STINGRAY

NEWS RELEASE

Stingray Reports First Quarter Results for Fiscal 2027

Revenues reach $158 million with organic growth of 27.5%, driven by TuneIn and FAST channel segment monetization

- **Organic growth of 27.5% year-over-year in Broadcast and Recurring Commercial Music Revenues;**
- **Revenues increased 65.2% to $158.0 million in the first quarter of 2027 from $95.6 million in the first quarter of 2026;**
- **Adjusted EBITDA(1) grew 49.3% to $50.3 million in the first quarter of 2027 from $33.7 million in the same period last year. Adjusted EBITDA(1) by segment was $42.9 million or 34.1% of revenues for Broadcasting and Commercial Music, $9.4 million or 29.3% of revenues for Radio, and $(2.0) million for Corporate;**
- **Adjusted Net income(1) improved 31.1% to $27.9 million, or $0.40 per diluted share, in the first quarter of 2027 from $21.3 million, or $0.31 per diluted share, in the same period of 2026;**
- **Net income totaled $6.6 million, or $0.10 per diluted share, in the first quarter of 2027 compared to $16.8 million, or $0.24 per diluted share, in the first quarter of 2026;**
- **Cash flow from operating activities amounted to $4.8 million, or $0.07 per diluted share, in the first quarter of 2027 compared to $19.0 million, or $0.28 per diluted share, in the first quarter of 2026;**
- **Adjusted free cash flow(1) increased to $32.5 million, or $0.47 per diluted share, in the first quarter of 2027 compared to $18.8 million, or $0.27 per diluted share, in the same period of 2026;**
- **Net debt to Pro Forma Adjusted EBITDA(1) ratio reached 2.53x in the first quarter of 2027 compared to 2.24x in the first quarter of 2026; and**
- **Repurchased and cancelled 1.1 million shares for a total of $17.1 million in the first quarter of 2027.**

Montreal, August 10, 2026 – Stingray Group Inc. (TSX: **RAY**) (the “Corporation”; “Stingray”), the world’s leading connected streaming media company, announced today its financial results for the first quarter of fiscal 2027 ended June 30, 2026.

Financial Highlights (in thousands of dollars, except per share data)	**Three months ended June 30**		
	Q1-2027	**Q1-2026**	**%**
Revenues	**158,022**	**95,637**	65.2
Adjusted EBITDA(1)	**50,252**	**33,656**	49.3
Net income	**6,590**	**16,783**	(60.7)
Per share – diluted ($)	**0.10**	**0.24**	(58.3)
Adjusted Net income(1)	**27,947**	**21,311**	31.1
Per share – diluted ($)	**0.40**	**0.31**	29.0
Cash flow from operating activities	**4,801**	**18,987**	(74.7)
Adjusted free cash flow(1)	**32,479**	**18,797**	72.8

(1) This is a non-IFRS measure and is not a standardized financial measure. The Corporation’s method of calculating financial measures may differ from the methods used by other issuers and, accordingly, the definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Non-IFRS Measures” on page 5 of this news release for more information about each non-IFRS measure and pages 6-7 for the reconciliations to the most directly comparable IFRS financial measures.

Reporting on first quarter results, Stingray's President, co-founder and CEO Eric Boyko stated:

“Stingray entered fiscal 2027 with strong momentum, building on the foundation laid in 2026 – only at a larger scale. Fuelled by robust revenue contributions from the TuneIn acquisition and our FAST channel segment, we delivered overall growth of 65.2% and organic growth of 27.5% year-over-year in the first quarter of 2027. The integration of TuneIn has been seamless, generating a meaningful spillover effect across our entire advertising business with revenue synergies reaching a run rate of $45 million just nine months post-transaction. On the FAST channel side, Stingray’s Premium Ad Network continued to outperform with revenues rising nearly 70% in the first quarter, driven by our reselling of TV manufacturers’ unsold inventory, including audio ads for some of our major OEM partners.

“We remain confident that our TuneIn and FAST channel businesses will contribute to another year of double-digit organic revenue growth in 2027. That said, the margins on these strategic assets are modestly lower than our corporate average, which is why we are maintaining our optimistic outlook for the Adjusted EBITDA margin for the fiscal year.

