

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM THE UNITED STATES OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

8 September 2023

RECOMMENDED CASH OFFER FOR  
ROUND HILL MUSIC ROYALTY FUND LIMITED (“RHM”)

BY

CONCORD CADENCE LIMITED (“CONCORD BIDCO”)

to be implemented by means of a Court-sanctioned scheme of arrangement  
under Part VIII of the Companies (Guernsey) Law, 2008 (as amended)

**Summary**

- The board of directors of each of Alchemy Copyrights, LLC, trading as Concord (“**Concord**”) and RHM are pleased to announce that they have reached agreement on the terms of a recommended cash offer pursuant to which Concord Bidco, a wholly-owned subsidiary of Concord, will acquire the entire issued and to be issued share capital of RHM (the “**Acquisition**”).
- It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part VIII of the Companies Law (the “**Scheme**”).
- Under the terms of the Acquisition, Scheme Shareholders will receive:

|                              |                         |
|------------------------------|-------------------------|
| <b>For each Scheme Share</b> | <b>US\$1.15 in cash</b> |
|------------------------------|-------------------------|
- On the basis of the closing price per RHM Share of US\$0.69 (the “**Closing Price**”) on 7 September 2023 (the “**Latest Practicable Date**”), the Acquisition values the entire issued and to be issued ordinary share capital of RHM at approximately US\$468.8 million.
- The Acquisition represents:
  - a premium of approximately 67.3 per cent to the Closing Price of US\$0.69 as at the Latest Practicable Date;
  - a premium of approximately 64.0 per cent to the six-month volume weighted average price per RHM Share of US\$0.70 as at the Latest Practicable Date; and
  - a discount of approximately 11.5 per cent to RHM’s Economic NAV per RHM Share of US\$1.30 (as at 8 September 2023).
- RHM Shareholders will receive the dividend of US\$0.01125 per RHM Share in respect of the quarter ended 30 June 2023 (as announced by RHM on 31 August 2023). In addition, RHM intends to declare a special dividend of US\$0.005 per RHM Share to be declared and paid prior to the effective date of the Scheme (the “**Effective Date**”) from income accrued by reference to the quarter ended 30 September 2023.

**Background to and reasons for the Acquisition**

- Concord has been an active acquirer of music rights and companies for over a decade, with a proven track record of strategic acquisitions and catalogue expansion. Since 2015, Concord has deployed more than US\$2.0 billion of capital and completed more than 100 transactions across recorded music, music publishing and theatricals, as it seeks to grow its business and scale and leverage its operations.

- Concord is a full-service music and theatrical rights company with an extensive new release artist and writer programme. Concord's global team provides artists, songwriters, playwrights and composers with creative and administrative support in sync, licensing, marketing, promotion and A&R.
- Concord continues to be active in the market, looking at many potential transactions that meet its investment criteria. Concord and its management have followed the progression of RHM since IPO and believe that RHM's assets complement Concord's long-standing objective to acquire high quality and long-term music assets. Concord believes that the quality of RHM's assets are consistent with Concord's existing holdings, and creators connected to the rights acquired will benefit from the services of Concord's existing creative and administrative support teams globally.

### **Background to and reasons for the RHM Directors' recommendation**

- Since its IPO in November 2020, RHM has carefully invested in what it believes to be an enviable portfolio of music rights comprising 51 catalogues, representing a collection of over 150,000 songs, of carefully selected evergreen music rights that have been chosen based on their ability to generate resilient income, deliver a positive performance in an inflationary environment, and provide the opportunity to unlock latent potential leading to revenue growth.
- Following its strong performance in 2022, RHM's positive growth trajectory has continued through the first quarter of 2023. However, the RHM Board believes that this positive financial and operational performance, as well as the continued attractive dynamics of the music rights sector, have not been reflected in the current RHM Share price. Along with the broader listed investment company sector in the UK, RHM has experienced a significant de-rating over the last year driven by the inflationary and higher interest rate environment, which has impacted most listed alternative investment companies.
- The RHM Board believes that the Acquisition is in the best interests of RHM Shareholders by providing RHM Shareholders with an opportunity to realise the value of their RHM Shares for cash at a significant premium, and a value greater than the highest price at which the RHM Shares have traded since the Company's IPO in November 2020.
- As such, the RHM Board intends to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that RHM Shareholders vote in favour of the Resolution at the General Meeting.

