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*This announcement contains Inside Information as defined under the Market Abuse Regulation (EU) No. 596/2014.*

10 September 2019

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

### **Proposed C Share Issue**

The Board of Hipgnosis Songs Fund Limited and its Investment Adviser, The Family (Music) Limited, announce that the Company is considering increasing its capital base through an issue of C shares at a price of 100 pence per C share, targeting gross proceeds of £300 million (the “Issue”). It is anticipated that the structure of any fundraising will include an issue of C shares, an offer for subscription and intermediaries offer, and another 12 month share issuance programme.

Any issue of C shares will be used to take advantage of an attractive pipeline of opportunities that The Family (Music) Limited continues to identify in line with the Company’s investment policy. The relevant investments (or part thereof, as appropriate) and income accrued thereon will be allocated to the pool of assets and NAV attributed to the C shares and will be accounted for in this separate pool of C share assets until the C shares convert into new ordinary shares.

Any issue of C shares will be subject to the approval of a prospectus in connection with the Issue by the FCA (the “Prospectus”). It is currently expected that, should the Company proceed with the Issue, the Prospectus in connection with the Issue will be published before the end of September 2019 and trading in the C shares will commence before the end of October 2019.

### **Move to the Premium Segment of the Main Market**

The Company also confirms its intention to apply to the FCA for the Company's ordinary shares (and any C shares to be issued in connection with the Issue) to be admitted to the premium segment of the Official List of the UK Listing Authority and to the London Stock Exchange for the ordinary shares (and any C shares to be issued in connection with the Issue) to be admitted to the premium segment of the Main Market in the near future (the “Migration”). The Migration is expected to broaden the Company’s share register and facilitate the Company's eligibility for inclusion in the FTSE UK Index Series.

The Company will make further announcements in respect of the Issue and Migration in due course.

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## NOTES TO EDITORS

### **About Hipgnosis Songs Fund Limited**

([www.hipgnosissongs.com](http://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 equity capital) 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.

## IMPORTANT NOTE

The shares that will be the subject of the Issue or a subsequent issue under the share issuance programme (each a "Subsequent Issue") are not being offered or sold to any person in the European Union, other than to "qualified investors" as defined in Article 2.1 of Directive 2003/71/EC, which includes legal entities which are regulated by the Financial Conduct Authority or entities which are not so regulated whose corporate purpose is solely to invest in securities.

All offers of shares will be made pursuant to the Prospectus. In the United Kingdom, this announcement is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply. This announcement does not constitute or form part of, and should not be construed as, any offer or invitation or inducement for sale, transfer or subscription of, or any solicitation of any offer or invitation to buy or subscribe for or to underwrite, any share in the Company or to engage in investment activity (as defined by the Financial Services and Markets Act 2000) in any jurisdiction nor shall it, or any part of it, or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision whatsoever, in any jurisdiction. This announcement does not constitute a recommendation regarding any securities.

The information in this announcement is for information purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. The material set forth herein is not intended, and should not be construed, as an offer of securities for sale or subscription in the United States or any other jurisdiction. Any purchase of shares should be made solely on the basis of the information contained in the Prospectus.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, South Africa or Japan. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such

restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Company will not be registered under the US Investment Company Act of 1940, as amended. In addition, the Company's shares referred to herein have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or under the securities laws of any state of the United States and may not be offered or sold in the United States or to or for the account or benefit of US persons absent registration or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable State securities laws. The offer and sale of Company's shares referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of any state, province or territory of Australia, Canada, South Africa or Japan. Subject to certain exceptions, the Company's shares referred to herein may not be offered or sold in Australia, Canada, South Africa or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, South Africa or Japan. There will be no offer of the Company's shares in the United States, Australia, Canada, South Africa or Japan.

N+1 Singer is authorised and regulated in the United Kingdom by the Financial Conduct Authority, and is acting exclusively for the Company and no-one else in connection with the Issue and each Subsequent Issue. They will not regard any other person as their respective clients in relation to the Issue and each Subsequent Issue and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Issue and each Subsequent Issue, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

None of the Company, the Investment Adviser or N+1 Singer or any of their respective affiliates accepts any responsibility or liability whatsoever for/ or makes any representation or warranty, express or implied, as to this announcement, including the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith. The Company, the Investment Adviser and N+1 Singer and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract or otherwise which they might otherwise have in respect of this announcement or its contents or otherwise arising in connection therewith.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company's control and all of which are based on the Company's board of directors' current beliefs and expectations about future events. These forward-looking statements may be identified by the use of forward- looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, the results of operations, financial condition prospects, growth and dividend policy of the Company and the industry in which it operates. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. These forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Forward looking statements speak only as of the date of this announcement.

The Company has a limited trading history. Potential investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment. Results can be positively or negatively affected by market

conditions beyond the control of the Company or any other person. Past performance cannot be relied upon as a guide to, or guarantee of, future performance. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. The value of investments may fluctuate.