

BlueRush Announces 66% Increase in Gross Profit vs Q3 2021, SaaS Gross Margins of 90%, Year to Date Revenue Growth of 43% and Positive Net Dollar Retention

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TORONTO, June 29, 2022 /CNW/ - BlueRush Inc. ("**BlueRush**" or the "**Company**") (TSXV: BTV) (OTCQB: BTVRF), a leading personalized video Software as a Service ("**SaaS**") company, today announced its financial results for the three and nine-month periods ended April 30, 2022 ("**Q3 2022**").

"We are excited to see the company continue to make significant progress against our key metrics. Our focus over the past six months has been to accelerate progress toward a cash flow positive business and as the results indicate, we are making significant strides as our SaaS and Services business lines contribute more cash to the business against reduced costs," said Steve Taylor, CEO of BlueRush. "Our sales leverage through partners continues to build and our world-class customers continue to expand, delivering another quarter of positive net dollar retention."

BlueRush Highlights for the Three-Month and Nine-month Periods Ended April 30, 2022:

- Total revenue increased by 61% or \$468,794 from \$769,125 in Q3 2021 to \$1,237,919 in Q3 2022. Year-to-date total revenue increased by 43% or \$1,083,573 from \$2,496,911 in Q3 2021 to \$3,580,484 in Q3 2022.
- In the first nine months of fiscal year 2022, the Company secured new and expansion committed annual recurring revenue ("**CARR**") of \$873,001, reaching an ending CARR of \$3,172,084 as at April 30, 2022, as compared to \$2,465,450 as at April 30, 2021.
- Total gross profit came in at \$906,706 for Q3 2022, an increase of 66% from \$544,949 in Q3 2021. Year-to-date gross profit increased by 69% or \$1,075,725 from \$1,554,186 in Q3 2021 to \$2,629,911 in Q3 2022.
- BlueRush increased its Subscription and Support (SaaS) revenue in Q3 2022 by 13% or \$67,005 to \$584,883, compared to \$517,878 in Q3 2021. For the nine months ended April 30, 2022, the Company achieved SaaS revenue of \$1,706,846 up 15% or \$219,828 compared to the first nine months of FY21. The revenue growth is primarily due to new customer contracts and upselling to existing customers.
- In Q3 2022, services revenue increased by 160% or \$401,788 from \$251,247 in Q3 2021 to \$653,035 in Q3 2022. Year-to-date total services revenue increased by 86% or \$863,745 from \$1,009,893 to \$1,873,638. The increase was primarily due to the expansion of services to existing customers.
- Services gross profit came in at \$379,656 for Q3 2022, increasing by 224% or \$262,302 from \$117,354 in Q3 2021. Year-to-date services gross profit increased by 221% or \$739,836 from \$334,319 in Q3 2021 to \$1,074,156 in Q3 2022.
- Subscription and support gross profit continued to increase reaching 90% in Q3 2022 compared to 83% in Q3 2021, due to greater deployment efficiencies achieved on the IndiVideo platform.
- On April 5, 2022, the Company issued, on a non-brokered private placement basis to Canadian investors, an aggregate of 8,434,375 common share units for gross proceeds of \$539,800.

Launch of New Platform Capability to Support Sales in the Financial Services Vertical While Maintaining Compliance Obligations and Brand Standards

BlueRush recently released an extension to its platform (IndiVideo for Sales) that allows salespeople such as brokers, wealth managers or agents, to use personalized video as part of their sales outreach, meeting follow up or regular communications with stakeholders. Personalized video is proven to deliver better engagement and conversion rates compared with traditional content strategies or standard video formats.

IndiVideo boasts a unique platform that offers the selling advantages of video while allowing customers to manage their compliance obligations, quality and brand standards.

"IndiVideo for Sales creates an exciting new revenue stream for BlueRush that provides the Company a significant point of differentiation. BlueRush customers and prospects want to embrace video but need the

certainty that the IndiVideo platform can deliver in terms of data-handling, video quality and compliance," said Steve Taylor, CEO of BlueRush.

Private Placement Financing of Convertible Debenture Units

On June 6, 2022, the Company announced that it intends to complete a proposed non-brokered private placement (the "**Offering**") of up to 5,000 convertible debenture units at a price of US\$1,000 per unit, for aggregate gross proceeds of up to US\$5,000,000. Each unit will consist of a US\$1,000 principal amount 10.0% unsecured convertible debenture and 12,500 common share purchase warrants of the Company. Full details of the Offering can be reviewed in the Company's June 6, 2022 news release.

Financial Results for Q3 2022

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 periods ended April 30, 2022 and 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 periods ended April 30, 2022 and 2021, 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 improved customer care. IndiVideo enables BlueRush clients to capture knowledge and data from their customers' video interactions, creating new and compelling data driven customer insights. For more information visit <https://www.bluerush.com>.

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This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. Neither the convertible debentures nor the warrants being offered, nor the common shares issuable upon the conversion or exchange thereof, in the Offering have been or will be registered under the 1933 Act or state securities laws. Accordingly, the convertible debenture units may not be offered or sold to U.S. persons except pursuant to applicable exemptions from the registration requirements of the 1933 Act and applicable state securities laws is available.

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, including: statements with respect to the Offering; and the results of using BlueRush's products; 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 International Financial Reporting Standards ("IFRS"). However, the Company may refer to a number of measures and metrics which we believe are meaningful in the assessment of the Company's performance including Contracted Annual Recurring Revenue ("CARR"). CARR is the subscription revenue of a given period calculated as an annual run rate for all contracts including those that were signed in the same period. Many of these measures and metrics are non-standard measures under 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.

SOURCE BlueRush Inc.

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<https://bluerush.mediaroom.com/2022-06-29-BlueRush-Announces-66-Increase-in-Gross-Profit-vs-Q3-2021,-SaaS-Gross-Margins-of-90,-Year-to-Date-Revenue-Growth-of-43-and-Positive-Net-Dollar-Retention>