

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

Acquisition of Music Catalogue

The Board of Hipgnosis Songs Fund Limited, the first UK listed 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 the Company has acquired the catalogue of one of the most prolific and successful songwriters in pop history, Carole Bayer Sager. Carole Bayer Sager’s catalogue spans 55 years and contains some of the world’s most popular and successful songs including *A Groovy Kind Of Love*, *When I Need You*, *Nobody Does It Better*, *That’s What Friends Are For*, *Heartlight*, *The Prayer*, *Don’t Cry Out Loud*, *On My Own*, *It’s The Falling In Love*, *Arthur’s Theme (Best That You Can Do)* and *Heartbreaker*. Carole Bayer Sager is one of the extremely rare EGOT (Emmy, Grammy, Oscar, Tony) nominees and has been decorated with Oscar, Grammy and Golden Globe wins.

Despite a successful solo career which saw her release three albums in the 1970s, Bayer Sager is best known for her work as a songwriter and producer for some of the world’s most successful artists, with collaborations with Carly Simon, Barbra Streisand, Michael Jackson, Frank Sinatra, Bob Dylan, Whitney Houston, Ray Charles, Dolly Parton, Aretha Franklin, Neil Diamond, Bette Midler, Celine Dion, Phil Collins, Rod Stewart and Reba McEntire.

One of the most prolific song writers in history, key songs from her catalogue include:

- *A Groovy Kind of Love* was Bayer Sager’s first Number 1 hit which she wrote whilst still at High School. Initially recorded by The Mindbenders in 1965, the song was a worldwide hit, reaching Number 2 on the Billboard Hot 100. In 1988, Phil Collins released a ballad version of *A Groovy Kind of Love* which reached Number 1 in the UK and US, earned Collins a Grammy Award for “Best Pop Vocal Performance” in 1989 and was the most performed radio hit of the year. Standing the test of time, *A Groovy Kind of Love* has now been streamed over 150 million times.
- *Don’t Cry Out Loud*, released in the US by Melissa Manchester, reached the Top 10 on the Billboard 100 and, due to its length of time in the charts, ranked as Billboard’s 26th biggest hit of 1976. The version performed by Elkie Brooks reached the Top 15 of the UK singles chart.
- *When I Need You* achieved worldwide success in 1977 after its release by Leo Sayer. *When I Need You* topped the UK Singles chart for three weeks, whilst also reaching Number 1 on the Billboard Hot 100 and the Billboard Hot Adult Contemporary Tracks chart. The song has since been covered by many internationally recognised stars including Rod Stewart, Céline Dion, Cliff Richard, Julio Iglesias and Luther Vandross.
- *Nobody Does It Better* was recorded by Carly Simon as the theme song for the 1977 James Bond film, ‘The Spy Who Loved Me’. *Nobody Does It Better* became a major worldwide hit, spending three weeks at Number 2 on the US Billboard Hot 100 and reaching Number 7 in the UK. Among the most successful Bond theme songs, it received a nomination for “Song of the Year” at the 1978 Grammy Awards as well as nominations at the Academy Awards, Golden Globes and Emmy Awards.
- *You’re Moving Out Today* was Bayer Sager’s first solo Number 1 single. Released from Bayer Sager’s debut self-titled album in 1977, it reached Number 6 in the UK and spent four weeks at Number 1 in Australia. It was also a hit for Bette Midler.

