



PRESS RELEASE
For immediate release

Quebecor rationalizes resources at some subsidiaries

MONTREAL, February 17, 2023 – Faced with a blatantly unfair competitive environment, declining advertising revenues and the lack of action by regulatory and government authorities, Quebecor is being forced to rationalize resources at its **TVA Group, NumériQ, Quebecor Expertise Media** and **Quebecor Content** subsidiaries. The changes will enable the Corporation to balance its cost structure, increase its operational efficiency and maintain its leadership in news coverage and content production.

“The ferocious race for advertising revenues; the web giants’ aggressive, unfettered competition with conventional media outlets; and the disproportionate resources available to Radio-Canada to compete unfairly with private broadcasters are increasing the pressure on some of our subsidiaries and the situation is becoming untenable,” said Pierre Karl Péladeau, President and CEO of Quebecor. “To protect the profitability of these segments, we have to make difficult but responsible decisions to lower our operating expenses, including reducing the number of employees at the subsidiaries concerned. To ensure the survival of media outlets and content distribution platforms, government authorities must take urgent action before it is too late.”

This rationalization plan will result in the elimination of approximately 240 positions, including 140 positions at TVA Group and approximately 100 at other subsidiaries, or about 10% of the total workforce of the affected segments.

Segment details

The **TVA Group** and **Quebecor Content** subsidiaries will carry out certain rationalizations while continuing to invest in the production and acquisition of high-quality entertainment content that reaches large audiences across Québec. Quebecor is one of the largest originators of content in Québec, making massive investments in a local cultural ecosystem that employs hundreds of thousands of artists and cultural workers.

To safeguard the future of local news media, Parliament must act quickly to pass Bill C-18 and ensure that the use of our news content is recognized and paid for at fair value by the digital giants that are currently siphoning advertising dollars away from Canadian businesses.

Despite the adoption of Bill C-11, the CRTC must provide Canadian broadcasters with greater flexibility and regulatory relief if they are to remain viable in a global competitive environment.

For months MELS has been seeing a decrease in the volume of foreign blockbusters at its studios because tax incentives have become inadequate compared with those available in other Canadian and international jurisdictions. It now has no alternative but to reduce its workforce to match current production volumes. Quebecor is calling on the Quebec government to introduce adequate fiscal measures, as these play a decisive role in the choice of locations by producers, in addition to generating significant local economic spin-offs and providing a unique showcase for Québec know-how. MELS will continue working on innovative projects that leverage its expertise and the substantial investments recently made in its virtual production platform.

To offset the decline in the Magazines segment, due in part to the significant reduction in support from the Canada Periodical Fund, TVA Publications will cut staff but will continue to produce all of its magazines, which play an important role in promoting Quebec performers and cultural workers.

The **NumériQ** subsidiary, which designs and develops digital strategies for Quebecor, its subsidiaries and external clients, will focus its activities to prioritize the most successful projects.

The staff of **Quebecor Expertise Media**, Quebecor's sales force, will be consolidated in response to the fierce competition in the advertising market. Its representatives will continue meeting advertisers' needs with integrated offerings and innovative products. The creative agency Qolab will reduce the size of its team to adapt to the uncertain business environment.

"I sincerely thank for their contribution all the employees who are being impacted by the difficult business and competitive environment and who will unfortunately be affected by the decisions announced today," said Pierre Karl Péladeau.

About Quebecor Inc.

Quebecor, a Canadian leader in telecommunications, entertainment, news media and culture, is one of the best-performing integrated communications companies in the industry. Driven by their determination to deliver the best possible customer experience, all of Quebecor's subsidiaries and brands are differentiated by their high-quality, multiplatform, convergent products and services.

Québec-based Quebecor (TSX: QBR.A, QBR.B) employs nearly 10,000 people in Canada.

A family business founded in 1950, Quebecor is strongly committed to the community. Every year, it actively supports more than 400 organizations in the vital fields of culture, health, education, the environment and entrepreneurship.

Visit our website: www.quebecor.com

Follow us on Twitter: twitter.com/Quebecor

— 30 —

SOURCE Quebecor Media Inc.

Information:

Quebecor

514-380-4572

medias@quebecor.com