

## GENERAL TEXT AMENDMENT

The following amendment has been made to the 'Update on CRB III impact and dividend payment' announcement released on 16 October 2023 at 07.13 under RNS No 2081Q

The dividend rate was noted as 1.1325 pence per share instead of the correct figure of 1.3125 pence per share.

All other details remain unchanged.

The full amended text is shown below.

*This announcement contains inside information for the purposes of the UK Market Abuse Regulation.*

LEI: 213800XJIPNDVKXMOC11

### **Hipgnosis Songs Fund Limited ("Hipgnosis" or the "Company")**

#### **Update on CRB III retroactive payments and withdrawal of October interim dividend payment**

**17 October 2023**

The Board of Hipgnosis Songs Fund Limited announces that it was notified on 13 October 2023 that Citrin Cooperman, the Company's Independent Portfolio Valuer, has materially reduced its expectations of industry-wide retroactive payments in relation to the U.S. Copyright Royalty Board's decision in relation to royalties payable to songwriters for the period covering 2018-2022 ("CRB III") for its valuation of the Company's portfolio as at 30 September 2023. As a result, the Board now expects to receive significantly lower retroactive payments in relation to CRB III and therefore intends to reduce its CRB III retroactive accrual to \$9.9m, from \$21.7m as at 31 March 2023.

Accordingly, in consequence of this unwinding of the CRB III accrual, the Board has decided to withdraw the proposed interim dividend of 1.3125 pence per share announced on 21 September 2023 in order to ensure compliance with its revolving credit facility's Fixed Charge Cover Ratio covenant.

In addition, the Company is in discussion with the agent and the lenders to avoid any potential impacts of the unwinding of the CRB III accrual on future Fixed Charge Cover Ratio covenant compliance.

Subject to satisfactory conclusion to discussions with lenders, the Board expects to declare and pay future dividends as targeted. A further announcement will be made in due course.

The person responsible for making this notification is Andrew Sutch, Chairman of Hipgnosis Songs Fund Limited.

## **For more information:**

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## **Notes to Editors**

### **About Hipgnosis Songs Fund**

Hipgnosis Songs Fund, 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. In March 2020 the Company became a constituent of the FTSE 250 Index. The Company is recognised as an investment trust under applicable HMRC regulations.

### **About Hipgnosis Song Management Limited**

The Hipgnosis Songs Fund's Investment Adviser is Hipgnosis Song Management 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 Hipgnosis Song Management Limited Advisory Board include Nile Rodgers, The-Dream, Giorgio Tuinfort, Starrah, David A. Stewart, Poo Bear, Bill Leibowitz, Ian Montone and Rodney Jerkins.