- *It's The Falling In Love* was included on Bayer Sager's second solo album '...Too'. In 1979, Michael Jackson covered *It's The Falling In Love* on his 9x platinum, and Grammy Award winning, album 'Off the Wall'.
- *Through the Eyes of Love* by Melissa Manchester, which was the theme song to the 1978 film 'Ice Castles' and was nominated for an Academy Award, Golden Globe Award and Emmy Award.
- Bayer Sager co-wrote the lyrics for the Broadway musical *They're Playing Our Song* in 1978, which ran for over three years on Broadway and received four Tony Award nominations including for "Best Musical".
- *Heartbreaker* (1978) and *You're the Only One* (1979) by Dolly Parton, which both reached Number 1 on Billboard's US Hot Country Songs charts. *You're the Only One* was nominated for an Academy of Country Music Award for "Song of the Year".
- *It's My Turn* by Diana Ross which was used as the theme song to the film 'It's My Turn' in 1980. The song reached Number 9 on the Billboard Hot 100 and the Billboard Hot Adult Contemporary chart.
- *Arthur's Theme (Best That You Can Do)* by Christopher Cross, which was the main theme for the 1981 film 'Arthur'. The song reached Number 1 on the Billboard Hot 100 and the Billboard Hot Adult Contemporary chart and won both the Academy Award and the Golden Globe Award for "Best Original Song" in addition to the Emmy Award for "Song of the Year".
- *Heartlight*, by Neil Diamond, was the first track on Diamond's 1982 album, also titled 'Heartlight'. The song reached Number 5 on the Billboard Hot 100 and Number 1 on the Billboard Hot Adult Contemporary chart.
- *That's What Friends Are For*, which was initially recorded by Rod Stewart for the film 'Night Shift'. *That's What Friends Are For* reached Number 1 on the Billboard Hot 100 and won the Grammy Award for "Song of the Year" as a remake by Dionne Warwick, Stevie Wonder, Gladys Knight and Elton John. *That's What Friends Are For* has amassed over 75 million streams on Spotify.
- *On My Own* by Patti LaBelle and Michael McDonald topped three different Billboard charts, including the Billboard Hot 100, and reached Number 2 on the UK singles chart.
- *The Prayer*, recorded by Celine Dion and Andrea Bocelli for the 1998 film 'Quest for Camelot', won the Golden Globe for "Best Original Song" in 1999 and was nominated for both an Academy Award and a Grammy Award. *The Prayer* re-entered the charts in 2008 after Celine Dion released a live version of the song as a duet with Josh Groban, and in 2004 as a cover by Anthony Callea, the runner-up of Australian Idol. Anthony Callea's cover version remained Number 1 on the Australian singles chart for five consecutive weeks, was certified quadruple-platinum and currently holds the record for the fastest-selling single in Australia.

Bayer Sager has collaborated with some of the greatest songwriters of our lifetime including being one of the small handful to have ever co-written with Bob Dylan, as well as having long term collaborations with Albert Hammond, Burt Bacharach, Bruce Roberts, Carole King, Carly Simon, David Foster, Kenny Edmonds, Marvin Hamlisch, Melissa Manchester, Neil Diamond, Neil Sedaka, Peter Allen and Toni Wine.

Bayer Sager's songs have been performed by many of the most important artists of all time, including Agnetha Fältskog, Albert Hammond, Andrea Bocelli, Anita Baker, Aretha Franklin, Barbra Streisand,

Bernadette Peters, Bette Midler, Bob Dylan, Carly Simon, Carole King, Céline Dion, Charlotte Church, Christopher Cross, Cliff Richard, The Corrs, Diana Krall, Diana Ross, Dionne Warwick, Dolly Parton, Doobie Brothers, Dusty Springfield, Elkie Brooks, Elton John, Frank Sinatra, Gladys Knight, Josh Groban, Judy Collins, Julio Iglesias, Kanye West, Kenny Rogers, Leo Sayer, Liza Minnelli, Luther Vandross, Melissa Manchester, Michael Jackson, Michael McDonald, The Mindbenders, The Monkees, Neil Diamond, Patti LaBelle, Peter Allen, Phil Collins, Randy Crawford, Ray Charles, Richard Marx, Rita Coolidge, Reba McEntire, Roberta Flack, Rod Stewart, Shaun Cassidy, Sheena Easton, Shirley Bassey, Steve Perry, Stevie Wonder and Whitney Houston.

