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24 September 2020

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

Result of Issue

Further to its announcement on 21 September 2020, Hipgnosis Songs Fund Limited, the first and only UK investment company offering investors a pure-play exposure to songs and associated musical intellectual property rights, and its Investment Adviser, The Family (Music) Limited, are pleased to announce that the Company has successfully raised total gross proceeds of £190 million.

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

"To raise £190 million in 72 hours and £420 million in two months during a pandemic is the greatest endorsement from the investment community for Hipgnosis and proven songs as an asset class. The uncorrelated returns songs provide have been very important to our shareholders during these difficult times and have only reinforced the belief in our thesis which has now become reality. We have made a tremendous impact on the songwriting community through our acquisitions and by pushing the agenda to improve the songwriter's position in the economic equation. This has helped make us the buyer and custodian of choice amongst songwriters who are constantly providing us with exciting opportunities for pipeline. We will carry on with the course we have set for the last two plus years that has made us a FTSE 250 company. We will deploy quickly in the finest songs, we will actively manage them better than before and provide our great investors with a strong return all the while pushing forward the agenda of the songwriter."

Result of Issue

In total the Company has raised gross proceeds of £190 million at a price of 116p per Ordinary Share pursuant to the Issue. The Placing has now closed and gross proceeds of approximately £186.4 million have been raised pursuant to the Placing Programme described in the Prospectus published by the Company on 27 September 2019. In addition, further gross proceeds of £3.6 million have been raised pursuant to the PrimaryBid Offer.

Directors' and Investment Adviser's participation in the Placing

The following Directors, as well as Merck Mercuriadis (Founder of Hipgnosis and CEO of the Investment Adviser, The Family (Music) Limited) and Chris Helm (CFO of the Investment Adviser) have subscribed for new Ordinary Shares pursuant to the Placing as outlined below:

Director/Investment Adviser	No. of Ordinary Shares being subscribed pursuant to the Placing	Resulting holding of Ordinary Shares	Existing holding of C Shares	Total number of Ordinary Shares and C Shares

Andrew Wilkinson	13,000	64,462	7,500	71,962
Simon Holden	36,000	100,796	0	100,796
Merck Mercuriadis ¹	100,000	444,392	0	444,392
Chris Helm	8,620	18,758	0	18,758

¹ Including shares owned by *The Family (Music) Limited*

Admission and Total Voting Rights

Applications have been made for 163,793,103 Ordinary 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 at 8.00 a.m. on 25 September 2020.

Following Admission, the Company will have 797,254,294 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 1,033,654,806 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 21 September 2020 to announce the launch of the Placing.

For further information, please contact:

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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 £1.05 billion (gross equity capital) through its Initial Public Offering on 11 July 2018, and subsequent issues in April 2019, August 2019, October 2019, July 2020 and September 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.

IMPORTANT NOTE

The Placing Shares that will be the subject of the Placing are not being offered or sold to any person in the European Union, other than to "qualified investors" as defined in Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) 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 Placing Shares will be made pursuant to the Prospectus, as supplemented by the supplementary prospectuses published by the Company on 25 June 2020 and 14 July 2020 (the "**Supplementary Prospectuses**"). 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 and the Supplementary Prospectuses.

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 Placing 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 Placing. They will not regard any other person as their respective clients in relation to the Placing 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 Placing, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

JPMC, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting only for Company in connection with the Placing and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of JPMC or advice to any other person in relation to the Placing. Neither JPMC nor any of its directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for this announcement, its contents or otherwise in connection with it or any other information relating to the Company, whether written, oral or in a visual or electronic format.

RBC, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting only for Company in connection with the Placing and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of RBC or advice to any other person in relation to the Placing. Neither RBC nor any of its directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for this announcement, its contents or otherwise in connection with it or any other information relating to the Company, whether written, oral or in a visual or electronic format.

None of the Company, the Investment Adviser, N+1 Singer, RBC or JPMC 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, N+1 Singer, RBC and JPMC 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.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("Directive 2014/65/EU"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares to be issued pursuant to the Placing are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Directive 2014/65/EU; and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing Programmes. Furthermore, it is noted that, notwithstanding the Target Market Assessment, N+1 Singer, JPMC and RBC will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Directive 2014/65/EU; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

PRIIPS Regulation

In accordance with the Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) and its implementing and delegated acts (the "**PRIIPs Regulation**"), a key information document in respect of the Placing Shares has been prepared by Hipgnosis Songs Fund Limited and is available to investors at www.hipgnosisongs.com/disclaimer.

If you are distributing the Placing Shares, it is your responsibility to ensure that the relevant key information document is provided to any clients that are "retail clients".