

**THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (“FSMA”), or if you are in a territory outside the United Kingdom, is an appropriately authorised independent financial adviser.

The contents of this Document are not to be construed as legal, business or tax advice. Each Shareholder should consult his, her or its own solicitor, independent financial adviser or tax adviser for legal, financial or tax advice. Shareholders should rely only on the information in this Document. No person has been authorised to give any information or make any representations other than those contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company.

If you sell or have sold or otherwise transferred all of your Ordinary Shares in the Company, you should immediately send this Document and any accompanying documents, but not the accompanying personalised Forms of Proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares in the Company, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected immediately. If you received this Document from another Shareholder, as a purchaser or transferee, please contact the Registrar for the Form of Proxy.

This Document does not constitute an offer or invitation to any person to subscribe for or purchase any securities in Hipgnosis Songs Fund Limited.

This Document, together with the accompanying Form of Proxy, should be read as a whole. Your attention is drawn to the “Letter from the Board of Directors” set out in Part 1 of this Document, which contains the unanimous recommendation from the Board that Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting referred to below. This Document should be read in conjunction with the accompanying Form of Proxy and the definitions set out in this Document.



**HIPGNOSIS SONGS FUND**

**HIPGNOSIS SONGS FUND LIMITED**

*(an investment company limited by shares incorporated under the laws of Guernsey with registered number 65158)*

Registered Office: P.O. Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 4LY

Notice of Extraordinary General Meeting

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Notice of the Extraordinary General Meeting of Hipgnosis Songs Fund Limited to be held at 9 a.m. on 7 February 2024 at 1 Bow Churchyard, London EC4M 9DQ is set out in Part 3 of this Document.

Shareholders will find enclosed with this Document a Form of Proxy for use at the Extraordinary General Meeting.

Whether or not Shareholders propose to attend the Extraordinary General Meeting, they are asked to please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon, by one of the following means: (i) in hard copy form by post, by courier, or by hand to the Company's Registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY; or (ii) in the case of CREST members, by utilising the CREST system service (details of which are contained in this Document), in each case as soon as possible and, in any event, so that it arrives not later than 48 hours before the Extraordinary General Meeting (excluding any part of such 48 hour period that is not a working day or, in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned Extraordinary General Meeting, again excluding any part of such 48 hour period that is not a working day).

Appointment of a proxy will not prevent you from attending and voting at the Extraordinary General Meeting in person if you subsequently find that you are able to do so.

The Company is registered with the Guernsey Financial Services Commission ("GFSC") under the Registered Collective Investment Scheme Rules and Guidance, 2021 (the "Rules") and the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended. Neither the GFSC nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

If you are in any doubt about the contents of this Document you should consult your accountant, legal or professional adviser, or financial adviser.

The Directors have taken all reasonable care to ensure that the facts stated in this Document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the Document, whether of facts or of opinion. All the Directors accept responsibility accordingly.

Singer Capital Markets Advisory LLP, which conducts its UK investment banking business as Singer Capital Markets, is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the matters set out in this Document (subject to the responsibilities and liabilities imposed by the FSMA or the regulatory regime thereunder) and will not be responsible to any other person for providing the protections afforded to customers of Singer Capital Markets in providing advice or in relation to any matters referred to in this Document.

Apart from the responsibilities and liabilities, if any, which may be imposed upon Singer Capital Markets by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Singer Capital Markets and its respective subsidiaries, branches and affiliates, and such entities' respective directors, officers, employees and agents (the "Singer Capital Markets Group") do not accept any responsibility whatsoever or make any representation or warranty, express or implied, concerning the contents of this Document, including its accuracy, completeness or verification, or concerning any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the transactions, and nothing in this Document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. The Singer Capital Markets Group accordingly disclaims, to the fullest extent permitted by law, all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to herein) which it might otherwise have in respect of this Document or any such statement.

This Document is a circular relating to a Resolution to amend the articles of incorporation of the Company which has been prepared in accordance with the Listing Rules.

Capitalised terms have the meaning ascribed to them in Part 2 (*Definitions*) of this Document.