### **Recommendation**

- The RHM Directors, who have been so advised by Cenkos as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the RHM Directors, Cenkos has taken into account the commercial assessments of the RHM Directors. Cenkos is providing independent financial advice to the RHM Directors for the purposes of Rule 3 of the Takeover Code.
- **Accordingly, the RHM Directors intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and the RHM Shareholders vote in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), and have irrevocably undertaken to do so in respect of their own beneficial holdings totalling in aggregate 253,697 RHM Shares, representing approximately 0.06 per cent of the issued share capital of RHM as at the Latest Practicable Date.**

### **Irrevocable Undertakings and Letters of Intent**

- In addition to the irrevocable undertakings given by the RHM Directors as set out above, Concord Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), from CCLA Investment Management Limited, Schroder & Co Ltd, Brooks MacDonald Asset Management Limited and Evergreen Partners, L.P. and Turtlegrass Partners LLC (the latter two are entities controlled by Josh Gruss and his connected parties), in respect of, in aggregate, 111,619,295 RHM Shares representing approximately 27.38 per cent of RHM's issued share capital as at the Latest Practicable Date.

- Concord Bidco has therefore received irrevocable undertakings from the RHM Directors and certain of the RHM Shareholders in respect of, in aggregate, 111,872,992 RHM Shares representing approximately 27.45 per cent of RHM's issued share capital as at the Latest Practicable Date.
- Concord Bidco has also received a letter of intent to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), from Close Asset Management (UK) Limited in respect of, in aggregate, 23,200,435 RHM Shares representing approximately 5.69 per cent of RHM's issued share capital as at the Latest Practicable Date.
- The total number of RHM's Shares which are therefore subject to irrevocable undertakings or letters of intent received by Concord Bidco from RHM Shareholders is 135,073,427 RHM Shares, in aggregate representing approximately 33.14 per cent of RHM's issued share capital as at the Latest Practicable Date.
- Further details of the irrevocable undertakings and letters of intent given to Concord Bidco (and the circumstances in which such arrangements will cease to be binding or otherwise fall away) are set out in Appendix 3 to this Announcement.

### Dividends

- RHM Shareholders will receive the dividend of US\$0.01125 per RHM Share in respect of the quarter ended 30 June 2023 (as announced by RHM on 31 August 2023) (the "**Q2 Dividend**"). In addition, RHM intends to declare a special dividend of US\$0.005 per RHM Share to be declared and paid prior to the Effective Date from income accrued by reference to the quarter ended 30 September 2023 (the "**Special Dividend**" and together with the Q2 Dividend the "**Permitted Dividends**"). The Permitted Dividends shall be paid to RHM Shareholders without a commensurate reduction in the price of the Acquisition. Other than the Permitted Dividends, Concord Bidco reserves the right to reduce the offer price payable for each Scheme Share pursuant to the Acquisition by up to the amount per Scheme Share of any dividends paid by RHM prior to the Effective Date.

### Timetable and Conditions

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part VIII of the Companies Law. Subject to the Panel's consent, Concord Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer.
- The Scheme will be put to Scheme Shareholders at the Court Meeting. In order to become Effective, the Scheme must be approved by a majority in number of Scheme Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent of the voting rights of such Scheme Shareholders. In addition, the implementation of the Scheme is conditional on the Resolution, a special resolution to approve all actions necessary for carrying the Scheme into effect and the adoption of the Amended RHM Articles, being passed by RHM Shareholders (either in person or by proxy) representing at least 75 per cent of the votes cast on the Resolution at the General Meeting.
- The Acquisition will be made in accordance with the Takeover Code and on the terms and subject to the Conditions which are set out in Appendix 1 to this Announcement and on the further terms and conditions that will be set out in the Scheme Document.
- It is expected that the Scheme Document, containing further information about the Acquisition and the notices of the Court Meeting and the General Meeting, together with the Forms of Proxy, will be published as soon as practicable and, in any event, within 28 days of this Announcement, unless Concord Bidco and RHM otherwise agree, and the Panel consents, to a later date. It is expected that the Scheme will become Effective on 1 November 2023, subject to the satisfaction of the Conditions and the further terms set out in Appendix 1 to this Announcement and to the full terms and conditions of the Acquisition which will be set out in the Scheme Document.

