



OTC: PDPTF  
CSE: PDO  
November 2021

# In Good Hands

one stop parcel pick up, drop-off,  
save, send *and* return

*the* new normal  
e-commerce network



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**AN INVESTMENT IN THESE SECURITIES INVOLVES A SIGNIFICANT DEGREE OF RISK. INVESTORS COULD LOSE SOME OR ALL OF THEIR ENTIRE INVESTMENT. SUCH INVESTMENTS ARE SUITABLE ONLY FOR PERSONS WHO ARE ABLE TO BEAR THE FINANCIAL RISKS ASSOCIATED WITH SUCH AN INVESTMENT.**



# Market Opportunity

PUDO's potential and profit grows alongside e-commerce

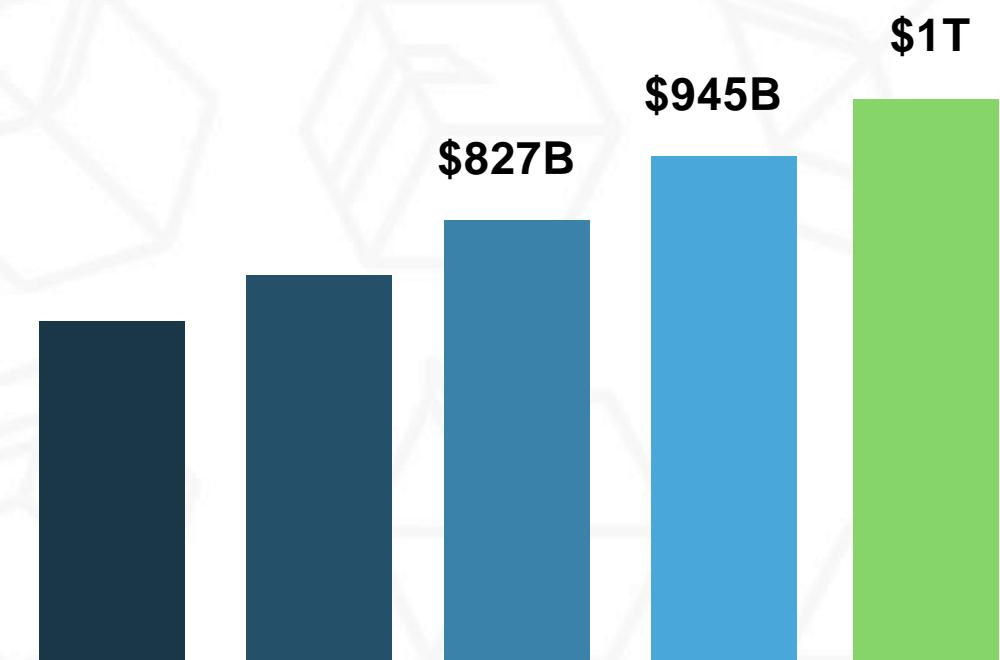
E-commerce is a **global megatrend** accelerated by the enduring pandemic.

Billions of e-commerce parcels worth **\$4T\*** annually traverse the planet efficiently until, they hit the so-called **"last-mile"**.

The World Economic Forum has declared e-commerce last-mile gridlock, a major economic and environmental concern.

E-commerce giants like **Amazon** and **Purolator** have **partnered with PUDO** to resolve gridlock, reduce delivery expense and improve customer satisfaction.

Directing just 1% of North America's **\$1T\*\*** retail e-commerce parcel traffic (~13B+ units) through the PUDOpoint Counters network could realize PUDO **+\$845M\*\*\*** gross revenue annually.



North American Retail E-Commerce - Statista

"Last-mile" refers to the short distance parcels travel from a regional courier depot to the end customer and can represent as much as 53%^ of shipping costs ^Honeywell

\*Statista 2020 \*\*Statista projected 2022 †Multiple sources  
\*\*\*PUDO - based on unit average gross revenues



# PUDO's Mission

**To build and operate the largest branded community-based network of carrier neutral parcel pick-up, drop-off and return counter locations in North America**

- PUDO was created to provide a solution to the last-mile delivery problem with the goal of making e-commerce more efficient, cost effective and sustainable
- The PUDO solution benefits all players in the e-commerce ecosystem:

