

## **PUDO Inc. Announces Full Year Results and Outlook**

TORONTO, June 28, 2017 - PUDO Inc. ("PUDO" or "the Company") (CSE: PDO; OCTQB: PDPTF), North America's only courier neutral parcel pick-up and drop-off network, filed earlier this week audited financial results and operational highlights for the Fiscal 2017 year which ended February 28, 2017. Overall, the Company saw revenue increase from previous investments in the PUDO network and its acquisition of Kinek.

### **Financial Results Summary**

Revenue for the Fiscal 2017 year ended February 28<sup>th</sup>, 2017, increased to \$0.9 million from \$0.1 million in the year ended February 29<sup>th</sup>, 2016. Gross Profit increased to \$0.6 million, up from \$0.1 million, and administrative expenses were approximately \$1.8 million compared to \$1.0 million, for the fiscal years ended February 28, 2017 and 2016, respectively. The increase in administrative expenses primarily relates to the additional operating costs associated with the acquisition of Kinek, and investment in additional growth and technology enhancements.

The net loss for Fiscal 2017 ended February 28, 2017 was \$1.3 million (approx. \$0.08 per share) compared to \$2.6 million (approx. \$0.23 per share) in the year ended February 29, 2016. The reduced net loss was the result of non-recurring transactions costs incurred in FY 2016, together with higher revenue, gross margin, careful cost control and focus on the development of new revenue opportunities in FY 2017.

### **Operational Highlights**

On March 3<sup>rd</sup>, 2017, PUDO completed the purchase of Kinek. Kinek is a border services company that permits members to ship parcels to addresses along the US border to be collected and carried back into Canada by the individual consumer. This service saves consumers money, and makes it possible to access retailers who do not ship outside of the USA.

The PUDO network continued strategic expansion through the year ended February 28, 2017. PUDO is working carefully with its customers to ensure that further network expansion is tailored to the needs of customers and consumers.

These efforts resulted in year over year parcel volume growth of more than 900% throughout the network. Without the addition of Kinek member parcels, PUDO*point* parcel volume grew 450% while the network expanded 230%. This indicates the traction being gained in the marketplace. During peak weeks in the Christmas 2016 shopping season, the Company's network handled more than 19,000 parcels per week.

### **Outlook**

CEO Frank Coccia reflected on PUDO's achievements in FY 2017. "This year, the team at PUDO focused on domestic parcel growth through careful coordination with our customers. We were able to on-board the Kinek operation to further enhance our suite of services all designed to improve the connection between E-commerce and the consumer. Our parcel growth indicates the need for this type of service offering as online shopping grows everywhere."

Looking ahead for the upcoming fiscal year, Frank said “PUDO has developed relationships with other customers that need the services, convenience and value that PUDO offers. Our team is focusing on expanding our suite of services and we are looking forward to continued growth. Our services can save companies and consumers money, while adding more choice and convenience.”

#### **About PUDO Inc.**

Founded in 2015, PUDO Inc. is developing North America's only "carrier-neutral" parcel pick-up/drop-off network. No other company in North America offers staffed retail locations; open for extended hours, to receive consumer deliveries by any carrier. PUDOp<sup>o</sup>ints include convenience stores, gas station mini-marts, and grocery stores.

Through the PUDOp<sup>o</sup>int™ network, consumers can control parcel deliveries – receiving online parcels wherever they want, whenever they want – a fully customizable and convenient method of delivery. When packages arrive at the chosen PUDOp<sup>o</sup>int, customers are automatically notified via text or email that their package has arrived and is ready for pick-up. E-commerce companies and other shippers utilizing PUDO can save on residential "last mile" delivery costs. Consumers can avoid the frustration and inconvenience of missed or stolen deliveries. The final destination of the parcel becomes the safe, staffed retail environment of a PUDOp<sup>o</sup>int.

With a growing network of PUDOp<sup>o</sup>int locations across the U.S. and Canada, PUDO is revolutionizing the North American parcel shipping model. PUDO was recently named one of the Top 20 most innovative public technology companies by the Canadian Innovation Exchange.

For more information, please visit: [www.pudoinc.com](http://www.pudoinc.com) or [www.pudopoint.com](http://www.pudopoint.com). Follow PUDO on [Facebook](#) and [Twitter](#).

*Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. The use of any of the words "anticipate", "believe", "expect", "plan", "intend", "can", "will", "should", and similar expressions are intended to identify forward-looking statements. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Factors that could cause actual results to differ materially from such forward-looking information include, without limitation, uncertainties with respect to service implementation, the economic results of the relationship on the operations of the Company, changes in general economic, market, or business conditions, and those risks set out in the Company's public documents filed on SEDAR. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by law.*

For further information about PUDO, please contact:

Karen Speight, Direct: 1-506-694-1250, [kspeight@pudoinc.com](mailto:kspeight@pudoinc.com)