RENOWORKS ANNOUNCES THIRD QUARTER 2022 FINANCIAL RESULTS

Launch of new Renoworks Pro contractor solution and manufacturer adoption of enterprise platform drives increase in recurring and top-line revenue

CALGARY, AB, Nov. 24, 2022 /CNW/ - **Renoworks Software Inc.** (TSXV: RW) **("Renoworks"** or the **"Company"),** the leading end-to-end visualization platform for the home remodeling and new home construction industry, announced financial results for the third quarter ended September 30, 2022. The financial statements and related management's discussion and analysis ("MD&A") can be viewed on SEDAR at www.sedar.com. Unless otherwise stated, all dollar amounts are Canadian dollars.

Financial highlights for the third quarter 2022, ending September 30, 2022:

- Total revenue grew 19% to $1,653,445 versus $1,394,987 in the same period in 2021;
- Recurring revenue of $476,915 versus $454,329 for the same period in 2021, a 5% increase;
- Design Services revenue of $830,812 compared to $709,092 in Q2 2021, a 17% increase;
- Gross margins of 63% versus 62% in the third quarter 2021;
- Net loss of $225,110 compared to a net loss of $157,434 in the year ago quarter;
- Cash of $1,000,437 versus $1,189,346 as December 31, 2021;
- As at September 30, 2022, the Company had 40,662,635 common shares issued and outstanding.

"In Q3, Renoworks began selling annual subscriptions to our new Renoworks Pro platform for contractors, which helps contractors grow their businesses with lead generation, A.I.-assisted design, analytics, and other features that have resonated with our enterprise manufacturer customers in recent years." said Doug Vickerson, CEO of Renoworks. "The adoption of the New Renoworks Pro Saas product by contractors, along with the continuing adoption of our new platform and features among manufacturers, is driving an increase in top line and recurring revenue in Q3 and we expect this trend to continue as we take these solutions to market in the construction season of 2023."

Financial results from operations for the third quarter 2022 with comparatives for 2021 are as follows:

	Three Months Ended September 30	
	2022	2021
Revenue	$1,653,445	$1,394,987
Gross Margin	$1,044,394	$860,966
Expenses	$1,295,281	$1,051,980
Loss	$225,110	$157,434
Loss per share	$0.01	$0.00
Adjusted EBITDA	($160,613)	($111,207)
Weighted Average Shares Outstanding	40,662,635	38,515,822

Financial results from operations year-to-date 2022 with comparatives for 2021 are as follows:

	Nine Months Ended September 30	
	2022	2021
Revenue	$4,740,321	$4,294,423
Gross Margin	$3,047,639	$2,702,711
Expenses	$3,707,876	$2,892,418
Loss	$615,185	$248,334
Loss per share	$0.02	$0.00
Adjusted EBITDA	($413,562)	($104,630)
Weighted Average Shares Outstanding	39,744,955	37,221,489

The Company's financial position as of September 30, 2022 and December 31, 2021 is as follows:

	September 30, 2022	December 31, 2021
Cash Balance	$1,000,437	$1,189,346
Accounts Receivable	$1,067,194	$596,182
Working Capital	$870,099	$470,642
Deferred Revenue	$1,420,945	$1,389,547
Long- term liabilities	$179,891	$212,053
Shareholder's Equity	$891,161	$571,776
Deficit	($9,029,415)	($8,414,230)
Total Assets	$2,452,737	$2,214,085

About Renoworks

Renoworks Software Inc. develops and sells unique digital visualization software and integration solutions for the remodeling and new home construction industry. Renoworks delivers its technology to manufacturers, contractors, builders, and retailers offering solutions to one of the home improvement industry's greatest challenges: enabling homeowners to review their product selections in a hyper-realistic, virtual environment before committing to purchases and construction. Renoworks markets its technologies as an innovative engagement, sales, and marketing platform and generates revenues from five main business lines: Renoworks Enterprise, Renoworks PRO, Renoworks Design Services, Renoworks FastTrack, and Renoworks API (Application Programming Interface). For more information, visit www.renoworks.com and www.renoworkspro.com.

***Non-IFRS Measures**

Adjusted EBITDA is a measure not recognized under IFRS. However, management of Renoworks believes that most shareholders, creditors, other stakeholders and investment analysts prefer to have these measures included as reported measures of operating performance, a proxy for cash flow, and to facilitate valuation analysis. Adjusted EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, stock based compensation, restructuring costs, impairment charges and other non-recurring gains or losses. Management believes Adjusted EBITDA is a useful measure that facilitates period-to-period operating comparisons.

Adjusted EBITDA does not have any standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that Adjusted EBITDA is not an alternative to measures determined in accordance with IFRS and should not, on its own, be construed as indicators of performance, cash flow or profitability. References to the Renoworks' Adjusted EBITDA should be read in conjunction with the financial statements and management's discussion and analysis of Renoworks posted on SEDAR (www.sedar.com).

Forward Looking Information

Certain statements in this news release, other than statements of historical fact, are forward looking information that involves various risks and uncertainties. Such statements relating to, among other things, the prospects for the company to enhance operating results, are necessarily subject to risks and uncertainties, some of which are significant in scope and nature. These uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward looking statements are based on the estimates and opinions of the management on *the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.*

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

SOURCE RenoWorks Software Inc.

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CO: RenoWorks Software Inc.

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