<b>Player</b>	<b>Benefits</b>
Consumers	<ul style="list-style-type: none"><li>➤ Convenient pick up and drop off locations with extended hours</li><li>➤ Eliminates porch piracy</li><li>➤ Consolidation of packages reduces delivery and return costs</li></ul>
Couriers	<ul style="list-style-type: none"><li>➤ No more repeated delivery attempts thereby reducing costs</li><li>➤ Eliminates need for courier to have multiple bricks and mortar locations</li></ul>
Retailers	<ul style="list-style-type: none"><li>➤ Consolidation of packages reduces delivery and return costs</li><li>➤ Providing secure pick up locations increases customer base</li></ul>
Environment	<ul style="list-style-type: none"><li>➤ Parcel consolidation reduces delivery vehicle traffic and CO2 emissions</li><li>➤ More efficient returns handling reduces product ending up in landfill</li></ul>
PUDOpoint Counter Operators	<ul style="list-style-type: none"><li>➤ Receive fee per parcel and generate additional foot traffic</li><li>➤ Utilizes latent storage space</li></ul>



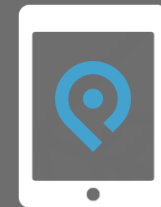
# What is the PUDOpoint Counters Network?

PUDO is not a courier – PUDO technology connects stakeholders in new and efficient ways



## Existing Storefronts

Existing bricks-and-mortar convenience type stores operate PUDOpoint Counters, located near where consumers live/work/learn/play/vacation. Stores are paid per-parcel and benefit from additional foot traffic.



## Technology Company

PUDO's technology creates a fluid, data-driven network of storefront counters, transportation companies, fulfillment centers and retailers. Consumers retrieve parcels, or drop-off returns, nearby & hassle-free.



## Integration

PUDO's technology is plug-and-play for desktops and mobile checkouts. Parcels can be re-directed by any courier when a consumer isn't home, or a consumer can choose PUDO directly from within integrated shopping carts.

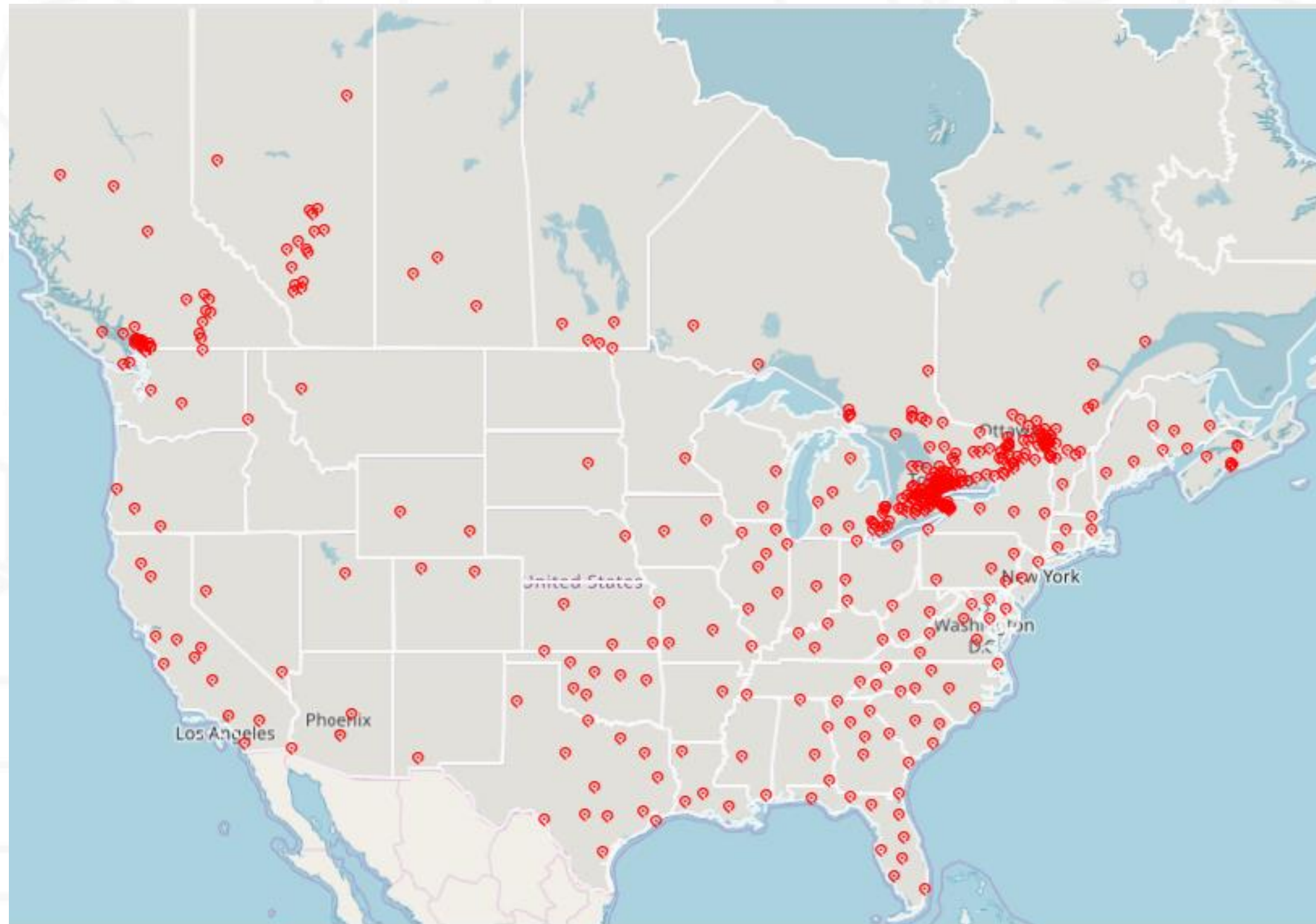
As each link in the chain adopts PUDO technology...

