

PUDO Reports Third Quarter Sales Increase; EPS Loss Narrows and Network Expansion Continues

TORONTO, Ontario, December 22, 2016 - PUDO Inc. ("PUDO" or the "Company" (CSE PDO; OTCQB PDPTF), which is building North America's only "carrier-neutral" and fully staffed parcel pick-up/drop-off network, is pleased to announce that it has filed unaudited financial results and operational highlights for the third quarter which ended November 30, 2016.

Financial Results Summary

"During the third quarter, we increased our active PUDO*point*[™] locations to 901 compared to 842 in the second quarter, while strategically concentrating our efforts on parcel consolidation and as a result, we experienced a further 15% increase in parcel volume over the second quarter," stated Frank Coccia, PUDO Founder and CEO.

Mr. Coccia continued, "Our model has proven itself. There is no doubt that our model is cost effective and will become significantly more attractive to customers, couriers, and e-tailers as we aggressively expand our network throughout North America," he concluded.

Revenue for the third quarter ended November 30, 2016, increased to \$282,882 versus \$30,004 for the same quarter last year. Gross profit increased to \$184,727 for the third quarter this year versus \$16,218 last year. Gross profit margin increased to 65.3% of revenue, up from 54% last year. SG&A expense remained essentially unchanged at \$390,333 versus \$373,510 as the team continued to develop the network. Growth in sales and margin expansion allowed the third quarter operating loss to reduce to \$205,606 versus \$357,292 last year.

The net loss for the third quarter narrowed to \$(0.01) per share or \$212,309 versus \$(0.2) per share or \$357,296 during the same quarter last year. This loss resulted from expenses primarily related to growth initiatives associated with the planned expansion of the PUDO*point* network. As at the quarter ended November 30, 2016, PUDO had 901 locations receiving packages compared to 842 at the end of the prior quarter, a 7% increase.

Condensed Interim Consolidated Statements

(Expressed in Canadian

Dollars)

(unaudited)

	Three Months Ended November 30,		Nine Months Ended November,	
	2016	2015	2016	2015
Revenue	\$ 282,882	\$ 30,004	\$ 661,706	\$ 72,113
Net loss and comprehensive loss for the period	\$ (212,309)	\$ (357,296)	\$ (918,597)	\$ (2,093,367)
Loss per share - basic and diluted	\$ (0.01)	\$ (0.2)	\$ (0.06)	\$ (0.22)

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. PUDOpoints 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.pudoinc.com or www.pudopoint.com. Follow PUDO on [Facebook](#) and [Twitter](#).

This press release contains forward-looking statements. 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. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including but not limited to expectations and assumptions concerning the receipt of required regulatory approval. 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. 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 applicable securities laws.