“In terms of retail media, we are excited about the opportunity to bring programmatic advertising capabilities to our in-store business. We are actively working to enable a market solution for a new audience-based multiplier model — whereby one ad reaches a broader audience rather than on a one-to-one basis. We see this evolution in our business model as a key catalyst for Stingray, and we expect to make progress on this front during the current fiscal year.

“Finally, our in-car entertainment segment continued to gain traction. Building on the earlier Nissan partnership announcement last February, we continue to deploy new features to our in car karaoke and audio services and to increase our footprint with existing car manufacturers. We remain optimistic in concluding new partnerships in the coming months.

“Altogether, Broadcasting and Commercial Music revenues more than doubled to $126.0 million in the first quarter of 2027 mainly due to higher advertising revenues from the TuneIn acquisition and greater FAST channel sales. Radio revenues, which were adversely affected by reduced sports betting and government ads year-over-year, declined 6.5% to $32.0 million in the first quarter, but showed signs of recovery early in the second quarter. We expect Radio sales to remain relatively stable in fiscal 2027,”

“Our Net debt to Pro Forma Adjusted EBITDA ratio moved to 2.53x in the first quarter, reflecting three specific and explainable items: the completion of our bought deal financing with la Caisse de dépôt et placement du Québec, the settlement of long-term incentive compensation earned by our team in fiscal 2026, and a timing difference in the collection of advertising revenues. I want to be clear that we are comfortable with this profile — these are temporary factors. We remain committed to bringing our leverage ratio down to approximately 2.0x by the end of fiscal 2027 through disciplined free cash flow generation,” Mr. Boyko concluded.

First Quarter Results
Revenues increased $62.4 million, or 65.2%, to $158.0 million in the first quarter of 2027 from $95.6 million in the first quarter of 2026. The year-over-year growth was substantially driven by higher advertising revenue from the TuneIn acquisition and increased FAST channel sales.

Revenues in Canada decreased $0.8 million, or 1.7%, to $48.7 million in the first quarter of 2027 from $49.5 million in the same period in 2026. The decline can largely be attributed to lower Radio revenues.

Revenues in the United States grew $63.2 million, or 180.0%, to $98.4 million in the first quarter of 2027 from $35.2 million in the first quarter of 2026. The increase was primarily due to higher advertising revenue from the TuneIn acquisition, improved FAST channel sales, as well as greater equipment and installation sales related to digital signage and the acquisition of The Singing Machine.

Revenues in Other countries remained stable year-over-year at $10.9 million in the first quarter of 2027 with greater FAST channel sales mostly offset by a decline in subscription revenue.

Broadcasting and Commercial Music revenues increased $64.6 million, or 105.2%, to $126.0 million in the first quarter of 2027 from $61.4 million in the first quarter of 2026. The growth was primarily driven by higher advertising revenue from the TuneIn acquisition, improved FAST channel sales, as well as greater equipment and installation sales related to digital signage. For the first quarter of 2027, Radio revenues decreased by $2.2 million, or 6.5%, to $32.0 million from $34.2 million in the same period of 2026. This decline was mainly due to lower local and national airtime revenues, partially offset by growth in digital sales.

Consolidated Adjusted EBITDA rose $16.6 million, or 49.3%, to $50.3 million in the first quarter of 2027 from $33.7 million in the first quarter of 2026. Adjusted EBITDA margin reached 31.8% in the first quarter of 2027 compared to 35.2% in the same period last year. The increase in Adjusted EBITDA year-over-year can mainly be attributed to the TuneIn transaction. The decline in Adjusted EBITDA margin was largely due to lower gross margins related to the newly acquired TuneIn and The Singing Machine product offerings, combined with a shift in product mix.

For the first quarter of 2027, net income totaled $6.6 million, or $0.10 per diluted share, compared to $16.8 million, or $0.24 per diluted share, in the first quarter of 2026. The decrease was primarily due to higher acquisition costs, greater amortization of intangible assets, and an unrealized loss on the fair value of derivative financial instruments in the most recent quarter compared to a gain in the same period last year. These factors were partially offset by improved operating results.

Cash flow from operating activities amounted to $4.8 million in the first quarter of 2027 compared to $19.0 million in the first quarter of 2026. The decrease was mainly due to a larger negative change in non-cash operating items, mostly due to the timing of accounts receivable collections in advertising, and higher acquisition costs in the most recent quarter, partially offset by improved operating results.