**A summary of action to be taken by Shareholders is set out in Part 1 (*Letter from the Board of Directors*) of this Document, in the Notice of Extraordinary General Meeting set out in Part 3 (*Notice of Extraordinary General Meeting*) of this Document.**

This Document is dated 23 January 2024.

## IMPORTANT NOTICES

### *Forward-looking statements*

This Document contains statements which are, or may be deemed to be, “forward-looking statements” including statements regarding the Company’s objectives. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections about future events. Such statements relate to events and depend on circumstances that will occur in the future and are subject to risks, uncertainties and assumptions.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, the Company can give no assurance that such expectations will prove to be correct. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements, including, among others; fluctuations in exchange controls; changes in market conditions; the behaviour of other market participants; the actions of regulators; the enactment of legislation or regulation that may impose costs or restrict activities; the re-negotiation of contracts or licences; fluctuations in demand and pricing in the media industry; changes in government policy and taxations; industrial disputes; war and terrorism. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. These forward-looking statements speak only as at the date of this Document.

None of the Company or any of its associates, directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, the Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

### *No profit forecasts or estimates*

No statement in this Document is intended to be or is to be construed as a profit forecast or estimate for any period and no statement in this Document should be interpreted to mean that earnings or earnings per Ordinary Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per Ordinary Share.

### *No incorporation of website information*

Save as expressly referred to in this document, neither the contents of the Company’s websites nor the contents of any website accessible from hyperlinks on the Company’s websites are incorporated into, or form part of, this Document.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	Time and Date
Latest time for receipt of individual Form of Proxy for the Extraordinary General Meeting	9 a.m. on 5 February 2024
Extraordinary General Meeting	9 a.m. on 7 February 2024

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The timetable may be subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement through the Regulatory Information Service of the London Stock Exchange.

All references in this Document to time are to London time unless otherwise stated.

**PART 1**  
**LETTER FROM THE BOARD OF**  
**DIRECTORS**  
**HIPGNOSIS SONGS FUND LIMITED**  
**(the “Company”)**

(an investment company limited by shares incorporated under the laws of Guernsey with  
registered number 65158)

*Non-executive Independent Directors:*

Robert Naylor (*Chair*)

Christopher Mills

Simon Holden

Cindy Rampersaud

Francis Keeling

*Registered Office*

P.O. Box 286

Floor 2, Trafalgar Court

Les Banques St Peter Port

Guernsey GY1 4LY

**23 January 2024**

Dear Shareholder,

**Notice of Extraordinary General Meeting and proposed change to articles of  
incorporation of the Company**

**1. Introduction**

At the Company’s Annual General Meeting, Shareholders overwhelmingly voted against the Company continuing its business as a closed-ended investment company.

At the October Extraordinary General Meeting, Shareholders also overwhelmingly voted against the proposed sale of a portfolio of 29 music catalogues for aggregate cash consideration of \$440 million to Hipgnosis Songs Capital, the trading name of Hipgnosis SC IV (Delaware) L.P., a limited partnership represented by its general partner which is indirectly controlled by Blackstone Inc. and advised by Hipgnosis Song Management Limited (“**Hipgnosis Song Management**”). Hipgnosis Song Management is also the Company’s investment adviser (“**Investment Adviser**”).

Following these Shareholder votes, the composition of the Board underwent significant change. Andrew Sutch, Andrew Wilkinson and Paul Burger all resigned as directors either immediately before or as a result of the vote at the Annual General Meeting. Robert Naylor was subsequently appointed as the independent Non-Executive Chair and Francis Keeling and Christopher Mills were appointed as independent Non-Executive Directors, joining existing Board members Cindy Rampersaud and Simon Holden to form the newly constituted Board (the “**Newly Constituted Board**”). Sylvia Coleman has subsequently resigned from the Board as a Non-Executive Director.

Following the October Extraordinary General Meeting, the Newly Constituted Board undertook a substantial consultation with the Company’s largest Shareholders, representing over 60% of the Company’s shares, as part of its ongoing Strategic Review.

