

2 September 2019

Hipgnosis Songs Fund Limited (“Hipgnosis” or the “Company”)

£65 million Revolving Credit Facility

The Board of Hipgnosis Songs Fund Limited and its Investment Adviser, The Family (Music) Limited, are pleased to announce that the Company has signed a Revolving Credit Facility (the “RCF”) of £65 million from JPMorgan Chase Bank (as Lead Arranger).

The RCF will be available for three years and the Company may request an increase in the RCF commitment by a further £35 million subject to certain conditions.

The RCF will provide Hipgnosis with flexible capital to fund investments in accordance with the Company’s investment policy and to provide working capital.

The RCF imposes a loan to value test and a liquidity test and is secured by, inter alia, a charge over the shares in all the subsidiaries of the Company and over all of their assets, a charge over the bank accounts of the Company and a floating charge over all its assets. The Company has also provided a parent company guarantee. In accordance with Hipgnosis’s investment policy, any borrowings by the Company will not exceed 20 per cent. of the value of the assets of the Company less its liabilities.

Merck Mercuriadis, Founder of The Family (Music) Limited and Hipgnosis Songs Fund Limited, said:

“We are delighted to join forces with JP Morgan’s Entertainment Group and welcome them as our preferred leverage partner. Their position, knowledge and activity is at an elite level.”

For further information, please contact:

The Family (Music) Limited
Merck Mercuriadis

Tel: +44 (0)1481 742742

N+1 Singer
James Maxwell / James Moat (Corporate Finance)
Alan Geeves / James Waterlow / Sam Greatrex (Sales)

Tel: +44 (0)20 7496 3000

The Outside Organisation
Alan Edwards / Nick Caley

Tel: +44 (0)7711 081 843

NOTES TO EDITORS

About Hipgnosis Songs Fund Limited

(www.hipgnosissongs.com)

Hipgnosis, which was founded by Merck Mercuriadis, is a Guernsey registered investment company established to offer investors a pure-play exposure to songs and associated musical intellectual property rights. The Company has raised a total of approximately £395 million (gross) through its Initial Public Offering on the Specialist Fund Segment of the London Stock Exchange’s main market on 11 July 2018, and subsequent placings in April 2019 and August 2019.

About The Family (Music) Limited

The Company's Investment Adviser is The Family (Music) Limited, which was founded by Merck Mercuriadis, former manager of globally successful recording artists, such as Elton John, Guns N' Roses, Morrissey, Iron Maiden and Beyoncé, and hit songwriters such as Diane Warren, Justin Tranter and The-Dream, and former CEO of The Sanctuary Group plc. The Investment Adviser has assembled an Advisory Board of highly successful music industry experts which include award winning members of the artist, songwriter, publishing, legal, financial, recorded music and music management communities, all with in-depth knowledge of music publishing. Members of The Family (Music) Limited Advisory Board include Nile Rodgers, The-Dream, Giorgio Tuinfort, Starrah, Nick Jarjour, David Stewart, Bill Leibowitz, Ian Montone, and Jason Flom.