- Delivery time, friction, liability, costs – **decrease**
- Efficiency, convenience, brand loyalty, profits – **increase**



# PUDO Today

PUDO has established a network of over 1,200 active PPC locations







- Over 575 in Canada
- Over 700\* in the US
- PUDO currently handles approximately 700,000 parcels per year
- Canadian Network was developed through courier partners, initially Failed First Attempt deliveries and For Courier Pick Up
- US Network was developed through partnership with Amazon Hub Counters where PPCs are a “ship to” option on Amazon’s checkout

\* Of the over 700 PUDO locations in the US, 581 are PUDOpoint Counters (of which 506 are also Amazon Hub Counters) and 129 Amazon Hub Counters only)



# PUDO's Core Business Segments

Core revenue streams integrate and grow in tandem with key verticals over time and with Network expansion

Failed First Attempts	For Courier Pick Up	Returns	Direct to PUDO
<p>Largest and escalating cause of last-mile gridlock in North America. 35% of the time, consignees are not home to receive parcel delivery.</p> <p><b>Couriers like Purolator are willing to pay PUDO on a per occasion basis, for access to its Network of 'second stop' parcel pick-up addresses located near consignees' original delivery addresses — when no one is home.</b></p> <p><b>Perpetually increasing revenue over time. High volume, low revenue initially to build base.</b></p> 	<p><b>Couriers pay PUDO to provide drop off locations that are convenient for customers.</b></p> <p>Courier customer prints label at home and drops parcel at most convenient drop-off location.</p> <p>PUDO's PPC network eliminates the need for couriers to have costly brick and mortar storefronts and street mail/parcel locker box systems.</p> <p><b>Increasing revenue through new courier partnerships</b></p> 	<p>PUDO manages returns consolidation for global retailers and 3PL partners. The same trucks that deliver to PUDO locations also pick up returns for backhaul adding efficiency to the network.</p> <p><b>Tremendous growth opportunity lies in adding high volume North American retail partners for returns handling.</b></p> <p>PUDO also working with charities to provide PPC drop-off locations and shipping services for gently used items.</p> 	<p>PUDO and Kinek (border locations) members ship directly to PPC locations.</p> <p>In the US, the Direct to PUDO segment has been established through the Amazon Hub partnership.</p> <p><b>PUDO's next phase of growth involves integrating with shipping fulfilment SaaS partners so PUDO locations show up on their retail clients online checkouts.</b></p> <p>Opportunity to provide e-commerce solution for the 46%* of dwellings that are apartment style and often inaccessible or courier unfriendly.</p> 
<p>Current annual package volume ~ 270k</p>	<p>Current annual package volume ~ 110k</p>	<p>Current annual package volume ~ 40k</p>	<p>Current annual package volume ~ 190k Amazon Hub ~ 35k Kinek/Cross Border</p>

