



QYOU Media Inc. to Acquire Chtrbox, a Leading Influencer Marketing Company in India

Accelerates QYOU Media and Q India Growth In The Creator Economy Through Brand Integrations And Social Commerce

Shared Values & Complementary Assets Add to Unique and Differentiated Brand Positioning For *The Q India* Business

MUMBAI and TORONTO, June 1, 2021 /CNW/ - QYOU Media Inc. (TSXV: QYOU) (OTCQB: QYOUNF) is pleased to announce that it has entered into a definitive share purchase agreement to acquire 100% of the issued and outstanding shares of Chatterbox Technologies Private Limited (brand name: Chtrbox), a leading award-winning influencer marketing company based in India.

Founded in 2016 out of Mumbai and Delhi, Chtrbox is a leader in data-driven influencer marketing, powering India's top brands to tell great stories at scale. Chtrbox offers brands a massive diverse pool of over 300,000 influencers, from celebrities and digital stars, to micro influencers, mom bloggers and campus-based creators. Chtrbox has delivered campaigns for many of the top brands in India including P&G, Amazon, Flipkart, HP and dozens more.

Since inception, QYOU Media has been an "influencer driven" business that relies predominantly on social media stars and creative digital talent for the content that supports the company's business operations and drives overall growth. Last year, QYOU Media began building its influencer capabilities in India as part of an overall strategy to emulate its successful award-winning influencer marketing business in the US. In India, QYOU Media has the added benefit of owning and operating the country's fastest growing television channel "The Q India," which now generates nearly 100 million television viewer impressions every week and has skyrocketed to an average 45 Gross Rating Points (GRP) over the last seven weeks of measurement.

The Chtrbox acquisition will drive greatly accelerated expansion of QYOU Media's influencer marketing business in India. In addition, Chtrbox also delivers immediate and accretive capabilities to QYOU Media's India broadcast operations, delivering added access to India's burgeoning creator economy and supporting the channel's content, advertising and e-commerce initiatives.

Primary benefits that management expects to establish via the acquisition for both companies include:

- Accelerating the ability for *The Q*, the fastest growing TV channel in India, to expand its ability to offer 360 degree influencer-driven ad campaigns across TV, OTT, digital and app based platforms that fully leverage the deep experience and knowledge of the Chtrbox team
- Complementary relationships with agencies and brands that support a 1+1 =3 opportunity for the combined businesses to drive additional revenue with truly integrated campaigns
- Deeper access for *The Q* to hundreds of thousands of influencers for programming and content including over 30 top and emerging influencers exclusively represented by Chtrbox
- The opportunity to drive more rapid development of social commerce business opportunities, which are influencer driven at their core
- Integration of Chtrbox's data-driven approach, use of technology, and best practices to benefit QYOU Media's USA influencer marketing business, and vice versa.

Pursuant to the Share Purchase Agreement, QYOU Media has agreed to initially purchase a majority of the issued and outstanding shares of Chatterbox from the Chatterbox shareholders. The initial purchase price is based upon a multiple of EBITDA for the year ended March 31, 2021 with a three year earn out for the balance of the shares based upon subsequent EBITDA multiples for the twelve-month periods ending March 31, 2022, March 31, 2023 and March 31, 2024, respectively. The closing of the Acquisition is subject to closing conditions customary for transactions of this nature.

Curt Marvis, CEO and Co-Founder of QYOU Media Inc. commented, "This is an incredibly exciting day for our company. In our first conversation with the founders of Chtrbox, it was immediately apparent that we shared common goals about where and how a new media company needs to operate. They have built an amazing company in India that is destined for continued growth and the collective synergies between our businesses could not be better aligned. Our channel in India, *The Q*, with its massive recent ratings growth has shown the power of content created by social video creators and influencers. When we combine this with the knowledge, savvy and digital acumen of the Chtrbox team and their unparalleled knowledge of the world of influencer marketing, it is truly a match made in heaven. As an added bonus we will integrate various aspects of the Chtrbox business with our fast growing US Influencer Marketing group and leverage the best of all of these capabilities."

Pranay Swarup, CEO and Founder of Chtrbox, added, "We instantly clicked with QYOU's leadership over our shared vision that creators are, and will continue to be, the future of content, marketing and commerce. With QYOU, we gain access to massive distribution reaching millions of households, while we continue to power awesome creator-led content across digital platforms and apps. Our two biggest stakeholders, influencers and brands, have much to gain from our shared offerings. For influencers, they now have the opportunity to positively influence millions more, and for brands, they can now have a 360° communications/commerce strategy to reach and engage their audience. Last but not the least, we are super excited to work with the experienced teams of QYOU."

About QYOU Media

QYOU Media operates in India and the United States producing and distributing content created by social media stars and digital content creators. In India, we curate, produce and distribute premium content including television networks and video on demand ("VOD") for cable and satellite television, over-the-top ("OTT") and mobile platforms. In the United States, we manage influencer marketing campaigns for major film studios and brands. Founded and created by industry veterans from Lionsgate, MTV, Disney and Sony, QYOU Media's millennial and Gen Z-focused content reaches young consumers around the world. Experience our work at www.qyoumedia.com and www.theq.tv.

About Chtrbox

Chtrbox is a leading data-driven influencer marketing solution, powering India's top brands to tell great stories at scale. They enable visionary marketers to discover and collaborate with thousands of content creators, social media influencers, bloggers and passionate fans of their brand. Brands benefit by gaining customer attention, real engagement and growth in their business. Chtrbox (Chatterbox Technologies Pvt Ltd) was founded in 2016 in India, and is backed by experienced entrepreneurs and media personalities. Their work can be found at www.chtrbox.com.

Forward-looking Statements

This press release may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, including, without limitation, QYOU Media's expectations regarding the completion of the Acquisition or any closing of the Acquisition and timing of the initial closing, the aggregate consideration payable to the Chatterbox shareholders, the terms and structure of the multiple closings of the Acquisition, and statements relating to the business and future activities of Chatterbox and QYOU Media. All information contained herein that is not clearly historical in nature may constitute forward-looking information. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, although considered reasonable by management, are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies that may cause actual financial results, performance or achievements to be materially different from the estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance, including, without limitation, risks associated with the Acquisition and acquisitions generally, risks related to failure to satisfy the closing conditions contained in the Share Purchase Agreement, the absence of material adverse changes or other events which may give a party a basis to terminate the Share Purchase Agreement and the ability of the parties to obtain the requisite approvals and consents. Additional risks and uncertainties regarding QYOU Media are described in its publicly available disclosure documents, filed by QYOU Media on SEDAR at www.sedar.com except as updated herein. The forward-looking statements contained in this news release represent QYOU Media's expectations as of the date of this news release, or as of the date they are otherwise stated to be made, and subsequent events may cause these expectations to change. Except as required by law, QYOU Media undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. Readers are cautioned not to put undue reliance on these forward-looking statements.

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