Over the course of her career, Bayer Sager has been nominated for an incredible:

- Four Grammy Awards, winning one
- Six Oscar / Academy Awards, winning one
- Ten Golden Globe Awards, winning three
- Six Emmy Awards
- Four Tony Awards.

In recognition of her outstanding contribution to the music industry, in 1987 Bayer Sager was inducted into the Songwriters Hall of Fame, and in 2019 received the “Johnny Mercer Award” from the Songwriters Hall of Fame during their 50th anniversary induction ceremony, becoming the sixth female songwriter to ever be awarded this honour. Bayer Sager has also been awarded a star on the Hollywood Walk of Fame.

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

“This is one of the most important deals we have ever made. Carole’s iconic songs have been making the world go around for more than 55 years. She has an elegance with words that has made these songs universal and they are not only enormously successful but truly beloved all over the globe. It’s very special to welcome Carole to the Hipgnosis family and it’s an honor to now be the custodians of these incredible songs that are of genuine cultural importance.”

Carole Bayer Sager said:

“In speaking with Merck, I was surprised to find how intimately acquainted he was with my catalogue of songs. Hearing his plans to keep these songs alive and bring them to a new generation of listeners, excited me and convinced me now was the right time to allow a new custodian to take charge of their future. With Merck and his Hipgnosis family I feel my songs are going to be nurtured and cared for. I look forward to yet another wonderful collaboration.”

Catalogue Playlists:

Spotify

https://open.spotify.com/playlist/5iajB5y6fK4xO2u4Jp60qE?si=LU_S73evQ9CH0tfnZI9EKw

Apple

<https://music.apple.com/gb/playlist/carole-bayer-sager-highlights/pl.u-zPyLmV6leaEWX06>

Key Catalogue Information:

Catalogue Carole Bayer Sager

Copyright acquired Publishing and Writers Share of Income

Number of Songs 983

| Accolades | Number 1s | Top 10s | Grammys |
|------------------|------------------|----------------|----------------|
| | 49 | 109 | 1 |

| Revenue History | 2018 | 2019 | 2020 |
|------------------------|---------------|---------------|---------------|
| | \$'000 | \$'000 | \$'000 |
| | 521 | 548 | 652 |

| Revenue mix by source¹ | Mechanical | Performance | Streaming | Sync | Writer's Share |
|--|-------------------|--------------------|------------------|-------------|-----------------------|
| | 8% | 13% | 16% | 24% | 33% |

| Revenue mix by geography¹ | US | Rest of World |
|---|-----------|----------------------|
| | 46% | 54% |

| Revenue diversification¹ | Top 3 Songs | Top 5 Songs | Top 10 Songs |
|--|--------------------|--------------------|---------------------|
| | 41% | 56% | 76% |

| Top 5 Songs by revenue¹ | Song | Artist |
|---|-----------------------------|---|
| | When I Need You | Leo Sayer; Rod Stewart, Celine Dion; Cliff Richard; Julio Iglesias; and Luther Vandross |
| | The Prayer | Celine Dion & Andrea Bocelli; Anthony Callea |
| | That's What Friends Are For | Rod Stewart; Dionne Warwick, Stevie Wonder, Gladys Knight & Elton John |
| | On My Own | Patti LaBelle and Michael McDonald |
| | A Groovy Kind of Love | The Mindbenders; Phil Collins |

¹ Based on the catalogue's royalty statement revenue in the calendar year 2020

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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 £1.1 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, September 2020 and February 2021. 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, and in March 2020 became a constituent of the FTSE 250 Index.

About The Family (Music) Limited

The Company's Investment Adviser is The Family (Music) Limited, which was founded by Merck Mercuriadis, manager or former manager of globally successful recording artists, such as Nile Rodgers, 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 A. Stewart, Bill Leibowitz, Ian Montone, Rodney Jerkins, Björn Lindvall and Chris Helm.