Commenting on the Acquisition, Robert Naylor, Chairman of RHM said:

*"The Board is pleased to present this opportunity for liquidity at a premium to both the share price and the IPO price, as well as at a narrow discount to economic net asset value per share. The recommended offer represents excellent value for shareholders."*

Commenting on the Acquisition, Bob Valentine, CEO of Concord said:

*"Since its IPO, RHM has built an impressive portfolio of music rights which generate revenue across a variety of income streams and have demonstrated their ability to stand the test of time. As one of the world's leading music companies with a proven track record of strategic catalogue expansion, Concord has a global team of sync, licensing, marketing, copyright and royalty experts well positioned to maximise the value of this portfolio for all of the songwriters and artists within it. This offer enables RHM shareholders to realise their investment in the business at an attractive premium to the undisturbed share price, while the transaction provides an opportunity to create value for all stakeholders."*

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement and its Appendices. The Acquisition will be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to the full terms and conditions which will be set out in the Scheme Document. Appendix 2 to this Announcement contains the sources of information and bases of calculation of certain information contained in this Announcement. Appendix 3 to this Announcement contains a summary of the irrevocable undertakings and letters of intent received in relation to the Acquisition. The valuation report for RHM's portfolio of investment as at 8 September 2023 is set out in Appendix 4 to this Announcement pursuant to Rule 29 of the Takeover Code. Appendix 5 to this Announcement contains definitions of certain expressions used in this summary and in this Announcement.**

**Enquiries:**

|  |                                      |
|--|--------------------------------------|
| <b>Concord</b><br>Kelly Voigt (SVP, Corporate Communications)  | +1 629 401 3906                      |
| <b>J.P. Morgan Cazenove (Sole Financial Adviser to Concord Bidco and Concord)</b><br>Jonty Edwards<br>Brent Ballard<br>Rupert Budge<br>Edward Hatter | +44 203 493 8000                     |
| <b>H/Advisors Maitland (PR Adviser to Concord Bidco)</b><br>Neil Bennett<br>Sam Cartwright   | +44 7900 000777<br>+44 7827 254561   |
| <b>RHM</b><br>Robert Naylor (Chairman)   | Via Cenkos                           |
| <b>Cenkos (Rule 3 Adviser, Financial Adviser and Corporate Broker to RHM)</b><br>James King<br>William Talkington                                    | +44 207 397 1913<br>+44 207 397 1910 |
| <b>JTC (Company Secretary and Administrator to RHM)</b><br>Mariana Enevoldsen  | +44 1481 702 485                     |
| <b>Fourth Pillar (Financial PR Advisers to RHM)</b><br>Claire Turvey<br>Lynne Best   | +44 7850 548 198<br>+44 7763 619 709 |

Reed Smith LLP is retained as UK legal adviser to Concord Bidco and Concord and Gowling WLG (UK) LLP is retained as UK legal adviser to RHM.

**Important notices**

*J.P. Morgan Securities LLC, together with its affiliate J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove and which is authorised in the United Kingdom by the Prudential Regulation Authority (the "PRA") and regulated in the United Kingdom by the PRA and the FCA, (together, "J.P. Morgan Cazenove"), is acting as financial adviser exclusively to Concord Bidco and Concord*

and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Concord Bidco and Concord for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein.

Cenkos Securities plc ("**Cenkos**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as Rule 3 adviser, financial adviser and corporate broker exclusively for RHM and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than RHM for providing the protections afforded to clients of Cenkos nor for providing advice in connection with the matters referred to herein.

This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or a solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, invitation, solicitation, purchase, sale, issuance or exchange is unlawful. The Acquisition will be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, any document by which the Takeover Offer is made) and the accompanying Forms of Proxy (or forms of acceptance, if applicable), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the resolutions proposed in connection with the Acquisition. Any vote, approval, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or any other document by which the Acquisition is made by way of a Takeover Offer).

The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and the release of this Announcement shall not give rise to any implication that there has been no change in the facts set out in this Announcement since such date. This Announcement does not constitute a prospectus or prospectus equivalent document.

RHM Shareholders should not make any investment decision in relation to the Acquisition except on the basis of the Scheme Document (or any other document by which the Acquisition is made by way of a Takeover Offer). RHM and Concord Bidco urge RHM Shareholders to read the whole of the Scheme Document when it becomes available because it will contain important information relating to the Acquisition.

No person should construe the contents of this Announcement as legal, financial or tax advice. If you are in any doubt about the contents of this Announcement 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 from an independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom, or another appropriately authorised independent financial adviser, if you are in a territory outside the United Kingdom.