One of the key themes of these consultations were the Shareholders’ concerns that the Investment Adviser’s “**Call Option**”, as defined within the terms of the investment advisory agreement entered into between the Company and the Investment Adviser on 27 June 2018 (the “**Investment Advisory Agreement**”), constitutes a material conflict of interest for the Investment Adviser and acts as a significant deterrent to any third-party potential offerors seeking to acquire the Company or its assets. The Newly Constituted Board believes that the Investment Adviser’s Call Option therefore depresses the potential value of the Company by limiting certain possible opportunities for Shareholder value creation.

The Newly Constituted Board therefore proposes that the Articles of the Company are amended, by way of a special resolution (the “**Resolution**”), as follows:

- i) to enshrine the payment of a fee of up to £20 million (in aggregate) by the Company, at the Board's discretion, to any prospective offeror(s) who may approach the Board seeking to make an acquisition of one or more of the Company's subsidiaries which own the majority of the Company's music assets, and/or all or some of the Company's assets, on terms recommendable by the Board to Shareholders; and
- ii) to the extent permissible by the UK Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time, to authorise the payment(s) and/or reimbursement(s) by the Company of up to a maximum aggregate amount of £20 million to bona fide prospective offeror(s) for the entire issued share capital of the Company on terms recommendable by the Board to Shareholders,

together, the "**Proposal**". For the avoidance of doubt, the Newly Constituted Board proposes that such payments referred to above shall not exceed £20 million in the aggregate.

The Newly Constituted Board considers that the Proposal will provide significant protection to prospective offerors against their due diligence costs to ensure that they are not deterred from seeking to engage with the Company regarding a recommendable offer for the Company's assets as a result of the terms of the Investment Adviser's Call Option.

The Newly Constituted Board therefore considers that the Proposal will provide greater potential opportunities to maximise value for Shareholders. Specifically in relation to the Proposal, the Newly Constituted Board has consulted with several of the Company's largest shareholders, holding in aggregate more than 35% of the issued share capital, and all of whom have indicated their support for the Proposal. The Strategic Review is ongoing, and the Newly Constituted Board is not actively seeking one or more potential offers for the Company.

This Document sets out the background to and reasons for the Proposal and the reasons why the Directors, having consulted its financial adviser and broker Singer Capital Markets, consider the Proposal to be in the best interests of the Company, having regard to the interests of its Shareholders as a whole, and recommend that Shareholders vote in favour of the Resolution as they intend to do in respect of their shareholdings.

**The notice of the Extraordinary General Meeting to be held at 9 a.m. on 7 February 2024 at 1 Bow Churchyard, London EC4M 9DQ is set out in Part 3 of this Document. Shareholders should read the whole of this Document and not rely solely on this letter.**

**Under the Resolution, the Company is proposing to amend its Articles to enshrine the payment to any potential offerors. The full text of the new article is set out in the Appendix to the notice of the Extraordinary General Meeting at Part 3 of this Document.**

**A copy of the Company's existing articles of incorporation and proposed new Articles marked to show all the changes will be available for inspection during normal business hours on Business Days at the Company's registered office and on the Company's website from the date of this notice of meeting until the close of the meeting. The proposed new Articles and other documents will also be available for inspection at the Extraordinary General Meeting at least 15 minutes prior to the start of the meeting and up until the close of the meeting.**

## **2. Background to the Proposal**

### *Investment Advisory Agreement*

On 27 June 2018 the Company entered into the Investment Advisory Agreement with The Family (Music) Limited as its investment adviser. On 12 October 2021 The Family (Music) Limited changed its company name to Hipgnosis Songs Management Limited. The terms of the Investment Advisory Agreement have been amended on two separate occasions: in the First IAA Amendment Deed and in the IAA Amendment Letter (references to the Investment Advisory Agreement shall be taken to mean the Investment Advisory Agreement as amended).

The Investment Advisory Agreement includes the Call Option – which provides that where the Investment Advisory Agreement is terminated in certain circumstances, the Investment Adviser has the unconditional right to purchase from the Company the entire portfolio of Songs held by the Company as at the date of termination (the "**Termination Portfolio**") as summarised below.

