435	\$	259,780	\$	1,212,956	\$	622,929
<i>as a % of SaaS Revenue</i>		82%		72%		82%		68%
Revenue: Service	\$	251,247	\$	697,411	\$	1,009,893	\$	2,065,188
<i>% Increase over prior year</i>		-64%		62%		-51%		43%
Cost of Sales	\$	143,571	\$	352,614	\$	720,317	\$	1,141,625
<i>COS as % of Services revenue</i>		57%		51%		71%		55%
Services Revenue, net of Cost of Sales	\$	107,676	\$	344,797	\$	289,576	\$	923,562
<i>as a % of Services Revenue</i>		43%		49%		29%		45%
Operating Expenses ²	\$	1,683,931	\$	1,355,716	\$	4,925,650	\$	4,578,448
<i>% (Decrease) Increase over prior year</i>		24%		16%		8%		19%
Loss from Continuing Operations before taxes	\$	(1,049,363)	\$	(540,981)	\$	(3,040,872)	\$	(2,807,966)
<i>% (Decrease) Increase over prior year</i>		94%		-38%		8%		-8%
Loss Per Share- Continuing Operations- Basic and Diluted	\$	(0.01)	\$	(0.01)	\$	(0.03)	\$	(0.04)
		At April 30, 2021		At January 31, 2021		At October 31, 2020		At July 31, 2020
Committed Annual Recurring Revenue (CARR) ¹ -								
Closing balance	\$	2,465,450	\$	2,537,494	\$	2,383,183	\$	2,010,534
<i>% Increase (decrease) over prior quarter</i>		-3%		6%		19%		0%
Contract Liabilities	\$	1,276,425	\$	1,189,292	\$	1,122,752	\$	1,066,461

<i>% Increase (decrease) over prior quarter</i>		7%		6%		5%		-9%
Total Assets	\$	4,522,457	\$	5,506,954	\$	2,230,021	\$	2,558,785
Shareholders' (Deficit) Equity	\$	689,512	\$	678,360	\$	(4,380,429)	\$	(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 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.

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

Financial Results for Q3 2021

The Unaudited Interim Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations for the three- and nine-month period ended April 30, 2021, 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 and nine-month period ended April 30, 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. 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/2021-06-28-Third-Quarter-Results-BlueRush-Delivers-Record-SaaS-revenue.-up-44-quarterly-and-63-Year-to-Date-Growth>