

ASX Announcement: P2P

28 November 2018

Acquisition of Non-Stop Media

HIGHLIGHTS

- Acquisition of Non-Stop Media to provide P2P with a national taxi back static advertising platform
- Complementary customer proposition to P2P's digital taxi top offering, with substantial cross-sell opportunities into Non-Stop Media's existing customer base
- Accelerates building of Adflow management, sales and operations team
- Targeting revenues of circa \$2.5m to \$3.0m for FY19 from the acquisition
- Earn-out consideration structure subject to achievement of certain target revenues (total potential consideration capped at \$1.2 million)
- Highly synergistic to Adflow for business operations and advertising customers

P2P Transport Limited (ASX: P2P) (**P2P**), one of Australia's largest vertically integrated passenger transport fleet managers, is pleased to announce that it has agreed to acquire the business and assets of Non-Stop Media.

Non-Stop Media is a leading national provider of "static backs" which are attached to the rear of taxis and act as a platform for advertising. Non-Stop Media's customer base comprises long-term taxi advertisers, including companies operating in the financial services industry, major international fast-food chains and domestic government authorities. P2P is acquiring all the assets of Non-Stop Media, with 8 staff expected to transfer to P2P upon completion.

The acquisition supports P2P in creating a national digital and static advertising platform across its own and third-party fleet of taxis.

Key Elements of the Acquisition Agreement

- Acquired assets include:
 - circa 1,600 static backs (of which, 1,300 to 1,400 are installed on taxis)
 - all IP, branding and customer information, including existing customer contracts
- Pro rata revenue from campaigns already in the market to transfer to P2P following completion which will deliver immediate cash flow from the acquired business
- All cash consideration based on an earn out structure, subject to achievement of target revenues over the 11-month period to 1st November 2019. Minimum consideration payable of \$0.6 million and up to a maximum of \$1.2 million based on achievement of cumulative revenues over this period of \$2.4 million.

The acquisition (which is expected to complete on 1st December 2018) immediately provides P2P with access to installation resources, sales team and customers. Following completion, customer

communication providing details of the rebranding of Non-Stop Media (Adflow), an update on the transaction and information on P2P's digital taxi top offering will commence.

The first 300 Adflow digital taxi top units are currently being delivered and fitted to vehicles in Sydney, Melbourne and Brisbane with soft launch occurring now in these cities ahead of the planned formal launch in mid December 2018. Extensive business development activities into the advertising market should bring small revenues to P2P from Adflow in the current quarter. The addition of Non-Stop Media's sales team and customer base is expected to further support the ramp-up of Adflow revenues into 2H 2019.

P2P Transport's Managing Director, Tom Varga said "Advertising on taxis is a high margin service that can be leveraged from our expanding fleet. Adflow is a major new technology led service that will have extensive visual appeal and marketing presence for its advertisers. The static backs complement this with additional scale and presence. Non-Stop Media's team and clients will allow us to accelerate the growth of Adflow."

- END -

For further information, contact:

Tom Varga

Managing Director

P2P Transport Limited

tom.varga@p2ptransport.com.au

+61 499 991 745

About P2P Transport Limited

P2P Transport is one of Australia's largest fleet management businesses focussed on the point-to-point passenger transport industry, with 2600 vehicles across Australia.

P2P Transport's fleet includes a range of taxis, corporate and ride-share vehicles servicing each segment of the point-to-point passenger transport industry.

Zevra, Black & White Cabs, Adflow, and Australia Wide Chauffeur Cars are amongst some of the brands managed by P2P Transport.

P2P Transport's business model is premised on the control of all key stages of the fleet management lifecycle, from vehicle acquisition, in-house customization and vehicle servicing, driver support, and fleet management and administration.

www.p2ptransport.com.au