

2.4 ANNOUNCEMENT

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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE UK VERSION OF ARTICLE 7 OF REGULATION (EU) NO 596/2014 ("MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THE INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN FOR THE PURPOSES OF MAR.

FOR IMMEDIATE RELEASE

20 April 2024

Statement regarding a possible offer for Hipgnosis Songs Fund Limited (the "Company")

Blackstone Europe LLP, acting as sub-advisor to the Blackstone Funds (together with its affiliates "**Blackstone**") notes the recent speculation regarding Hipgnosis. Blackstone confirms that it has made a series of proposals regarding a possible offer for the entire issued and to be issued share capital of Hipgnosis (each, a "**Proposal**"). Blackstone furthermore notes Concord Chorus Limited's firm offer on 18 April 2024 to acquire the entire issued and to be issued share capital of Hipgnosis (the "**Concord Offer**").

Blackstone has today made an improved fourth proposal to acquire the entire issued and to be issued share capital of Hipgnosis at a price of \$1.24 per share in cash (the "**Fourth Proposal**"). Should Blackstone announce a firm intention to make an offer for Hipgnosis pursuant to Rule 2.7 of the Code under the terms of the Fourth Proposal (a "**Firm Offer**"), it is intended that such a Firm Offer would be effected by means of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act 2006. However, Blackstone would reserve the right, pursuant to its rights under the Code to implement any such Firm Offer by way of a scheme of arrangement under Part 26 of the Companies Act 2006 should a Firm Offer be announced.

Blackstone strongly encourages the Board of Hipgnosis to recognise the significant increase in value available to all shareholders under the terms of its Fourth Proposal, over the \$1.16 as set out in the Concord Offer, and to work with Blackstone to reach agreement on a unanimously recommended Firm Offer in an expeditious manner.

Blackstone notes that under the terms of the investment advisory agreement between Hipgnosis Song Management Limited, as investment adviser ("**HSM**"), and Hipgnosis, dated 27 June 2018 (as amended) (the "**IAA**"), on termination of the IAA, HSM has an option, exercisable at any point in time during the six month period following the effective date of termination of the IAA (the "**Termination Date**"), to purchase from Hipgnosis the entire portfolio of songs held as at the Termination Date (the "**Option**").

Blackstone and its portfolio company HSM, having taken extensive legal advice, remain confident in the enforceability of the Option. Blackstone is seeking to find a positive outcome for all shareholders at a fair and reasonable value; however, Blackstone and HSM value the contractual protections under the IAA and will vigorously defend HSM's rights pursuant to the Option if required to do so.

In accordance with paragraph 4(c) of Appendix 7 of the Code, the Takeover Panel will set the date by which Blackstone must clarify its intentions with regard to any offer for Hipgnosis.

Any capitalised terms otherwise not defined in this announcement shall have the meaning given to them in the IAA.

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Kirkland & Ellis International LLP is acting as legal adviser to Blackstone.

Further information

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this announcement or otherwise. Any offer, if made, will be made solely by certain offer documentation which will contain the full terms and conditions of any offer, including details of how it may be accepted.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore, any person who is subject to the laws of any jurisdiction other than the United Kingdom will need to inform themselves about, and observe, any applicable requirements. Any failure to comply with such requirements may constitute a violation of the securities laws or regulations of the relevant jurisdictions.

Notice related to financial adviser

Jefferies International Limited ("**Jefferies**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Blackstone and no one else in connection with the matters set out in this announcement and will not be responsible to anyone other than Blackstone for providing the protections afforded to clients of Jefferies nor for providing advice in relation to the matters set out in this announcement. Neither Jefferies nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Blackstone in connection with this announcement, any statement contained herein or otherwise.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 2.4 information

In accordance with Rule 2.4(c)(iii) of the Code, Blackstone confirms that it is not aware of any dealings in Hipgnosis shares that would require it to offer a minimum level, or a particular form, of consideration under Rule 6 or Rule 11 of the Code. However, it has not been practicable for Blackstone to make enquiries of all persons acting in concert with it prior to the date of this announcement in order to confirm whether any details are required to be disclosed under Rule 2.4(c)(iii) of the Code. To the extent that any such details are identified following such enquiries, Blackstone will make an announcement disclosing such details as soon as practicable, and in any event by no later than the time it is required to make its Opening Position Disclosure under Rule 8.1 of the Code.

Publication on Website

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available on Blackstone's website announcement-documents.com (subject to certain restrictions relating to persons resident in restricted jurisdictions) promptly and in any event by no later than 12 noon (London time) on the business day following the date of this announcement. The content of any website referred to in this announcement is not incorporated into, and does not form part of, this announcement.