### **Overseas Shareholders**

This Announcement has been prepared for the purpose of complying with Guernsey law, English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Guernsey. Nothing in this Announcement should be relied on for any other purpose.

The release, publication or distribution of this Announcement in or into, jurisdictions other than the United Kingdom or Guernsey may be restricted by the laws and/or regulations of those jurisdictions and therefore persons into whose possession this Announcement comes who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom or Guernsey should inform themselves about and observe any such applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom or Guernsey to vote their Scheme Shares or RHM Shares (as applicable) with respect to the Scheme at the Court Meeting or the Resolution at the General Meeting, or to appoint another person as proxy to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

*Unless otherwise determined by RHM or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange, of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

### **Additional information for US investors**

*RHM Shareholders in the United States should note that the Acquisition relates to the securities of a Guernsey company with a listing on the London Stock Exchange and is proposed to be effected by means of a scheme of arrangement provided for under, and governed by, the Companies Law. This Announcement, the Scheme Document and certain other documents relating to the Acquisition have been or will be prepared in accordance with Guernsey law, English law, the Takeover Code and UK disclosure requirements, format and style, all of which differ from those in the United States. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the procedural and disclosure requirements and practices applicable to a scheme of arrangement involving a target company organised in Guernsey and listed on the London Stock Exchange, which differ from the procedural and disclosure requirements of the United States tender offer rules and proxy solicitation rules under the US Exchange Act. If, in the future, Concord Bidco exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Acquisition will be made in compliance with applicable United States laws and regulations. Such Takeover Offer would be made by Concord Bidco and no one else.*

*The financial information that is included in this Announcement or that may be included in the Scheme Document, or any other documents relating to the Acquisition, have been or will be prepared in accordance with IFRS and may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with US generally accepted accounting principles.*

*The RHM Shares have not been approved or disapproved by the Securities Exchange Commission or any US state securities commission, nor have any such authorities passed judgment upon the fairness or the merits of the Acquisition or determined if this Announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

*US holders of RHM Shares should also be aware that the transaction contemplated herein may have tax consequences in the United States and that such consequences, if any, are not described herein. US holders of RHM Shares are urged to consult with independent professional advisors regarding the legal, tax and financial consequences of the Acquisition applicable to them.*

*It may be difficult for US holders of RHM Shares to enforce their rights and claims arising out of US federal securities laws, since RHM is incorporated outside the United States, and its officers and directors may be residents of, and some or all of their assets may be located in, countries other than the United States. US holders of RHM Shares may have difficulty effecting service of process within the United States upon those persons or recovering against judgments of US courts, including judgments based upon the civil liability provisions of the US federal securities laws. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

*In accordance with normal practice in the UK and Guernsey and consistent with Rule 14e-5(b) of the US Exchange Act, Concord Bidco, certain affiliated companies and their nominees or brokers (acting as agents)*

may make certain purchases of, or arrangements to purchase, shares in RHM outside the United States, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

Further details in relation to US investors will be contained in the Scheme Document.

### **Forward-looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Concord Bidco or RHM contain statements about Concord Bidco, Concord, RHM and/or the Combined Group that are or may be deemed to be forward-looking statements. All statements other than statements of historical facts included in this Announcement, may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "hopes", "projects", "continue", "schedule" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Concord's or RHM's or the Combined Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Concord's or RHM's or the Combined Group's business.

These forward-looking statements are not based on historical fact and are not guarantees of future performance. By their nature, such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the entities' ability to control or estimate precisely. These factors include, but are not limited to, the satisfaction of or failure to satisfy all or any of the conditions to the Acquisition, as well as additional factors, such as changes in political and economic conditions, changes in the level of capital investment, retention of key employees, changes in customer habits, success of business and operating initiatives and restructuring objectives, the impact of any acquisitions or similar transactions, changes in customers' strategies and stability, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and exchange rates and the outcome of any litigation.

Neither Concord Bidco or RHM, nor any of their respective associates or directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this Announcement. All subsequent oral or written forward-looking statements attributable to Concord Bidco or RHM or any of their respective members, directors, officers, employees or advisers or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Concord Bidco and RHM disclaim any obligation to update any forward-looking or other statements contained in this Announcement, except as required by applicable law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

### **Disclosure requirements of the City Code on Takeovers and Mergers**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> Business Day (as defined in the Takeover Code) following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> Business Day (as defined in the Takeover Code) following the announcement in which any securities exchange offeror is first identified.

*Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day (as defined in the Takeover Code) following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Takeover Code).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Right to switch to a Takeover Offer**

*Concord Bidco reserves the right to elect, with the consent of the Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of RHM as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Concord Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Part B of Appendix 1 to this Announcement.*

### **Publication of this Announcement on websites and availability of hard copies**

*A copy of this Announcement and the documents required to be published pursuant to Rules 26.1 and 26.2 of the Takeover Code will be available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on RHM's website at <https://roundhillmusicroyaltyfund.com/offer-for-the-fund> and Concord Bidco's website at <http://www.concordcadence.com> by no later than 12.00 p.m. on the Business Day following the date of this Announcement.*

*In accordance with Rule 30.3 of the Takeover Code, RHM Shareholders may request a hard copy of this Announcement by contacting RHM's registrars, JTC Registrars Limited at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT, or by calling 01481 711 301 or from overseas +44 1481 711 301. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom or Guernsey will be charged at the applicable international rate. Lines are open between 9.00 a.m. to 5.00 p.m. (London time), Monday to Friday (except public holidays in the UK and Guernsey). Please note that JTC Registrars Limited cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.*

### **Information relating to RHM Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by RHM Shareholders and other relevant persons for the receipt of communications from RHM may be provided to Concord Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### **Rounding**



*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.*

**Rule 2.9 of the Takeover Code**

*For the purposes of Rule 2.9 of the Takeover Code, RHM confirms that, as at the Latest Practicable Date, it had 407,621,300 ordinary shares of no par value in issue and admitted to trading on the London Stock Exchange and no shares held in treasury. The ISIN of the RHM Shares is GG00BMXNVC81.*

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM THE UNITED STATES OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

8 September 2023

RECOMMENDED CASH OFFER FOR  
ROUND HILL MUSIC ROYALTY FUND LIMITED (“RHM”)

BY

CONCORD CADENCE LIMITED (“CONCORD BIDCO”)

to be implemented by means of a Court-sanctioned scheme of arrangement  
under Part VIII of the Companies (Guernsey) Law, 2008 (as amended)

1 INTRODUCTION

The board of directors of each of Concord and RHM are pleased to announce that they have reached agreement on the terms of a recommended cash offer pursuant to which Concord Bidco, a wholly-owned subsidiary of Concord, will acquire the entire issued and to be issued share capital of RHM (the “Acquisition”).

The Acquisition is intended to be implemented by means of a Court-sanctioned scheme of arrangement between RHM and the Scheme Shareholders under Part VIII of the Companies Law.

2 THE ACQUISITION

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to the full terms and conditions which will be set out in the Scheme Document, Scheme Shareholders will receive:

**For each Scheme Share      US\$1.15 in cash**

On the basis of the Closing Price per RHM Share of US\$0.69 on 7 September 2023 (the “**Latest Practicable Date**”), the Acquisition values the entire issued and to be issued ordinary share capital of RHM at approximately US\$468.8 million.

The Acquisition represents:

- a premium of approximately 67.3 per cent to the Closing Price of US\$0.69 as at the Latest Practicable Date;
- a premium of approximately 64.0 per cent to the six-month volume weighted average price per RHM Share of US\$0.70 as at the Latest Practicable Date; and
- a discount of approximately 11.5 per cent to RHM’s Economic NAV per RHM Share of US\$1.30 (as at 8 September 2023).

Appendix 4 to this Announcement contains the valuation report for RHM’s portfolio of investments as at 8 September 2023 prepared by Citrin Cooperman pursuant to the requirements of Rule 29 of the Takeover Code.

As an updated valuation report has been prepared for the purposes of this Announcement, RHM has announced an updated Economic NAV per RHM Share as at 8 September 2023.

Citrin Cooperman will prepare a further updated valuation report for the purposes of the Scheme Document, which will be reproduced in the Scheme Document. In addition, RHM will announce a further updated Economic NAV per RHM Share as at the date of the Scheme Document.

### **Expected Timetable**

It is expected that the Scheme Document will be published as soon as practicable and, in any event, within 28 days of this Announcement, unless Concord Bidco and RHM otherwise agree, and the Panel consents, to a later date. It is expected that the Court Meeting and the General Meeting will be held on or around 18 October 2023 and that, subject to the satisfaction of the Conditions and the further terms set out in Appendix 1 to this Announcement and to be set out in full in the Scheme Document, the Scheme is expected to become Effective on 1 November 2023.