The Board has requested the Investment Adviser makes available the Investment Advisory Agreement, the First IAA Amendment Deed and the IAA Amendment Letter on the Company's website:

### *Call Option*

In the event that the Company terminates the Investment Advisory Agreement by giving not less than 12 months' notice to the Investment Adviser, then the Investment Adviser has the unconditional right to purchase from the Company the Termination Portfolio. The Call Option also applies if the Investment Adviser terminates the Investment Advisory Agreement on a liquidation or winding up of the Company, or where there has been a material change in the Company's investment objective and policy of such significance that the Investment Adviser would no longer be able to perform its obligations under the Investment Advisory Agreement with the skill and care required of it under the terms of the Investment Advisory Agreement.

The Call Option may be exercised by the Investment Adviser at any time during a period of six months following termination of the Investment Advisory Agreement.

Under the terms of the Call Option, if exercised, by the Investment Adviser, the price payable by the Investment Adviser to the Company for the Termination Portfolio will be the higher of:

- the fair market value of the Termination Portfolio, as determined by an independent valuer as at the date the Call Option is exercised;
- any price offered in good faith on an unsolicited basis by a credible third party together with evidence of availability of funds to merit the purchase price of the Termination Portfolio on an arms' length basis. This concerns an offer made by a third party after the Investment Advisory Agreement terminates (but before the Investment Adviser exercises the Call Option); and
- the market capitalisation of the Company as at the date the Call Option is exercised, subject to adjustment to reflect the proportion of the Company's assets which is not represented by Songs.

In the event that the Investment Advisory Agreement is terminated, the Investment Adviser has 6 months from the date of termination to exercise the Call Option by way of the service of an option notice. Where the Investment Adviser chooses to exercise the Call Option by way of the service of an option notice, the Company must sell the Termination Portfolio to the Investment Adviser with full title guarantee, and all rights attaching to the Termination Portfolio will also pass to the Investment Adviser. The Company must account to the Investment Adviser for all royalties and other income generated from the Termination Portfolio which the Company is entitled to from the date of the option notice being served until the date of the sale.

While the Investment Advisory Agreement continues, the terms of the Call Option remain in place. The Call Option shall continue to apply notwithstanding termination of the Investment Advisory Agreement itself, and therefore any person / company who acquires the Company would acquire it subject to this Call Option.

It is the Newly Constituted Board's view that the Call Option is a significant deterrent to prospective offerors for the Company or its assets and therefore depresses the potential value of the Company by limiting certain possible opportunities for Shareholder value creation.

Further details of the Call Option are contained in clause 15 and Schedule 4 of the Investment Advisory Agreement.

### *Previously proposed sale of certain Song portfolios to Hipgnosis Songs Capital and Matching Right*

As noted above, at the Company's October Extraordinary General Meeting, Shareholders overwhelmingly voted against the proposed sale of a portfolio of 29 music catalogues (the "**First Disposal Assets**", as more particularly defined in the Company's 'Circular 2023' dated 28 September 2023) for aggregate cash consideration of \$440 million to Hipgnosis Songs Capital. Given that the Investment Adviser is majority owned and therefore controlled by Hipgnosis Songs Capital, the proposed transaction constituted a related party transaction (the "**Related Party Transaction**").

As part of the Related Party Transaction there was a "**Go-Shop Process**" under which the Company and its advisers sought to solicit superior proposals for the First Disposal Assets to be sold. The Go-Shop Process, amongst other terms, granted Hipgnosis Songs Capital a right to match any superior proposal ("**Matching Right**"). Further details of the Go-Shop Process and Matching Right are contained from page 11 of the Company's 'Circular 2023' dated 28 September 2023, which is available on the Company's website: [Hipgnosis-Songs-Fund-Limited-Circular-28.09.2023.pdf \(hipgnosissongs.com\)](https://www.hipgnosissongs.com/Songs-Fund-Limited-Circular-28.09.2023.pdf).

The Newly Constituted Board believes the Matching Right acted as a deterrent for credible third-party buyers



committing to incur the costs of due diligence, having received such feedback from prospective bidders at the time of the Go-Shop Process.

