

## **PUDO Inc. Reports Third Quarter End Results and Outlook**

TORONTO, December 22, 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 today unaudited interim financial results and operational highlights for the quarter which ended November 30, 2017. Overall, the company remains focused on growth through targeted network optimization in Canada, US expansion beginning in early 2018 and cultivating new revenue streams with new customers.

### **Financial Results Summary**

During the three months ended November 30, 2017 (FY 2018), the Company reported a net loss of \$364,917 (\$0.02 basic and diluted loss per share) on revenue of \$180,157 and a gross profit of \$130,982. During the same quarter last year (FY 2017) there was a net loss of \$212,309 (\$0.01 basic and diluted loss per share). The variance is attributed to higher expansion and sales costs in FY 2018, associated with network growth, pursuing revenue opportunities with new customers, and enhancing the functionality of our proprietary software technology.

The first nine months of last year (FY2017) held the threat of a postal labour disruption. This catalyst provided market opportunities for PUDO’s primary customers, and was a catalyst for sharp revenue growth. Without these market forces the current year-to-date (FY2018) revenue reached 79% of last year.

### **Operational Highlights**

“The Company is committed to providing customers with new opportunities to harness the potential of the PUDO network,” said Kurtis Arnold, PUDO’s CEO. The company is making strategic investments in technology to enable the addition of new revenue streams in 2018.

To execute its plans, the Company announced management changes in October 2017. Frank Coccia, PUDO’s founder has moved to the position of Chief Strategy officer. This role allows Frank to focus on cultivating new partnerships to diversify the business. Kurtis Arnold was named CEO while retaining his position on the board of directors. Matt McDonough transitioned the role of Chief Operating officer to oversee the strategic expansion of PUDO and the integration of new processes enabling new revenue streams. John Clarke joined the team as Vice President of Sales and Marketing. John’s background in Canadian technology and retail sectors strengthens PUDO’s ability to articulate its unique capabilities in a climate of strong e-commerce growth.

To incentivize performance, the Company granted stock options to directors and officers of the company. Up to 2,690,000 options were set aside that vest annually over the subsequent four years and expire on October 26, 2022. To ensure alignment with shareholders objectives, the option plan includes criteria so options are awarded based on performance.

To aid in marketing and outreach initiatives for the Company, the company entered into an agreement with Adtron Inc. (Stockpalooza). Stockpalooza has extensive experience working with companies that trade on the OTC markets. The agreement with Stockpalooza is complementary to PUDO’s plan to begin expansion in the US market. PUDO also completed the required filings this quarter to appoint Grant Thornton LLP as the Company’s auditors.

## Outlook

“The network across Canada has reached a critical mass to enable the development of additional revenue streams,” said Kurtis. “The team at PUDO is working with innovative retailers looking to offer better value and more choice to their customers.” New services include the deployment of software to enable retailers to use PUDO*points* as return collection points, integration into e-commerce company’s checkouts so consumers can select a nearby PUDO*point* to pick up their parcel when and where it’s convenient for them. Also, building on the success of the KINEK border point network, PUDO is testing software that will enable consumers to use the PUDO network as their shipping address for delivery of parcels from any retailer they choose. Membership is free, and registering ensures customers are alerted as soon as parcels arrive at their chosen PUDO*point*.

In 2018, PUDO will begin a strategic expansion of PUDO*points* in select marketplaces across the USA. Attendance at the National Association of Convenience Stores annual trade show recently generated significant interest. “This growth in store registrations will enable PUDO to activate the right stores in the right locations across the US,” said Kurtis. “PUDO is currently finalizing network development plans with our US launch partners, and is looking forward to bringing its suite of services to a US marketplace that is ready for new options.”

## 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. PUDO*points* include convenience stores, gas station minimarts, and grocery stores in local communities.

Through the PUDO*point*™ 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 PUDO*point*, 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 PUDO*point*.

With a growing network of PUDO*point* 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.pudopoint.com](http://www.pudopoint.com) or [www.pudoinc.com](http://www.pudoinc.com). Follow PUDO on [Facebook](#) and [Twitter](#).

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*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.*

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