Adjusted free cash flow in the first quarter of 2027 totaled $32.5 million compared to $18.8 million in the same period of 2026. The increase can largely be attributed to improved operating results, partially offset by higher interest paid.

Stingray repurchased and cancelled 1.1 million shares for a total of $17.1 million in the first quarter of 2027. As of June 30, 2026, the Corporation had cash and cash equivalents of $21.9 million and credit facilities of $569.5 million.

Declaration of Dividend

On August 7, 2026, Stingray declared a dividend of $0.085 per subordinate voting share, variable subordinate voting share and multiple voting share. The dividend will be payable on or around September 14, 2026, to shareholders on record as of August 31, 2026.

The Corporation's dividend policy is at the discretion of the Board of Directors and may vary depending upon, among other things, our available cash flow, results of operations, financial condition, business growth opportunities and other factors that the Board of Directors may deem relevant.

The dividends paid are designated as "eligible" dividends for the purposes of the Income Tax Act (Canada) and any corresponding provisions of provincial and territorial tax legislation.

Business Highlights and Subsequent Events

- On July 29, 2026, the Corporation announced the launch of the Just For Laughs Stand-up channel on Samsung TV Plus in Australia and New Zealand

- On July 27, 2026, the Corporation announced that Stingray Radio completed its acquisition of CHUP-FM (C97.7) in Calgary from Rawlco Radio Ltd. The acquisition was first announced in November 2025 and received approval from the Canadian Radio-television and Telecommunications Commission (CRTC) in June 2026.

- On July 15, 2026, the Corporation has partnered with Telly to bring Stingray's karaoke and music apps to the industry's first 55-inch 4K dual-screen smart TV. Through the partnership, Stingray Karaoke and Stingray Streams are now available for free on Telly in the United States, giving users entirely new ways to transform the biggest screen in the home into an interactive entertainment experience.

- On July 15, 2026, the Corporation announced that TuneIn will be integrated into Bragi's Audio Apps Space. Through a new partnership, TuneIn will expand its availability across Bragi's growing ecosystem of more than 20 million smart headphones, delivering a smarter, more intuitive way for listeners to access live radio, sports, news, music, and podcasts.

- On June 25, 2026, the Corporation announced the launch of a new pop-up music channel dedicated to the world's biggest sport. Running from June 1 through July 31, 2026, with launch dates varying by platform, Stingray Soccer Anthems is the ultimate destination for the world's most iconic stadium songs, global hits, and fan-fueled chants that define the spirit of the game.

- On June 23, 2026, the Corporation announced a five-year contract renewal with National Bank of Canada. Extending through 2031, this expanded partnership ensures Stingray Business will continue delivering its premier background music solutions while breaking new ground by taking over the bank's in-branch digital signage operations. Under the renewed agreement, Stingray Business becomes National Bank's digital signage partner, handling procurement, installation, and ongoing maintenance at branches across Canada and at its Natbank locations in Florida.

- On June 22, 2026, the Corporation announced that its commercial division, Stingray Business, has partnered with BMO to deliver a series of high-impact physical and digital fan activations celebrating the global soccer tournament. Running from June 11 to July 19, 2026, the city-spanning campaign transforms key landmarks in Toronto and Vancouver into interactive, fan-first celebration hubs.
- On June 11, 2026, the Corporation announced the launch of a comprehensive suite of FAST channels on Vesta Stream, a premier OTT streaming platform featuring a premium content library from major studios. This partnership brings Stingray's curated audio and video channels to Vesta Stream's audience in the US and Canada.
- On June 2, 2026, the Corporation announced that it has received an exemption to treat Stingray's subordinate voting shares and variable subordinate voting shares as a single class for certain purposes, including for applicable take-over bid and early warning reporting requirements under Canadian securities laws. Stingray applied for the exemption, which is effective immediately, to facilitate investment in its variable subordinate voting shares by non-Canadians.
- On June 2, 2026, the Corporation announced the premiere launch of its newest channel, Stingray Hooked, now available to audiences in the United States on The Roku Channel. This addition marks the very first time the anticipated channel has been introduced to viewers.
- On May 7, 2026, the Corporation announced that ABC News is launching the "20/20 True Crime" channel on TuneIn, bringing together award-winning podcasts, investigative storytelling and cases from "20/20," the iconic news magazine, in one place.
- On April 29, 2026, the Corporation announced the global launch of Just For Laughs Radio on TuneIn, a new audio channel created in partnership with Just For Laughs, the world's leading comedy brand. The channel offers an audio feed of sketches and stand-up to make any day funnier.
- On April 8, 2026, the Corporation announced a groundbreaking partnership with Anuvu – a global provider of highspeed connectivity and entertainment solutions for mobility markets – to bring Stingray's curated audio and video offering to cruise passengers worldwide. Under the agreement, Anuvu will serve as the official distribution partner for Stingray's content across the global cruise industry, marking one of the first fully licenced deployments of streaming audio and video content at scale in the cruise sector.
- On April 2, 2026, the Corporation announced a partnership with OrkaTV, the new free streaming platform bringing curated live and on-demand television to U.S. audiences. This collaboration will bring five video channels and twelve audio channels to the OrkaTV platform, catering to a wide range of tastes and preferences.

