

**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

**STINGRAY DIGITAL GROUP ACQUIRES Digital Music Distribution Pty. Ltd., A MAJOR PLAYER in Australia’s Media Industry**

**Stingray Gains Strategic Foothold in Asia-Pacific**

**Montreal, December 14TH, 2015** – Stingray Digital Group Inc. (TSX: RAY. A; RAY B), a leading business-to-business multiplatform music provider, today announced that it entered into a definitive agreement to acquire Digital Music Distribution Pty. Ltd. (DMD), Australia’s most important digital music services provider. The transaction was facilitated by Singapore-based Multi Channels Asia (MCA) with which Stingray recently entered into a strategic partnership. This acquisition is expected to provide Stingray with a strategic foothold in the Asia-Pacific region.

This acquisition is aligned with Stingray’s strategy to expand its international presence and to offer a complete portfolio of music products and services across all platforms. The all-cash AUD $12 million transaction includes an amount equivalent to 66% payable to DMD upon the closing of the purchase and a 34% holdback to be released upon the completion of various post-sale requirements by Stingray.

“Stingray has a track record of acquiring established, dynamic and creative companies – Digital Music Distribution is no exception,” said Eric Boyko, President, Co-founder and CEO of Stingray. “Considering the untapped potential of digital television in Australia, the acquisition of DMD holds enormous potential. This transaction provides us an exciting opportunity to enter the Australian market with a comprehensive product line and to accelerate our growth in Asia-Pacific. We look forward to building long-lasting and mutually beneficial relationships with all clients currently served by DMD.”

DMD provides digital music services to the public, broadcasters and other media suppliers as well as brand partners. DMD offers linear, subscription and brand promotion services across a wide range of music catalogues from leading major and independent record labels. DMD currently operates 29 audio television channels for Foxtel, the country’s largest Pay-TV provider.

Following the completion of the transaction, DMD’s audio television channels will be integrated under the Stingray brand.

**About Stingray**

Stingray (TSX: RAY.A; RAY.B) is a leading business-to-business multi-platform music and in-store media solutions provider operating on a global scale, reaching an estimated 135 million Pay-TV subscribers (or households) in 127 countries. Geared towards individuals and businesses alike, Stingray’s products include the following leading digital music and video services: Stingray Music, Stingray Concerts, Stingray Brava, Stingray Djazz, Stingray Music Videos, Stingray Lite TV, Stingray Ambiance and Stingray Karaoke. Stingray also offers various business solutions, including music and digital display-based solutions through its Stingray Business division. Stingray is headquartered in Montreal and currently has over 250 employees across the world, including in Toronto, Miami, London, Amsterdam and Tel Aviv. Stingray was recognized in 2013 and 2014 as a finalist in the Top 50 of Deloitte’s Technology Fast 50TM list, and figures amongst PROFIT magazine’s fastest-growing Canadian companies. For more information, please visit [www.stingray.com.](file:///C:\Users\cboivin\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\FNH1QPI3\www.stingray.com)

**About Multi Channels Asia**

Multi Channels Asia (MCA) is a Singapore-based media company, which owns, represents and distributes a number of thematic Pay TV networks serving Asia and the Pacific. Founded in 2007, MCA is Asia-Pacific’s leading distributor of independent channels, and operates three business divisions, TV channel investment and development, TV channel distribution and project based consultancies. MCA operates Outdoor Channel (Asia) and Havoc 247 (Asia) both under license and distributes Bloomberg Television, ITV Choice, Stingray Concerts, Stingray Music and Stingray Karaoke, Love Nature, Motorvision, Ginx TV and NDTV Networks among others. For more information about Multi Channels Asia: <http://www.multichannelsasia.com/>

-30 –

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