

# PUDO Inc. reports FY 2023 results

## *Validation of Returns Solution as the Primary Source of Future Growth*

TORONTO, June 6, 2023 /CNW/ - PUDO Inc. ("PUDO" or the "Company") (CSE: PDO) (OTCQB: PDPTF), today filed audited financial results and operational highlights for the Fiscal 2023 year ended February 28, 2023 ("FY 2023"). Amongst the several exciting breakthroughs, it announced an all-time revenue high, up 77.3% year over year.

Year over Year	FY 2023	FY 2022	% Change
Revenue from Operations	\$3,834,049	\$2,162,365	77.3 %
Gross Profit	\$1,477,774	\$697,828	111.8 %
Net Loss	(\$327,812)	(\$1,211,321)	-72.9*

\* Net Loss position improved by net 72.9%

"E-commerce returns strongly propelled the volume and revenue growth of PUDO during fiscal 2023. Increased efficiency and network leverage increased gross profit margin from 32.3% to 38.5%. We are very excited to now be expanding the e-commerce returns solution into the U.S. market and believe that this will continue to drive significant growth," commented Elliott Etheredge, CEO.

The growth that PUDO experienced during FY 2023 led to an increase in e-commerce returns volume of 213.1%. PUDO was successfully able to leverage relationships with SAAS providers as well as direct retailer relationships to rapidly expand the direct returns program in Canada and initiate a pilot program in the U.S.

There are very exciting opportunities ahead of us. The Canadian network is developed and able to handle much more volume. We will be marketing this network to retailers and SAAS providers that have a presence in Canada and are looking to reduce their cost of processing returns. We expect the development of the U.S. returns network to be the largest driver of growth for the foreseeable future. With the support of PUDO customers, we will be expanding this network starting with the largest metropolitan areas in the United States.

This transformation has led to a positive change in the profile of the business. In FY 2023 returns accounted for 32.8% of revenue vs. 22.2% in FY 2022. Customer concentration was diluted with the most significant customer providing 32.6% of revenue in FY 2023 vs. 53.5% in FY 2022.

"As with any fast-growing company, we do anticipate facing challenges along the way. The market is evolving quickly, and retailers are trying new ways of operating more efficiently. This impacted PUDO recently as a large e-commerce retailer changed their business model moving significant volume and revenue away from PUDO, but the increased diversification of revenue will help offset the effect of that." commented Elliott Etheredge, CEO.

The Company is currently working with its partners to develop the rollout plan for the U.S. network expansion in FY 2024. The Company anticipates that the initial rollout will potentially double the Company's overall revenue.

A complete copy of the audited consolidated financial statements and the Management's Discussion and Analysis Report for the year ended February 28, 2023, can be found on the CSE website at [www.thecse.com](http://www.thecse.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

To sign up for the PUDO News Feed please subscribe at <https://www.pudoinc.com/en/news>.

For more information, please visit [www.pudopoint.com](http://www.pudopoint.com)

## **About PUDO Inc.**

PUDO Inc. is North America's only carrier-neutral parcel pick-up and drop-off counter Network, conceived to resolve the last-mile parcel-traffic-control gridlock that challenges North America's over \$800B retail e-commerce sector, and eliminate over \$6B in door-dropped parcel theft.

PUDO's team of logistics and parcel traffic management experts have created a plug-and-play, pay-as-you-go platform and Network of parcel pick-up and drop-off storefront counters known as PUDOpoint Counters, strategically located very near to where people live, work and play.

The PUDO model reduces or eliminates crippling last-mile related expenses for online retailers, marketplaces and carrier/delivery partners, with fulfillment and distribution solutions that include parcel storage and consolidation for click-and-collect deliveries, online returns, and the nearly 35% of e-commerce parcels that are undeliverable on first attempt.


Membership in the PUDOpoint Counters Network program offers consumers 'parcel receipt certainty', early/late/weekend pick-up, return convenience, 100% elimination of door-drop parcel theft, and a mobile home-away-from-home address Network that goes wherever they do.

The PUDOpoint Counters Network provides all carriers, retailers, and consumers with badly needed cost controls, choice, and convenience.

*Information in this press release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws, such as statements regarding estimated revenues from new contracts, increased parcel volume, activation and implementation of PUDO's technology and possible future expansions of PUDO's operations. This information is based on current expectations and assumptions of management, including assumptions concerning PUDO's ability to integrate its new customers into its network and successfully execute on its new and existing contracts. 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. This press release, in particular the information in respect of estimated revenues, may contain future-oriented financial information or financial outlook within the meaning of applicable securities laws. Such future-oriented financial information or financial outlook has been prepared for the purpose of providing information about management's reasonable expectations as to the anticipated results of its proposed business activities. Readers are cautioned that reliance on such information may not be appropriate for other purposes.*

*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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