Audited Financial Results for Fiscal 2026

Today, the Corporation filed its 2026 Annual Report, including audited annual consolidated financial statements and MD&A for the year ended March 31, 2026. The audited results are consistent with the preliminary figures previously reported, except for a $13.8 million reclassification regarding the gross/net presentation of advertising revenues primarily related to the TuneIn acquisition. This reclassification had no impact on Adjusted EBITDA, net income, or cash flows, but resulted in a favorable impact on the Adjusted EBITDA margin from 30.8% to 34.3%. No other material changes or restatements were made. The 2026 Annual Report is available on SEDAR+ at www.sedarplus.ca and in the Investor Relations section of Stingray's website.

Conference Call

The Corporation will hold a conference call, August 10, 2026, at 10:00 AM (ET) to review its financial results. Interested parties can join the call by dialing (+1) 800-717-1738 (toll free), (+1) 514-400-3792 (Montreal), 1-289-514-5100 (Toronto) or 1-646-307-1865 (New York). A rebroadcast of the conference call will be available until midnight, September 10, 2026, by dialing 1-289-819-1325 or 1-888-660-6264 and entering passcode 52744.

About Stingray

Stingray Group Inc. (TSX: RAY), the world’s leading connected streaming media company, delivers the best curated audio and video content to consumers worldwide. As a pioneer in multiplatform streaming and distribution, Stingray’s vast digital content portfolio includes thousands of live audio and radio stations, premium music channels, concerts and music documentaries, karaoke products, as well as ambience and wellness channels. Its offering is distributed via connected TVs, smart speakers, mobile, connected cars and retail. Reaching hundreds of millions of consumers every month, Stingray's products offer an unparalleled advertising reach, enabling brands to connect with an engaged audience across the world. Home to globally renowned brands such as TuneIn, Singing Machine, Stingray Karaoke and Qello Concerts, Stingray is powered by a worldwide team of more than 1,000 employees. For more information, visit www.stingray.com.

Forward-Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian securities law. Such forward-looking information includes, but is not limited to, 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 for the year ended March 31, 2026, which is available on SEDAR+ at www.sedarplus.ca. 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.

Non-IFRS Measures

The Corporation believes that Adjusted EBITDA and Adjusted EBITDA margin are important measures when analyzing its operating profitability without being influenced by financing decisions, non-cash items and income taxes strategies. Comparison with peers is also easier as companies rarely have the same capital and financing structure. The Corporation believes that Adjusted Net income and Adjusted Net income per share are important measures as it shows stable results from its operation which allows users of the financial statements to better assess the trend in the profitability of the business. The Corporation believes that Adjusted free cash flow and Adjusted free cash flow per share are important measures when assessing the amount of cash generated after accounting for capital expenditures and non-core charges. It demonstrates cash available to make business acquisitions, pay dividend and reduce debt. The Corporation believes that Net debt and Net debt to Pro Forma Adjusted EBITDA are important to analyse the company's debt repayment capacity on an annualized basis, taking into consideration the annualized adjusted EBITDA of acquisitions made during the last twelve months.

Each of these non-IFRS financial measures is not an earnings or cash flow measure recognized by International Financial Reporting Standards (IFRS) and does not have a standardized meaning prescribed by IFRS. This method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers.
Investors are cautioned that non-IFRS financial measures should not be construed as an alternative to net income determined in accordance with IFRS as indicators of our performance or to cash flows from operating activities as measures of liquidity and cash flows.