\*StatsCan



# How PUDO Makes Money

Causes and chaos within e-commerce gridlock create major revenue generating opportunities

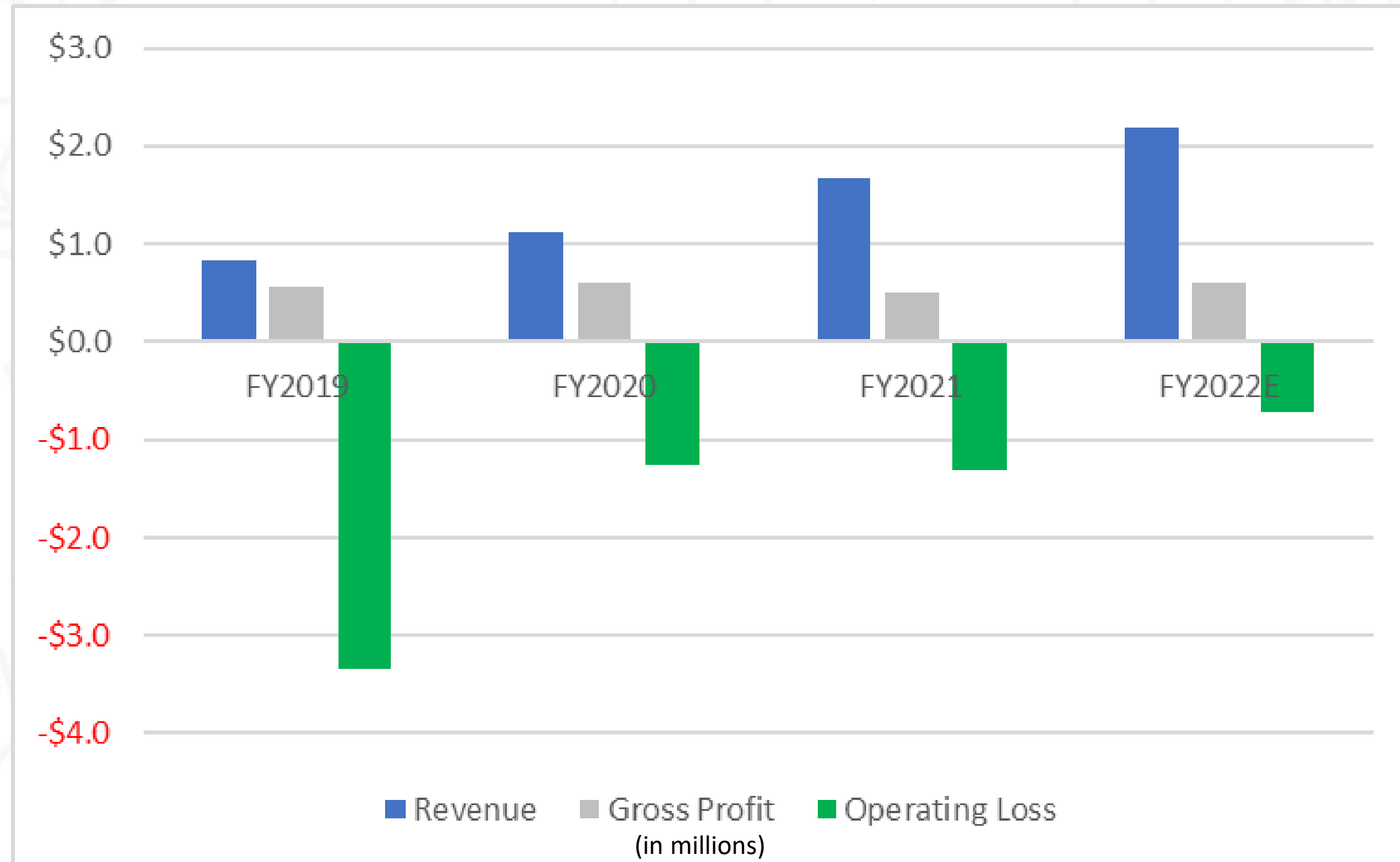
	Failed First Attempt	For Courier Pick Up	Returns	Direct to PUDO
Trigger	Courier cannot deliver parcel, so it is <b>re-directed</b> to a PUDOpoint near the consumer address	Courier enables customer to use a PUDOpoint as a convenient drop off location	PUDO's integrated technology provides white label return label to customer who drops off parcel at nearby PUDOpoint	PUDOpoint is chosen: <ul style="list-style-type: none"> <li>• by consumer at checkout, or</li> <li>• by Networked software as a hand-off point for forwarding</li> </ul>
PUDO Solution	PUDO receives the parcel at their PUDOpoint counter and gets paid to hold it for pick-up	PUDO get paid to hold the parcel for pick-up by courier partner	PUDO gets paid to receive the parcel and arrange for its transportation to a regional cross dock for sorting Cross dock sorts parcels, consolidates and arranges domestic or international shipping back to retailer or distribution center	PUDO gets paid to receive and hold the parcel for pick-up at the chosen PUDOpoint
Result	Consumer picks-up the parcel from the PUDOpoint Counter at their convenience 😊	Consumer drops and courier picks-up the parcel for shipment to final destination 😊	The parcel is handled as directed by retailer (re-stock, re-sale, recycling) 😊	Consumer or other couriers pick-up the parcel from the PUDOpoint at their convenience 😊
Revenue	paid by courier / 3PL	paid by courier	paid by retailer / SaaS	paid by retailer / 3PL or member



