



## Argo Corporation Reports Third Quarter 2024 Financial Results

November 29, 2024

TORONTO, Nov. 29, 2024 /CNW/ - **Argo Corporation** (TSXV: [ARGH](#)), (OTCQX: ARGHF) ("**Argo**" or the "**Company**"), a new venture delivering the first-ever vertically and publicly integrated city transit system, announced today its financial results for the quarter ended September 30, 2024 ("**Q3 2024**"). During the third quarter of 2024, Argo deployed its smart transit system with its first paying customers and made significant progress in restructuring prior initiatives in its publicly traded entity.

### Argo Highlights

- **Argo School:** The Company successfully deployed its smart transit solution to a series of private schools in the Greater Toronto Area, providing end-to-end student transportation operations. Argo's innovative technology delivers access to more flexibility and real-time tracking of students and vehicles, with unprecedented safety, reliability, and transparency for families and schools alike. The Company plans to continue to expand this solution to other private and public schools throughout Canada and abroad.
- **Argo City:** Argo's public transit solution is the first to integrate custom software with vehicular hardware to create a network of intelligently routed vehicles that augment public transit systems with on-demand, door-to-door service. Argo City aims to reduce private car usage and increase ridership of existing public transit systems through partnership with cities, transit agencies, and governments. The Company expects to announce its first city partners in the coming months.
- **R&D Investment:** The Company's quarterly R&D investment spend for Q3 2024 increased by 401% year-over-year. This investment reflects a significant focus on developing the Company's proprietary vertically and publicly integrated city transit system, with significant progress in software and hardware functionality to enable seamless and reliable school and city deployments, putting people in control of their mobility.

### Restructuring Updates

- **Vehicle Subscription:** \$8.5M in liabilities have been reclassified in Q3 2024 as held for sale as a result of wholly owned subsidiaries Steer EV Canada Inc. filing an assignment into bankruptcy under the Bankruptcy and Insolvency Act in Canada and Steer Holdings LLC, making a General Assignment for the Benefit of Creditors, pursuant to California law. The Company anticipates these liabilities will be removed in the coming quarters upon completing these legal processes, aligning with its restructuring efforts announced in the May 23, 2024, press release.
- **Disputed Office Lease:** Argo filed a statement of claim regarding a disputed office lease with landlord 8174709 Canada Inc. and the Company's former CEO. The disputed lease represents \$3.6M in liabilities and payables on the Company's balance sheet.
- **Sale of Financial Assets:** The Company continues to engage in active sales processes for intellectual property and financial assets associated with the last venture in its publicly traded entity. In Q3 2024, the Company completed the sale of 14,200 shares of preferred stock in the capital of Westbrook Global Inc., receiving a cash payment of \$750K as consideration.

## FoodsUp Updates

Argo maintains a 59.95% non-controlling ownership interest in FoodsUp Inc. ("**FoodsUp**"), one of Canada's leading restaurant supply platforms. In Q3 2024, FoodsUp had revenues of \$28.7M, representing a 10% increase over Q2 2024 and a 61% yearly increase in quarterly revenues from Q3 2023.

The Company remains committed to implementing a transaction structure, the effect of which would be to provide the shareholders of Argo with the net proceeds from any sale of its interest in FoodsUp to a third party or an indirect or tracking ownership interest in FoodsUp in each case, as of to-be-determined record date (the "**FoodsUp Divestment**"). The FoodsUp Divestment, if it occurs, will mark an important step in the formal separation between the business of FoodsUp and Argo.

## Q3 2024 Results Compared to Q3 2023

For the three months ended September 30	2024	2023
<b>REVENUE</b>	\$449,567	\$101,851
Cost of revenue	29,519	59,676

General and administration	1,019,001	377,350
Operational support	520,911	274,024
Research and development	614,149	122,573
Sales and marketing	73,054	73,068
Amortization	37,108	196,865
Depreciation	10,941	84,831
<b>Total operating expenses</b>	<b>2,304,683</b>	<b>1,188,387</b>
<b>OPERATING LOSS</b>	<b>(\$1,855,166)</b>	<b>(\$1,086,536)</b>
<b>OTHER INCOME (EXPENSES)</b>		
Foreign exchange gain/ (loss)	(28,460)	(93,854)
Interest expenses	(532,931)	(61,018)
Interest income	1,023	272
Gain/ (Loss) on accounts payable settlements	301,483	-
Gain/ (Loss) on termination	279,606	-
Write down of intangible asset	(211,182)	-
Other income/(loss) from discontinued operations	(10,285,769)	(115,015)
Penalties and settlement	(68,500)	-
Share of loss of an associate	(593,014)	(2,860,412)
<b>Net income/ (loss) from continuing operations</b>	<b>(\$12,992,860)</b>	<b>(\$4,216,563)</b>
<b>Discontinued Operations</b>		
<b>Net income/ (loss) from discontinued operations</b>	<b>12,296,195</b>	<b>(1,037,987)</b>
<b>NET GAIN (LOSS)</b>	<b>(\$696,665)</b>	<b>(\$5,254,550)</b>
Cumulative translation adjustment	(174,518)	(253,879)
<b>NET PROFIT (LOSS) AND COMPREHENSIVE PROFIT (LOSS)</b>	<b>(\$871,183)</b>	<b>(\$5,508,429)</b>
<b>(Loss) profit per share</b>		
<b>- Basic and diluted</b>	<b>(\$0.01)</b>	<b>(\$0.04)</b>
<b>Weighted average shares outstanding - Basic and diluted</b>	<b>133,367,099</b>	<b>132,944,615</b>

1 All figures are accurate to the hundreds.

*In this press release, all references to '\$' are to Canadian dollars.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

## About Argo

Argo delivers the first-ever vertically and publicly integrated city transit system. It is designed to

augment public transportation and create a network of intelligently routed vehicles that work together to serve and scale to the needs of entire cities, putting people in control of their mobility. You can learn more at [www.rideargo.com](http://www.rideargo.com).

Praveen Arichandran, Co-CEO

Argo Corporation

(800) 575-7051

## **Forward-Looking Information**

This news release includes certain forward-looking statements as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate," "estimate," and "intend," and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, as described in more detail in the Company's securities filings available at [www.sedarplus.ca](http://www.sedarplus.ca). Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law. See "Forward-Looking Information" and "Risk Factors" in the Company's Annual Management Discussion & Analysis (MD&A) for the year ended December 31, 2023 (filed on SEDAR+ on May 8, 2024) and its interim MD&A for the periods ended September 30, 2023, March 31, 2024, June 30, 2024, and September 30, 2024 for a discussion of the uncertainties, risks and assumptions associated with these statements and other risks. Readers are urged to consider the uncertainties, risks, and assumptions carefully when evaluating forward-looking information and are cautioned not to place undue reliance on such information. We have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities legislation and regulatory requirements.

SOURCE ARGO CORPORATION



Media Inquiries: Christina Ra, Argo Corporation, [christina@rideargo.com](mailto:christina@rideargo.com), (800) 575-7051