



## **Singing Machine Renews Credit Agreement; Secures up to \$21M in Financing with PNC Bank**

**Fort Lauderdale, FL, June 22, 2017 – The Singing Machine Company, Inc.** (“Singing Machine” or the “Company”) (OTCQX: **SMDM**) – the North American leader in consumer karaoke products – today announced it has renewed its agreement for senior security financing with PNC Bank, N.A. (“PNC”). Under the renewal to its credit agreement, PNC will provide the Company with up to \$15 million dollars in asset-based lending during the Company’s peak shipping season with an accordion feature to lend an additional \$5 million, if needed.

The new credit agreement provides for another three years of financing and allows the Company to borrow against eligible accounts receivable and inventory. The overall terms of the renewal are improved to include: increased \$1 million to inventory borrowing, from \$4 million up to \$5 million, lower interest rates, more availability, better advance rates, and less reserves.

The new line also provides the Company with a \$1 million dollar term loan, the proceeds of which will be used to immediately pay down \$1 million in subordinated related party long-term debt.

Lionel Marquis, Company CFO commented, “We’re excited to renew our partnership with PNC Bank. This new deal offers us significantly better terms and expands our access to working company so that we can continue to operate and grow our business.”

### **About PNC**

PNC Bank, N.A. is a member of The PNC Financial Services Group, Inc. ([www.pnc.com](http://www.pnc.com)) is one of the United States’ largest diversified financial services organizations providing retail and business banking; residential mortgage banking; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management.

### **About The Singing Machine**

Based in the U.S., Singing Machine® is the North American leader in consumer karaoke products. The first to provide karaoke systems for home entertainment in the United States, the Company sells its products worldwide through major mass merchandisers and on-line retailers. We offer the industry's widest line of at-home karaoke entertainment products, which allow consumers to find a machine that suits their needs and skill level. As the most recognized brand in karaoke, Singing Machine products incorporate the latest technology for singing practice, music listening, entertainment and social sharing. The Singing Machine provides consumers the best warranties in the industry and access to over 13,000 songs for streaming and download. Singing Machine products are sold through most major retailers in North America and internationally. See [www.singingmachine.com](http://www.singingmachine.com) for more details.

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## **Forward-Looking Statements**

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current expectations, estimates and projections about the Company's business based, in part, on assumptions made by management and include, but are not limited to statements about our financial statements for the fiscal year ended March 31, 2016. You should review our risk factors in our SEC filings which are incorporated herein by reference. Such forward-looking statements speak only as of the date on which they are made and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this release.*