# PUDO Financial Results

PUDO has achieved strong revenue growth while establishing and building out its Network

Compound Annual Revenue Growth of 37.5% since 2019



# PUDO Entering the Next Phase of Growth

Driven by Returns and Direct to PUDO

## Returns

- **Large and growing market**
  - Returns amount to \$550 bn\* annually
  - Large and growing e-commerce sales are driving higher returns (15-30% return rate for online sales vs. single digits for in store purchases)
- **Returns are an enormous challenge for retailers as they are costly and difficult to manage**
  - Through its scale, PUDO can provide a low cost and convenient solution
- **Certainty of volume with retail partners**
  - Retailer dictates the method for how items will be returned
  - Customer is provided a PUDO return label and instructed to take package to a PUDOpoint drop-off location
- **Opportunity to manage returns for more retailers**
  - Via partnership with returns software providers
  - Targeting high volume North American retailers
- **Inbound and outbound PUDOpoint network usage drives efficiencies within PUDO model**

## Direct to PUDO

- **Transition from Failed First Attempt to Direct to PUDO**
  - Customer convenience
  - More efficient for couriers
  - Reduced shipping costs
  - Direct to PUDO provides solution when ID verification and signature are required
- **Increased customer awareness of PUDO**
  - Driven by Returns business and constantly expanding PUDOpoint network
- **Relationship with shipping intermediaries will drive growth**
  - Opportunity to be on many online retailer checkouts through relationships with SaaS shipping fulfilment partners like ShipStation
- **Opportunity to pursue direct relationships with retailers to be added to their online checkout**
  - Provides lower costs and convenience for customers
- **Provide solution for the large portion of the population living in apartment style dwellings**

*New Business Initiatives are Underway in these Focus Areas*



# PUDO Returns Service

Recent launch with Large Retailer in Canada

- PUDO focusing on providing returns shipping services to retailers
- PUDO's integrated technology knows when the return label (white labeled for retailer) is generated and tracks the package from the point it is scanned in at the PUDOpoint onwards
- Reliable recurring business that will grow alongside e-commerce growth
- Example below illustrates the impact of PUDO providing returns services for a Large Retailer in Canada where PUDO's current PUDOpoint network can support ~65% of this retailer's returns volume initially

Initial PUDO Annualized Impact		
Volume (in 000s)	Revenue (in \$ mm)	Gross Profit (in \$ mm)
350	\$ 1.8	\$ 0.7



Annualized Market Potential		
Volume (in 000s)	Revenue (in \$ mm)	Gross Profit (in \$ mm)
1,200	\$ 6.0	\$ 2.4