Following meetings with some of the Company's largest shareholders, the Newly Constituted Board views tackling conflicts of interests between the Investment Adviser and Shareholders, as demonstrated by the Call Option and Related Party Transaction, as one of its key mandates to unlock value from the Company's assets for Shareholders. Given the complexity of the terms of the Call Option and Investment Advisory Agreement, the Newly Constituted Board proposes a payment (summarised below) to improve the positioning and opportunities available for maximising shareholder value.

#### *Proposed payment*

The Newly Constituted Board proposes that the Articles of the Company are amended, by way of special resolution, to:

- i) enshrine the payment of a fee of up to £20 million (in aggregate) by the Company, at the Board's discretion, to any prospective offeror(s) who may approach the Board seeking to make an acquisition of one or more of the Company's subsidiaries which own the majority of the Company's music assets and/or all or some of the Company's assets, on terms recommendable by the Board to Shareholders.
- ii) the extent permitted by the UK Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time, to authorise the payment(s) and/or reimbursement(s) by the Company of up to a maximum aggregate amount of £20 million to bona fide prospective offeror(s) for the entire issued share capital of the Company on terms recommendable by the Board to Shareholders.

The full text of the new article is set out in the Appendix to this Document.

The Newly Constituted Board considers that this payment of costs will reduce the deterrent of the Call Option to prospective offerors, who would be willing to propose offers for the Company's assets that are recommendable by the Board to shareholders, by providing significant protection against their due diligence costs. In doing so, the Proposal will permit greater potential opportunities for Shareholders to maximise value from their investment in the Company. The Newly Constituted Board intends for such payment to any prospective offeror(s) to be payable following the transaction terms being recommended to Shareholders by the Board and such terms receiving shareholder approval. The Newly Constituted Board has yet to conclude the Strategic Review and therefore the Newly Constituted Board is not actively seeking one or more potential offerors for the Company.

### **3. Action to be taken**

At the Extraordinary General Meeting, the Resolution will be proposed which, if passed, will approve the Amendment to the Articles substantially on the terms and subject to the conditions summarised herein and will authorise the Directors to give effect to the Amendment to the Articles.

### **4. Notice of Extraordinary General Meeting**

Enclosed with this letter is the notice of the Extraordinary General Meeting of the Company, which will be held at 9 a.m. on 7 February 2024 at 1 Bow Churchyard, London, EC4M 9DQ. The Notice of Extraordinary General Meeting can be found in Part 3 of this Document.

The Amendment to the Articles will require the approval by Shareholders of the Resolution at the Extraordinary General Meeting. Entitlement to attend and vote at these Shareholder Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at the Voting Record Time. All Shareholders whose names appear on the register of members of the Company at 9 a.m. on 5 February 2024 or, if the Extraordinary General Meeting is adjourned, on the register of members at 6:30 p.m. on the day which is two calendar days before the date fixed for such adjourned Extraordinary General Meeting, shall be entitled to attend, speak and vote at the Extraordinary General Meeting in respect of the number of Ordinary Shares registered in their name at the relevant time.

Your participation and votes matter. I encourage your participation by submitting your votes using the Form of Proxy ahead of the Extraordinary General Meeting or voting online in advance or at the Extraordinary General Meeting. Shareholders may appoint the Chair of the Extraordinary General Meeting as their proxy to vote on their behalf.

To vote by proxy, I would ask you to complete, sign and return the enclosed Form of Proxy to register your vote.

Please note that Shareholders not present in person at the Extraordinary General Meeting will not be able to vote unless they appoint a proxy to vote on their behalf. The deadline for the receipt of proxy appointments and

votes is 9 a.m. on 5 February 2024 in respect of the Extraordinary General Meeting.

For further information, please see the Notice of Extraordinary General Meeting at Part 3 of this Document.

Any such notifications and changes to the Extraordinary General Meeting will be made through updates on the Company's website (<https://www.hipgnosissongs.com/song-investors/regulatory-news/>) and announcements through a Regulatory Information Service.

