



PUDO Inc. Reports Second Quarter End Results and Outlook

TORONTO, Sept. 28, 2017 /CNW/ - 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 August 31, 2017. Overall, financial results were strong this quarter, even as last year the threat of labor disruption provided a significant multi-week jump in parcel volumes.

Financial Results Summary

During the three months ended August 31, 2017 (FY 2018), the Company reported a net loss of \$464,736 (\$0.03 basic and diluted loss per share) on revenue of \$165,894 and a gross profit of \$122,455. During the same quarter last year (FY 2017), the threat of Canada Post labor disruption created a spike in parcel volumes for PUDO's courier partners for several weeks, creating a spike in PUDO's volumes as well. During that quarter's peak week, PUDO handled more than 21,000 parcels. Despite the absence of that catalyst this year, revenues during the same quarter were still more than 70% of those during the same quarter last year. During the same quarter last year (FY 2017) net loss of \$326,482 (\$0.02 basic and diluted loss per share). This change is attributed to expansion and sales costs associated with network growth and pursuing revenue opportunities with new customers.

Comparing the first six months of the year, revenue this year (FY 2018) is more than 90% of that earned during the first six months of last year (FY 2017).

Operational Highlights

The team at PUDO obtained more than \$1 Million of investment during Q2 FY2018. Members of the team exercised their options for shares of PUDO. PUDO also issued units in a private placement to a combination of existing shareholders and new investors.

The company's efforts during this quarter focused on honing the processes for coordinating network expansion and IT integration. PUDO's major Canadian logistics partners have provided specific postal codes where there are first-attempt-failures waiting for a PUDO*point*. These are the locations where new PUDO*points* are currently being activated. PUDO has also been working with our logistics partners to integrate our technologies for a seamless customer experience. The details necessary in this process require considerable lead time and we are now in the testing phase working specific parcels through the system to prove out the technology. More broad system testing will follow soon, before we integrate as a normal delivery channel for peak season.

Outlook

CEO Frank Coccia is looking forward to the holiday shopping season this year. "The team at PUDO has been focused on building the business and increasing parcel volumes. It's great to see this hard work starting to pay off with testing underway to integrate new customers into our network."

The PUDO*point* network can provide many cost efficient services to enhance consumers brand experiences when it's not convenient to meet the delivery driver at home. As the systems integration is being completed with these new logistics partners, PUDO will begin offering new suites of services to ensure it is as easy for consumers to pick up their parcels, as it is to order them online.

The planning process for US expansion continues to gain momentum. There are a series of partners that all have to be integrated together to enable a successful network launch. The current discussions with our parcel, courier and network partners makes it look like 2018 will be the right time for PUDO to begin to activate the network in several US metropolitan areas. US Department of Commerce data shows that in Q2 of 2017 12% of total retail spending occurred on the web, having grown more than 16% compared to the same quarter last year.

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 mini-marts, and grocery stores.

Through the PUDOPoint™ 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 PUDOPoint, 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 PUDOPoint.

With a growing network of PUDOPoint 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 or www.pudoinc.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.

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