Adding volumes for one retailer has the potential to add:  
**\$6 mm of revenue**  
**\$2.4 mm of gross profit**



# Direct to PUDO Service

Partnership with US Vaping Industry Retailers and Shipping Intermediaries

- New legislation in US banned online sales of vaping products without ensuring proof of age, identification verification and customer signature collection
  - USPS and other couriers (FedEx, UPS, DHL) exited this direct to consumer business
- PUDO is providing a solution via its PUDOpoint network with operators trained to check identification and collect signatures
- PUDO has integrated directly with large vaping product retailers and with ShipStation, a large order fulfilment software provider owned by Stamps.com
  - ShipStation handles 17 mm vaping product deliveries in the US annually, for its 1,500 vaping product retailers
- Launch is currently underway; initial annualized impact below assumes PUDO initially services 11% of annual shipment volume

Initial PUDO Annualized Impact		
Volume (in 000s)	Revenue (in \$ mm)	Gross Profit (in \$ mm)
1,870	\$ 4.7	\$ 3.5



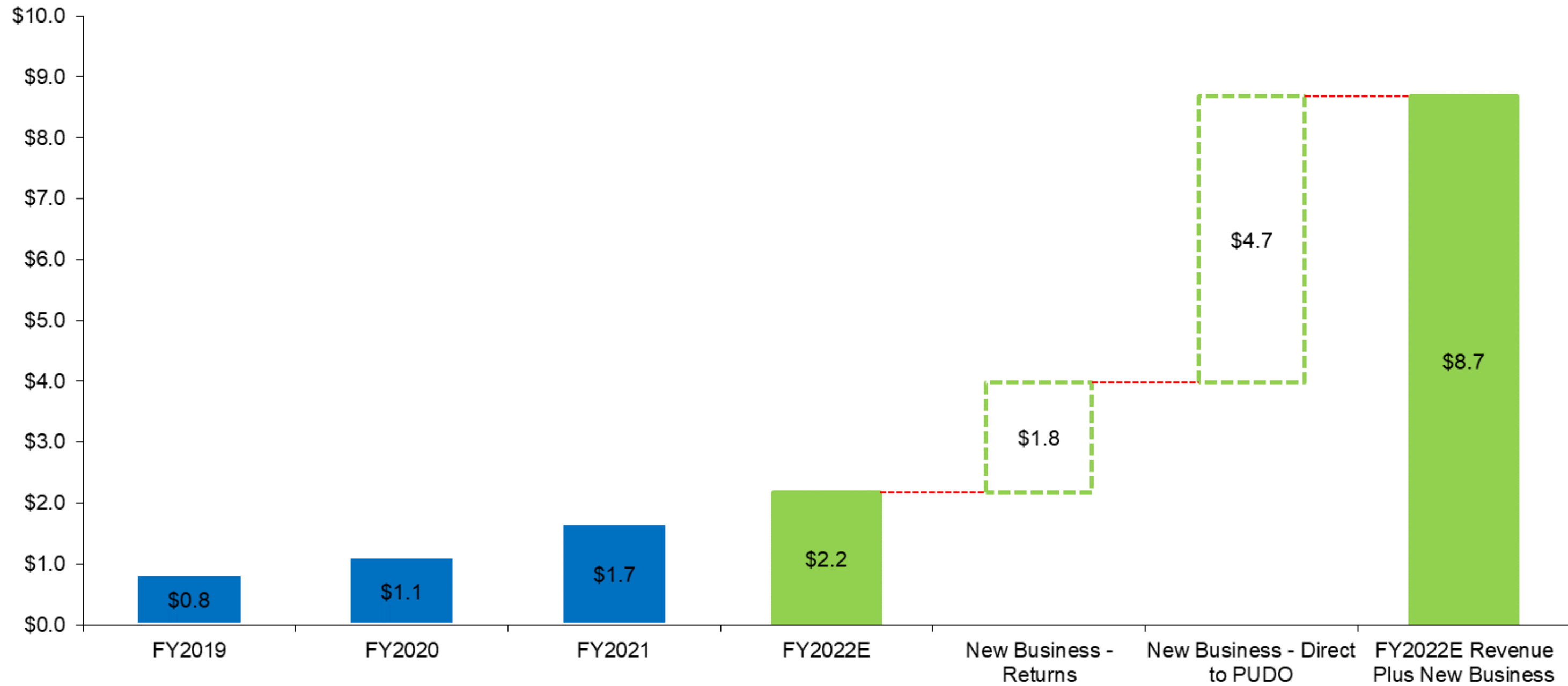
Annualized Market Potential		
Volume (in 000s)	Revenue (in \$ mm)	Gross Profit (in \$ mm)
17,000	\$ 42.5	\$ 31.9

