

Media Group Stays the Course Expansion, Acquisition and Rebranding of Subsidiaries Neo Out of Home grows from 650 to 1,730 digital faces in one month

Montreal, April 29, 2020 - Despite the COVID-19 crisis, the coming months will be a period of diversification, growth and consolidation for Media Group. The Quebec-based company is currently better known by the names of its subsidiaries, which are major players in the industry: Neo-Traffic in out of home advertising and Speed in experiential marketing.

Growth, launch and acquisition for Neo OOH with Neo On the Go, Neo Fitness and Neo Shopping
Strengthened by an increase in sales of more than 100 per cent over the last three years through the execution of its strategic plan, **Neo Out of Home** (formerly Neo-Traffic) is enhancing its advertising offer with a recent 50 per cent stake in Pompe Média, which becomes **Neo On the Go**. In addition, a long-term partnership with the Nautilus Plus chain has been signed to establish the **Neo Fitness** digital OOH network. The current mall media business will operate under the name **Neo Shopping**.

The three network brands of Neo Out of Home

The forced hiatus related to the pandemic has allowed the company to finalize its new brand image. The first service station out of home network in Canada, **Neo On the Go** will soon boast close to 1,000 outdoor and indoor screens, going from 12 to nearly 80 locations in Quebec. This has been the perfect opportunity to modernize the company's image and better position it for an important new phase of growth. **Neo On the Go** currently operates a network of 120 convenience stores located in La Belle Province.

For its part, **Neo Fitness** is launching with the installation of 110 horizontal and vertical digital faces in the 37 Nautilus Plus fitness centres in Quebec.

Finally, **Neo Shopping** operates in 104 shopping malls from coast to coast, which generate more than 630 million consumer visits in eight provinces and 70 cities across the country. Over 1,500 digital and static faces reach consumers on their path to purchase. Neo Shopping is the Canadian leader in this sector in terms of number of properties as well as advertising faces. With over 80 per cent of the market share, Neo Shopping dominates in Quebec

“We help advertisers reach consumers during their daily activities,” said Ronald Tapiero, President and General Manager of Media Group. “After buying back the shares of our former partner in 2015 and those of the FTQ Solidarity Fund in 2018, we were able to take advantage of our reduced size to better leverage our agility and creativity. These repurchases were a crucial moment in our growth and allowed our companies to solidify and demonstrate their vitality. We stand out by doing everything internally to better control the quality of each step of production. This approach is essential because operators of our

size must meet the same standards of excellence as the bigger companies but at a different scale. We're often expected to do even better!"

Neo Out of Home can also rely on an expert who is well known across Canada. Eric Menzies, Vice President, Sales and Marketing, has been in charge of the company's national sales and marketing since January 2019. Based in Toronto for over than 15 years, with expertise that's recognized by the advertising industry, he's enabled the Toronto office to strengthen the company's positioning and outreach with major advertisers and advertising agencies.

This important growth phase required major investments that will continue at a steady pace. Since 2015, more than \$3 million has been injected into the mall media network the country to convert static inventory to Digital Out of Home (DOOH). An additional amount of close to \$1 million is planned for 2020.

Brand Activation and Events: Essential Components to Keep Building Brands

Media Group also owns **Speed**, a company specialized in brand activation that has produced more than 1,500 campaigns for well-known brands, including Clarins, St-Hubert, Desjardins, Loto-Québec, the STM and Couche-Tard. Speed recently acquired **Staff, Personnel Événementiel**, a highly reputable event personnel agency established in 1977.

"A pioneer in the field, Staff was the most natural partner for us," said Antoine Daoud, Vice-President, Customer Relations, and partner at Speed. "With such clients as the Bell Centre, Evenko, Coors and Igloofest, Staff's unrivaled expertise is in the recruitment and management of event personnel. Through this acquisition, Speed will add a new client segment. The combination will allow the two entities to join forces and offer a wider range of services. We wish to replicate this type of alliance over the next few years. We're ready for the recovery of this sector!"

"These recent transactions, all completed in December 2019, allow us to forecast substantial growth in the coming years," said Ronald Tapiero enthusiastically. "Despite the current health crisis, we're staying the course. We've expanded our teams by adding new talented, motivated colleagues. Together, we're convinced that the expansion has only just begun!"

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Information and interview requests
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FACT SHEET

Media Group

- 40 full-time and 20 part-time employees nationwide

Neo Shopping

- 104 shopping centres
- 70+ municipalities
- 8 provinces
- 1,500+ faces

Neo On the Go

- 87 service stations and 124 convenience stores in Quebec
- 103 municipalities
- National network in development
- 825 digital faces

Neo Fitness

- 37 Nautilus Plus fitness centres
- 30 municipalities
- National network in development
- 110 digital faces

Speed

- Over 1,500 brand activation campaigns to its name

Staff, Personnel Événementiel

- Largest event personnel agency in Quebec
- More than 8,000 positions filled on 340 projects for 220 clients in 2019
- Active candidate database of over 900 people