Stingray Business Enters the European Market with the Acquisition of DJ-Matic

Stingray Business gains commercial clients in 10,000 locations across Belgium, the Netherlands, Germany, and Denmark

MONTREAL, Oct. 12, 2018 -- Stingray Digital Group Inc. (“Stingray”) (TSX: RAY.A; RAY.B) today announced that it has acquired DJ-Matic, a provider of in-store media solutions (music, video, digital signage) for businesses with clients in Belgium, the Netherlands, Germany, and Denmark.

Launched in 2000, DJ-Matic serves clients in a range of industries including bars and pubs, retail stores, restaurants, hotels, and fitness centers.

This strategic acquisition supports Stingray’s business plan and growth strategy by giving Stingray Business a solid foothold in Europe and a share in the local demand for entertainment services that are specially curated and licensed for commercial use.

Stingray Business, already a leader in the Canadian background music market with clients in 78,000 locations, has been on a growth streak in the past year. In the last twelve months, Stingray Business signed its largest contract to date with Mexico’s Farmacias del Ahorro, entered the Australian market with the acquisitions of SBA Music and SMA Entertainment, and acquired Novramedia, a Toronto-based leader in the design, development, and implementation of digital media solutions.

By joining forces with DJ-Matic, Stingray Business adds 10,000 locations to the count and acquires +25 years of experience in the European Entertainment and Music industry.

Under the terms of the agreement, Stingray will fully own and operate DJ-Matic with the continued direction of the company’s current leadership team.

Quotes:

“Stingray has been present in Europe for close to a decade and has established a solid reputation as a provider of music and video services for pay TV providers such as Orange, Free, Telenet, and Proximus,” explained **Eric Boyko, President, Co-founder, and CEO of Stingray**. ”The acquisition of DJ-Matic adds an important building block to our commercial offering and will be at the core of our European expansion strategy. I look forward to developing a new client base that will benefit from the expertise we have accrued with businesses in Canada, Mexico, and Australia. I am confident that with the continued support of DJ-Matic’s leadership, we will establish Stingray Business as the go-to background music provider across the continent.”

“Joining the Stingray family is a great step forward for DJ-Matic,” said **Kris Gryspeert**, **Managing Director of DJ-Matic**. “Stingray’s proven expertise combined with our know-how and client base bode very well for the future. Our shared mission of providing commercial clients with turnkey entertainment solutions and drive to improve the customer experience in any setting make this joining of forces a perfect match.”

About Stingray
Stingray (TSX: RAY.A; RAY.B) is the world-leading provider of multiplatform music and video services as well as digital experiences for pay TV operators, commercial establishments, OTT providers, mobile operators, consumers, and more. Stingray’s services include audio television channels, premium television channels, 4K UHD television channels, karaoke products, digital signage, in-store music, music apps, and more. Geared towards individuals and businesses alike, Stingray reaches 400 million subscribers (or users) in 156 countries and its mobile apps have been downloaded over 100 million times. Stingray is headquartered in Montreal and currently has close to 400 employees worldwide. For more information: www.stingray.com.

Forward-Looking Information
This news release may contain “forward-looking information” within the meaning of applicable Canadian securities legislation. Such forward-looking information includes information with respect to Stingray’s goals, beliefs, plans, expectations, anticipations, estimates and intentions. Forward-looking information is identified by the use of terms and phrases such as “may”, “would”, “should”, “could”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “believe”, and “continue”, or the negative of these terms and similar terminology, including references to assumptions. Please note, however, that not all forward-looking information contains these terms and phrases. Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Stingray’s control. These risks and uncertainties could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the risk factors identified in Stingray’s Annual Information Form (AIF) dated June 7, 2018, which is available on SEDAR at www.sedar.com. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that

the results or developments that Stingray anticipates will be realized or, even if substantially realized, that they will have the expected consequences or effects on Stingray's business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and Stingray does not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

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