Large market potential  
for this segment of e-commerce



# Initial Impact of Recently Launched New Business

Annualized Revenue Potential (in millions)



Revenue expected to grow by multiples as New Business begins to show results



# The Future

## PUDO at an Inflection Point in its Growth

- PUDO has established its PUDOpoint counter network and a solid base business that will continue to grow alongside e-commerce growth
- Focus on **Returns** and **Direct to PUDO** segments are driving accelerated immediate and longer-term growth
- Recent new business launches with a large retailer in Canada and US vaping industry players illustrate the magnitude of revenue potential and prove out the PUDO model
- Key future growth opportunities include:
  - Adding new retailers for **Returns** service in Canada and the US
    - Immediate opportunity to expand returns service to new geographies for existing retail clients
    - Directly with large North American retailers and through SaaS partners
  - Expanding **Direct to PUDO** beyond vaping product segment
    - In partnership with ShipStation who has 50,000 e-commerce retailers using its software (relative to its 1,500 vaping product retailers)
    - Directly with large North American retailers and through SaaS partners
- PUDO is prepared and ready to provide solutions for all stakeholders looking to better compete in the fast moving, competitive e-commerce marketplace

***PUDO has tremendous opportunity to grow its share of North America's  
\$1 trillion of retail e-commerce parcel traffic***



# Experienced & Proven Management Team

PUDO is lead by an experienced and qualified Management team



- **Frank Coccia - CEO** More than 40 years experience building hyper-efficient niche courier systems in Canada and Europe, with repeated successes in banking, legal, optical and travel fueled Frank's vision of applying the same hyper-efficiencies to the omni-channel retail sector through the development of PUDO systems for North America, similar to those in the UK and Europe.
- **Doug Baker - CFO** US-based CPA experienced in growth-focussed public companies and startups. Doug manages compliance and disclosures for dual-listed PUDO.
- **Tom Bijou -** Active in technology following 10 years with GE, most recently as President of several software subsidiaries. Lead on several successful high-growth ventures, working in financing, growth and development. Former: Co-founder Tigon; President operating subsidiary of Aegis Communications Group; Chairman and lead financier Knowledge Communications; lead financier Freestone System and CEO Applied Nanotech Holdings.
- **Richard Cooper - Chairman** Serial entrepreneur and patent holder with 40 years experience in services, logistics, technology, aviation, games, and real estate; grew small courier company with \$500,000 revenue into Canada's largest unattended courier network with +\$50M revenue. Contributed to development of first repeating paint ball gun and water-soluble paint, and grew the Adventure Company to global dominance with franchises across the Americas, Europe, and Australia.
- **Murray Cook - Director** Stellar career in mega development projects globally, an active pilot, and a philanthropist. Former: Founding CEO Emaar Properties, UAE, one of the Middle East's largest development companies; developer Dubai West Side Marina, home of the world's tallest building; Executive VP BC Place, re-developing 20% of downtown Vancouver leading up to Expo 86; re-structuring Whistler Land Company for the province of BC. Currently CEO of Verse Dev Corp and advisor to numerous corporations.
- **Howard Westerman - Director** Former CEO of J-W Energy Company brings decades experience in all aspects of business administration, growth and management. Active in philanthropy, serving on several corporate and charity boards, including Make-A-Wish Foundation and Peerless Manufacturing Company.
- **Tracy Bramlett - Director** Impressive career as president of Industrial Hygiene and Safety Technology Inc; contributing over four decades expertise in evaluating and optimizing businesses, and designing and implementing innovative training, quality control, and communications programs.



OTC: PDPTF  
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To learn more about PUDO Inc and the PUDOpoint Counters | Amazon Hub Counter Network  
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[pudopoint.com/investors](https://pudopoint.com/investors)