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This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 ("MAR").

10 July 2020

HIPGNOSIS SONGS FUND LIMITED

(the "Company" or "Hipgnosis")

LEI: 213800XJIPNDVKXMOC11

RESULT OF C SHARE ISSUE

Further to its announcement on 2 July 2020, Hipgnosis Songs Fund Limited ("Hipgnosis"), the first and only UK investment company offering investors a pure-play exposure to songs and associated intellectual property rights, and its Investment Adviser, The Family (Music) Limited, are pleased to announce that as a result of significant demand from existing and new investors the Placing has been oversubscribed, exceeding the target amount of £200 million.

Accordingly, the Board has resolved to increase the gross proceeds of the Issue to approximately £236.4 million, making it Hipgnosis' biggest equity raise to date. As the Investment Adviser, The Family (Music) Limited, is in active discussions on a pipeline of Catalogues with an acquisition value of over £1bn, the Company continues to expect to deploy the net proceeds of the Issue within three months.

The Placing has now closed and gross proceeds of approximately £233.4 million have been raised at a price of 100 pence per C Share pursuant to the Placing Programme described in the Prospectus published by the Company on 27 September 2019. In addition, further gross proceeds of approximately £3.0 million have been raised at a price of 100 pence per C Share pursuant to the Primary Bid Offer.

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

"Our mantra is that proven songs produce predictable and reliable income and are a highly investable uncorrelated asset class that can rival gold. I'm very grateful for the incomparable support we have had from our great institutional investors from day 1 and delighted that they are now, with us having become one of the biggest yielders on the FTSE 250, joined with significant participation from the retail sector. This is our biggest fundraise to date, and the biggest fundraise by a LSE listed investment trust since the COVID-19 lockdown, which speaks volumes for the financial community's recognition of Songs as an asset class. In line with our current performance we will do our utmost to continue to deliver strong results for our investors by buying extraordinarily successful proven songs by culturally important artists and managing them with great responsibility. At the same time we will use the influence of our great songs and financial wherewithal to bring reform to the way the songwriter is remunerated. The songwriter is unjustly at the bottom of the traditional music business economic equation, our intention is to take the songwriter to the top!"

Directors' participation in the Placing

The following Directors have subscribed for new C Shares pursuant to the Placing as outlined below:

Director	No. of C Shares being subscribed pursuant to the Placing	Resulting holding of Ordinary Shares and C Shares
Sylvia Coleman	6,000	31,000
Andrew Wilkinson	7,500	58,962

Admission and Total Voting Rights

Applications have been made for 233,446,307 Placing Shares and 2,954,205 C Shares to be issued pursuant to the PrimaryBid Offer ("PrimaryBid Shares") to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities ("Admission"). It is expected that Admission will become effective and that dealings will commence in the Placing Shares at 8.00 a.m. on 15 July 2020 and in the PrimaryBid Shares at 8.00 a.m. on 16 July 2020.

Following Admission of the new C Shares issued pursuant to the Placing, expected on 15 July 2020, the Company will have 615,851,887 Ordinary Shares and 233,446,307 C Shares in issue. The C Shares carry the right to receive notice of, attend and vote at general meetings of the Company. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of voting rights of the Company will be 849,298,194 and this figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Following Admission of the new C Shares issued pursuant to the PrimaryBid Offer, expected on 16 July 2020, the Company will have 615,851,887 Ordinary Shares and 236,400,512 C Shares in issue. The C Shares carry the right to receive notice of, attend and vote at general meetings of the Company. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of voting rights of the Company will be 852,252,399 and this figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Capitalised terms used in this announcement shall, unless defined in this announcement or unless the context provides otherwise, bear the same meaning ascribed to such terms in the announcement made by the Company on 2 July 2020 to announce the launch of the Placing.

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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 over £[•] million (gross equity capital) through its Initial Public Offering on 11 July 2018, and subsequent issues in April 2019, August 2019, October 2019 and July 2020. In September 2019, Hipgnosis transferred its entire issued share capital to the Premium listing segment of the Official List of the FCA and to the London Stock Exchange's Premium segment of the Main Market.

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, Jason Flom, Bjorn Lindvall and Chris Helm.

Disclaimers

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.

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The Company will not be registered under the US Investment Company Act of 1940, as amended. In addition, the C 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 C 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 C 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 C Shares or any other classes 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 (the "FCA"). J.P. Morgan Cazenove is authorised in the United Kingdom by the Prudential Regulatory Authority ("PRA") and regulated by the FCA and the PRA. Each of N+1 Singer and J.P. Morgan Cazenove (together, the "Joint Bookrunners") is acting exclusively for the Company and no-one else in connection with the Initial Issue, the Placing Programme and each Admission. They will not regard any other person as their respective clients in relation to the Initial Issue, the Placing Programme and each Admission 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 Initial Issue, the Placing Programme and each Admission, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

None of the Company, the Investment Adviser or the Joint Bookrunners 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 the Joint Bookrunners 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.

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 is not to be taken as an indication or guarantee of future performance.