To ask a question on the business of the Extraordinary General Meeting prior to the Extraordinary General Meeting, Shareholders are invited to submit their questions in advance by e-mail to: [ir@hipgnosissongs.com](mailto:ir@hipgnosissongs.com) marked for the attention of the Company Secretary by 9 a.m. on 5 February 2024.

## **5. Recommendation**

The Directors, having consulted its financial adviser and broker, Singer Capital Markets, consider the Resolution to be proposed at the Extraordinary General Meeting to be in the best interests of the Company, having regard to the interests of its Shareholders as a whole, and accordingly recommend that Shareholders vote in favour of the Resolution, as the Directors intend to do so in respect of their shareholding of 377,796 Ordinary Shares (equivalent to approximately 0.03 per cent. of the existing issued Ordinary Shares).

If you are in any doubt as to the action you should take, you are recommended to seek your own independent advice.

Yours faithfully

**Robert Naylor**

For and on behalf of the Board of Directors of the Company

## PART 2 DEFINITIONS

The following definitions apply throughout this Document and the accompanying Form of Proxy unless the context otherwise requires:

**Amendment to the Articles:** please refer to the appendix to the Notice of Extraordinary General Meeting, which sets out the proposed amendment to the Articles.

**Annual General Meeting:** the annual general meeting of the Company convened on 26 October 2023.

**Articles:** the articles of incorporation of the Company.

**Blackstone Inc.:** Blackstone Inc., a Delaware corporation with its registered address at 345 Park Avenue, New York, New York 10154

**Business Day:** a day other than Saturday, Sunday or a public holiday on which banks are closed under the laws of the State of New York, London, England or Guernsey.

**Call Option:** please refer to the definition provided in paragraph 1 of sub-section *Call Option* in section “2. **Background to the Proposal**” at page 7 of this Document.

**certificated or in certificated form:** in certificated form (that is, not in CREST).

**Company:** Hipgnosis Songs Fund Limited, an investment company limited by shares incorporated under the laws of Guernsey with registered number 65158.

**CREST:** the CREST system (as defined in the CREST Regulations).

**CREST Manual:** the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since).

**CREST member:** a person who has been admitted by Euroclear as a member (as defined in the CREST Regulations).

**CREST Regulations:** the Uncertificated Securities (Guernsey) Regulations 2009 (SI 2009 No.48).

**Directors or the Board:** the directors of the Company whose names are set out on page 6 of this Document.

**Document:** this document.

**Euroclear:** Euroclear UK & Ireland Limited (previously CRESTCo Limited).

**Extraordinary General Meeting:** the extraordinary general meeting of the Company convened to take place at 9 a.m. on 7 February 2024 at 1 Bow Churchyard, London, EC4M 9DQ notice of which is set out in Part 3 of this Document.

**FCA:** the Financial Conduct Authority in the UK.

**First Disposal Assets:** please refer to the definition provided in paragraph 1 of sub-section *Proposed sale of portfolio to Hipgnosis Songs Capital and Go-Shop Provisions* in section “2. **Background to the Proposal**” at page 8 of this Document.

**First IAA Amendment Deed:** the Deed of Accession and Amendment dated 1 December 2020 which amended the Investment Advisory Agreement entered into between the Company and the Investment Adviser on 27 June 2018.

**Form of Proxy:** the personalised form of proxy accompanying this Document issued for use by Shareholders in connection with the Extraordinary General Meeting.

**FSMA:** the Financial Services and Markets Act 2000 in the UK, as amended from time to time.

**Go-Shop Process:** please refer to the definition provided paragraph 2 of sub-section *Proposed sale of portfolio to Hipgnosis Songs Capital and Go-Shop Provisions* in section “2. **Background to the Proposal**” at page 8 of this Document.

**IAA Amendment Letter:** the Investment Advisory Agreement Amendment Letter dated 8 October 2021 which amended the Investment Advisory Agreement entered into between the Company and the Investment Adviser on 27 June 2018 and which followed the First IAA Amendment Deed.

**Investment Adviser:** Hipgnosis Song Management Limited.

**Investment Advisory Agreement:** please refer to the definition provided in paragraph 5 in section “1. **Introduction**” at page 6 of this Document.

