Renoworks Announces Annual and Fourth Quarter 2024 Financial Results

CALGARY, AB, April 15, 2025 /CNW/ - **Renoworks Software Inc.** (TSXV: RW) **("Renoworks"** or the **"Company),** an industry leader in visualization and lead generation technology for the home renovation and new construction sector, announces its annual and fourth quarter 2024 financial results. The financial statements and related management's discussion and analysis ("MD&A") can be viewed at www.sedarplus.ca. Unless otherwise stated, all amounts are Canadian dollars.

The Company delivered a strong year of performance marked by double-digit revenue growth, a return to profitability, improved gross margins, and record levels of deferred and recurring revenue. These results reflect Renoworks' strategic focus on expanding its solution offering, deepening its recurring revenue base, and optimizing operational efficiency.

Financial highlights for the 2024 fiscal year with comparatives for 2023 are as follows:

- **Revenue** grew to **$6,942,578**, a **10% increase** from **$6,292,601** in 2023.
- **Recurring revenue** rose **20%** to **$1,961,850**, compared to **$1,632,484** in 2023.
- **Deferred revenue** increased **54%** to **$2,519,797**, up from **$1,633,394** at December 31, 2023.
- **Gross margin** improved to **74%**, compared to **70%** in 2023.
- **Net profit** of **$133,058**, a substantial turnaround from a **net loss of $497,771** in 2023.
- **Adjusted EBITDA** of **$222,210**, compared to **negative $397,778** in 2023.
- **Cash balance** at year-end was **$1,536,371**, an increase of **$891,122** from December 31, 2023.
- The Company's working capital at December 31, 2024 was a negative $166,451 compared to a negative working capital of $228,357 at December 31, 2023 an improvement of $61,906 primarily due to an increase in cash and cash equivalents of $891,122 which was offset by an increase in deferred revenue balances of $786,904. Excluding deferred revenue, a significant non-cash item included in working capital, the Company's working capital at December 31, 2024 is positive $2,112,879 ($1,264,069 – Dec 31, 2023).
- As at December 31, 2024, the Company had 40,664,635 common shares issued and outstanding.

Financial highlights for the fourth quarter of fiscal 2024 with comparatives for 2023 are as follows:

- **Quarterly revenue** of **$1,732,703**, up **15%** from **$1,503,032** in Q4 2023.
- **Recurring revenue** increased **18%** to **$662,321**, compared to **$559,660** in Q4 2023.
- **Gross margin** of **74%**, up from **66%** in Q4 2023.
- **Net income** of **$135,931**, compared to a **net loss of $211,734** in Q4 2023.

Renoworks reported a 10% increase in revenues for the 2024 fiscal year compared to the same period in 2023. This growth was driven by a 23% rise in licensing revenue. The Company earned aggregate revenues of $6,942,578, including $2,962,942 from design services, $2,764,398 from licensing and hosting, $709,257 from libraries, and $505,981 from implementation fees.

Net profit for the fiscal year ended December 31, 2024, was $133,058, a significant improvement in financial performance compared to the net loss of $497,771 reported for the same period in 2023. This improvement is attributed to increases in revenue, improved gross margin, and foreign exchange gains.

"We are proud to report a milestone year for Renoworks, marked by increased recurring revenue, operational improvements, and a return to profitability," said Doug Vickerson, CEO of Renoworks. "Our results demonstrate the success of our strategic initiatives, including expanding our enterprise client base, increasing recurring revenues, introduction of our Pro solution, and delivering value through enhanced visualization, AI-powered tools, and data-driven solutions."

Vickerson added, "With a strong foundation and an exciting product roadmap ahead, Renoworks is well-positioned to drive continued growth and innovation in 2025. Our team is energized by the opportunity ahead, particularly as we accelerate the integration of AI into our platform to transform how the industry visualizes and plans construction projects. We thank our shareholders, partners, customers, and employees for their ongoing support and trust as we continue building a category-defining platform in the construction technology space."

Financial results from operations for 2024 with comparatives for 2023 are as follows:

	Twelve Months Ended Dec 31	
	2024	2023
Revenue	$6,942,578	$6,262,901
Gross Profit	$5,120,250	$4,430,468
Expenses	$5,279,043	$4,869,413
Net Profit (Loss)	$133,058	($497,771)
Profit (Loss) per share	$0.00	($0.01)
Adjusted EBITDA	$222,210	($397,778)
Weighted Average Shares Outstanding	40,664,635	40,664,608
Cash increase (decrease) from operations	$893,823	($52,832)

Financial results from operations for the fourth quarter 2024 with comparatives for 2023 are as follows:

	Three Months Ended Dec 31	
	2024	2023
Revenue	$1,732,703	$1,503,032
Gross Profit	$1,276,486	$993,562
Expenses	$1,317,526	$1,166,145
Net Profit (Loss)	$135,931	($211,734)
Income (Loss) per share	$0.00	($0.00)
Adjusted EBITDA	$165,625	($189,211)
Weighted Average Shares Outstanding	40,664,635	40,664,635

The Company's financial position as of December 30, 2024 and December 31, 2023 is as follows:

	December 31, 2024	December 31, 2023
Cash Balance	$1,536,671	$645,549
Accounts Receivable	$547,746	$666,193
Working Capital	($166,451)	($228,357)
Deferred Revenue	$2,519,797	$1,633,394
Long-term liabilities	$240,467	$140,968
Shareholder's Equity (Deficiency)	($4,362)	($195,192)
Deficit	($10,099,729)	($10,232,787)
Total Assets	$2,641,419	$1,672,766

Strategic Outlook

Building on a successful 2024, Renoworks will continue to focus on scaling its SaaS and enterprise solutions, growing strategic partnerships, and enhancing user experience across its platform. The

Company is continuing its emphasis on increasing recurring revenues and evolving AI-driven design technologies and integrations.

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.sedarplus.ca).

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.

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