Reconciliation of Net income to Adjusted EBITDA, Adjusted Net income, LTM Adjusted EBITDA and Pro Forma Adjusted EBITDA

	3 months		
(in thousands of Canadian dollars)	June 30, 2026 **Q1 2027**	June 30, 2025 **Q1 2026**	March 31, 2026 **Q4 2026**
Net income	**6,590**	**16,783**	**(64,624)**
Impairment of goodwill and broadcast licences	–	–	64,696
Net finance expense (income)	11,728	(2,754)	10,617
Change in fair value of investments	(8)	37	(12)
Income taxes	1,222	5,892	(7,236)
Depreciation and write-off of property and equipment	1,773	1,816	2,238
Depreciation of right-of-use assets	1,361	1,148	1,332
Amortization of intangible assets	12,546	4,558	12,153
Share-based compensation	289	(270)	134
Performance and deferred share unit expense	3,347	4,132	5,264
Share of results of investments in associates	(155)	300	195
Loss (gain) on disposal	(8)	499	453
Acquisition, legal, restructuring and other expenses	11,567	1,515	17,281
Adjusted EBITDA	**50,252**	**33,656**	**42,491**
Adjusted EBITDA margin	**31.8%**	**35.2%**	**30.8%**
Net income	**6,590**	**16,783**	**(64,624)**
Adjusted for:			
Impairment of goodwill and broadcast licences	–	–	64,696
Unrealized loss (gain) on derivative instruments	1,383	(4,535)	329
Amortization of intangible assets	12,546	4,558	12,153
Change in fair value of investments	(8)	37	(12)
Share-based compensation	289	(270)	134
Performance and deferred share unit expense	3,347	4,132	5,264
Share of results of investments in associates	(155)	300	195
Loss (gain) on disposal	(8)	499	453
Acquisition, legal, restructuring and other expenses	11,567	1,515	17,281
Income taxes related to above noted adjustments	(7,604)	(1,708)	(15,058)
Adjusted Net income	**27,947**	**21,311**	**20,811**
Average number of shares outstanding (diluted)	69,056	68,758	68,048
Adjusted Net income per share (diluted)	**0.40**	**0.31**	**0.31**

(in thousands of Canadian dollars)	**June 30, 2026**	**June 30, 2025**	**March 31, 2026**
LTM Adjusted EBITDA	**176,782**	**144,785**	**160,186**
Permanent cost-saving initiatives	889	773	940
Cost synergies from the acquisition of TuneIn	7,957	–	9,813
Adjusted EBITDA for the months prior to the business acquisitions which are not already reflected in the results	30,811	–	40,613
Pro Forma Adjusted EBITDA	**216,438**	**145,558**	**211,552**

Reconciliation of Cash Flow From Operating Activities to Adjusted Free Cash Flow

	3 months		
(in thousands of Canadian dollars)	June 30, 2026 **Q1 2027**	June 30, 2025 **Q1 2026**	March 31, 2026 **Q4 2026**
Cash flow from operating activities	**4,801**	**18,987**	**35,225**
Add / Less :			
Acquisition of property and equipment	(1,519)	(2,153)	(1,939)
Acquisition of intangible assets other than internally developed intangible assets	(390)	(336)	(472)
Addition to internally developed intangible assets	(3,017)	(1,394)	(2,941)
Interest paid	(7,813)	(4,955)	(8,490)
Repayment of lease liabilities	(1,242)	(867)	(1,181)
Net change in non-cash operating working capital items	28,304	9,755	(17,880)
Unrealized loss (gain) on foreign exchange	1,788	(1,755)	483
Acquisition, legal, restructuring and other expenses	11,567	1,515	17,281
Adjusted free cash flow	**32,479**	**18,797**	**20,086**

Calculation of Net Debt and Net Debt to Pro Forma Adjusted EBITDA Ratio

(in thousands of Canadian dollars)	**June 30, 2026**	**June 30, 2025**	**March 31, 2026**
Credit facility	569,475	337,416	524,106
Subordinated debt	–	–	–
Cash and cash equivalents	(21,888)	(11,495)	(20,747)
Net debt	**547,587**	**325,921**	**503,359**
Net debt to Pro Forma Adjusted EBITDA	**2.53**	**2.24**	**2.38**

Note to readers: Consolidated financial statements and Management's Discussion & Analysis of Operating Results and Financial Position are available on the Corporation's website at www.corporate.stingray.com and on SEDAR+ at www.sedarplus.ca.

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