**Listing Rules:** the Listing Rules published by the FCA in accordance with section 73A(2) of FSMA.

**London Stock Exchange:** London Stock Exchange plc.

**Matching Right:** please refer to the definition provided paragraph 2 of sub-section *Proposed sale of portfolio to Hipgnosis Songs Capital and Go-Shop Provisions* in section “2. **Background to the Proposal**” at page 8 of this Document.

**Newly Constituted Board:** please refer to the definition provided in paragraph 3 in section “1. **Introduction**” at page 6 of this Document.

**Notice of Extraordinary General Meeting:** the notice of Extraordinary General Meeting, which is set out in Part 3 of this Document.

**October Extraordinary General Meeting:** the extraordinary general meeting of the Company convened on 26 October 2023.

**Ordinary Shares:** redeemable ordinary shares of no par value in the capital of the Company.

**person:** any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated association, corporation, entity or government (whether Federal, state, county, city or otherwise, including, any instrumentality, division, agency or department thereof).

**Proposal:** please refer to the definition provided in paragraph 6 in section “1. **Introduction**” at page 7 of this Document.

**Registrar:** Computershare Investor Services (Guernsey) Limited.

**Related Party Transaction:** please refer to the definition provided paragraph 1 of sub-section “Proposed sale of portfolio to Hipgnosis Songs Capital and Go-Shop Provisions” in section “2. **Background to the Proposal**” at page 8 of this Document.

**Resolution:** the resolution to adopt the Amendment to the Articles.

**Shareholders:** holders of Ordinary Shares and each a “Shareholder”.

**Singer Capital Markets:** Singer Capital Markets Advisory LLP, which conducts its UK investment banking business as Singer Capital Markets, is authorised and regulated in the United Kingdom by the FCA.

**Song(s):** A songwriter’s and/or publisher’s share of copyright interest in a song, as more particularly defined in the Investment Advisory Agreement.

**Strategic Review:** the on-going strategy review currently being undertaken by the Board.

**subsidiary:** as defined in section 1159 of the 2006 Act.

**Termination Portfolio:** please refer to the definition provided in paragraph 2 of sub-section *Call Option*

in section “2. **Background to the Proposal**” at page 7 of this Document.

**UK or United Kingdom:** the United Kingdom of Great Britain and Northern Ireland.

**Voting Record Time:** 9 a.m. on 5 February 2024 or, if the Extraordinary General Meeting is adjourned, 6:30 p.m. on the day which is two calendar days before the date set for the reconvened Extraordinary General Meeting.

**£ or Pounds Sterling or Sterling or GBP:** British pounds sterling and “p” or “pence” means British pence.

**\$ or USD or US\$ or Dollars:** United States dollars and “cents” means United States cents.

**PART 3**  
**NOTICE OF EXTRAORDINARY GENERAL MEETING**  
**HIPGNOSIS SONGS FUND LIMITED**

(an investment company limited by shares incorporated under the laws of Guernsey with registered number 65158)

NOTICE is hereby given that an Extraordinary General Meeting of Hipgnosis Songs Fund Limited (the “**Company**”) will be held at 9 a.m. on 7 February 2024 at 1 Bow Churchyard, London, EC4M 9DQ for the purposes of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

Voting on this resolution will be by way of poll.

1. THAT with effect from the conclusion of the meeting the articles of incorporation of the Company be amended by the addition of a new article 41 in the form set out in the Appendix to this notice of meeting.

BY ORDER OF THE BOARD

Ocorian Administration (Guernsey) Limited  
*Company Secretary*

23 January 2024

PO Box 286  
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Les Banques  
St Peter Port  
Guernsey  
GY1 4LY

## Notes to the Notice of Extraordinary General Meeting

1. Only holders of Ordinary Shares, or their duly appointed representatives, are entitled to attend, speak and vote at the Extraordinary General Meeting. A member so entitled may appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Extraordinary General Meeting on their behalf. The proxy need not be a member of the Company. A proxy must vote as its appointing Shareholder instructs and must attend the Extraordinary General Meeting for such Shareholder's vote to be counted.
2. A Form of Proxy is enclosed with this notice. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be received by Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not less than 48 hours (excluding non-working days) before the time for holding the Extraordinary General Meeting (being 9 a.m. on 7 February 2024) or adjourned meeting as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting.
3. A shareholder may appoint more than one proxy in relation to the Extraordinary General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them. If you wish to appoint more than one proxy, each proxy must be appointed on a separate Form of Proxy. Additional Forms of Proxy may be obtained from the Company's Registrar, Computershare Investor Services (Guernsey) Limited on 0370 707 4040 or, for Shareholders calling from overseas, +44 (0) 370 707 4040. Alternatively, you may photocopy the enclosed Forms of Proxy the required number of times before completing it. When appointing more than one proxy, you must indicate the number of shares in respect of which the proxy is appointed.
4. In the case of joint holders, where more than one joint holder purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members (the first named being the most senior).
5. To change your Proxy Instructions you may simply submit a new Form of Proxy. To obtain a new Form of Proxy, please contact Computershare (see note 2 above). Where two or more valid separate appointments of proxy are received in respect of the same Ordinary Shares, the one which is last validly received shall be treated as replacing and revoking the others. You must inform Computershare in writing of any termination of the authority of a proxy.
6. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the Company's agent, Computershare (ID 3RA50) by 9 a.m. on 5 February 2024. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent, Computershare, is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009. In any case your Form of Proxy must be received by the Company's Registrar no later than 9 a.m. on 5 February 2024 (or, in the event of an adjournment of the Extraordinary General Meeting, not less than 48 hours (excluding non-working days) before the time for holding the adjourned meeting).
7. The quorum for the Extraordinary General Meeting is at least two members present in person or by proxy holding at least 5 per cent. of the issued Ordinary Shares. A special resolution means a resolution passed by a majority of at least 75 per cent. of the votes cast by those members present at the meeting in person or by proxy and voting on the resolution.
8. In accordance with Regulation 41 of the Uncertificated Securities (Guernsey) Regulations 2009 and Article 14.3 of the Company's Articles of Incorporation, only those Shareholders entered in the

Register of Members of the Company at 9 a.m. on 5 February 2024 (or, if the Extraordinary General Meeting is adjourned, at 9 a.m. on the date which is two calendar days prior to the adjourned meeting) shall be entitled to attend or vote at the Extraordinary General Meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries in the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the Extraordinary General Meeting (or adjourned meeting, if applicable).

9. Voting on the resolution will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting, as member votes are to be counted according to the number of Ordinary Shares held. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the Extraordinary General Meeting. As soon as practicable following the Extraordinary General Meeting, the results of the voting at the Extraordinary General Meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of the resolution will be announced via a Regulatory Information Service and also placed on the Company's website: <https://www.hipgnosisongs.com/song-investors/regulatory-news/>.
10. As at 22 January 2024 (being the latest practicable date prior to publication of this Document), the Company's issued share capital (excluding treasury shares) consisted of 1,209,214,286 Ordinary Shares carrying one vote each. Therefore, the total number of voting rights at this date was 1,209,214,286.



**APPENDIX TO NOTICE OF EXTRAORDINARY GENERAL  
MEETING**

**HIPGNOSIS SONGS FUND LIMITED**

**41 Directors' power to authorise the payment and/or reimbursement of costs**

- 41.1 The board of directors may, at their sole discretion, authorise the payment(s) and/or reimbursement(s) by the Company of up to a maximum aggregate amount of £20 million to any prospective bidder(s) which has (or have) made a bona fide offer to acquire one or more of the Company's subsidiaries which own the Company's music assets, and/or all or some of the Company's assets on terms recommendable by the board of directors to the Company's shareholders.
- 41.2 The board of directors may, to the extent permissible by the UK Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time, authorise the payment(s) and/or reimbursement(s) by the Company of up to a maximum aggregate amount of £20 million to bona fide prospective offeror(s) for the entire issued share capital of the Company on terms recommendable by the board of directors to the Company's shareholders.
- 41.3 The total amount of any payments and/or reimbursements referred to in articles 41.1 and 41.2 shall be subject to a maximum aggregate cap of £20 million.