## **3 BACKGROUND TO AND REASONS FOR THE ACQUISITION**

Concord has been an active acquirer of music rights and companies for over a decade, with a proven track record of strategic acquisitions and catalogue expansion. Since 2015, Concord has deployed more than US\$2.0 billion of capital and completed more than 100 transactions across recorded music, music publishing and theatricals, as it seeks to grow its business, and scale and leverage its operations.

Concord is a full-service music and theatrical rights company with an extensive new release artist and writer programme. Concord's global team provides artists, songwriters, playwrights and composers with creative and administrative support in sync, licensing, marketing, promotion and A&R.

Concord continues to be active in the market, looking at many potential transactions that meet its investment criteria. Concord and its management have followed the progression of RHM since IPO and believe that RHM's assets complement Concord's long-standing objective to acquire high quality and long-term music assets. Concord believes that the quality of RHM's assets are consistent with Concord's existing holdings, and creators connected to the rights acquired will benefit from the services of Concord's existing creative and administrative support teams globally.

## **4 RECOMMENDATION**

The RHM Directors, who have been so advised by Cenkos as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the RHM Directors, Cenkos has taken into account the commercial assessments of the RHM Directors. Cenkos is providing independent financial advice to the RHM Directors for the purposes of Rule 3 of the Takeover Code.

For the reasons set out below, the RHM Directors intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and RHM Shareholders vote in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), and have irrevocably undertaken to do so in respect of their own beneficial holdings totalling in aggregate 253,697 RHM Shares, representing approximately 0.06 per cent of the issued share capital of RHM as at the Latest Practicable Date.

## **5 BACKGROUND AND REASONS FOR THE RECOMMENDATION**

Since its IPO in November 2020, RHM has carefully invested in what it believes to be an enviable portfolio of music rights comprising 51 catalogues, representing a collection of over 150,000 songs, of carefully selected evergreen music rights that have been chosen based on their ability to generate resilient income, deliver a positive performance in an inflationary environment, and offer the opportunity to unlock latent potential leading to revenue growth.

The 51 catalogues are diversified by income type and genre, with a large proportion being Rock music because of its enduring demand and loyal consumption across various age groups and geographies. They are also strategically concentrated in older vintages preceding the early 2010s. This means that they have already demonstrated durable, time-tested royalty cash flows that have withstood various economic cycles. The portfolio generates revenue across a variety of income streams, from the fast-growing streaming market to radio and live performances, as well as the use of music in TV productions, films and adverts.

The RHM portfolio of catalogues includes enduring songs by artists such as Alice In Chains, Bonnie Tyler, British Rock band Bush, Bruno Mars, Céline Dion, Lady A, Louis Armstrong, The Offspring, Country music star Carrie Underwood, The Supremes, Wilson Pickett and Whitesnake.

Following its strong performance in 2022, RHM's positive growth trajectory has continued through the first quarter of 2023.

However, the RHM Board believes that this positive financial and operational performance, as well as the continued attractive dynamics of the music rights sector, have not been reflected in the current RHM Share price. Along with the broader listed investment company sector in the UK, RHM has experienced a significant de-rating over the last year driven by the inflationary and higher interest rate environment, which has impacted most listed alternative investment companies.

Whilst the RHM Board remains confident in RHM's strategy and the enduring long-term quality and value of its portfolio of music rights, it has also considered the medium and long-term risks posed by the uncertainty in the current economic and market backdrop, in particular:

- the continuing uncertainty with respect to the shape and speed of any equity market recovery due to continuing volatile market conditions;
- that the current high global inflationary environment is likely to persist for some time and this is likely to continue to exert a negative downward pressure on the price of the RHM Shares resulting in a continuation of the share price discount; and
- that there is no assurance that even if the inflationary environment improves, the price of the RHM Shares will re-rate to a price which is at or above the Economic NAV per RHM Share (or indeed the original IPO price of US\$1.00 per RHM Share) and, related to that, the ongoing inability of the Company to raise capital through the public equity markets, thereby constraining RHM's investment strategy and its ability to increase the Company's scale, improve share liquidity and lower the Company's ongoing costs ratio.

The offer price of US\$1.15 per Scheme Share followed the RHM Board having received and rejected a number of proposals from Concord over a prolonged period. In arriving at its recommendation, the RHM Board believes that the Acquisition is in the best interests of RHM Shareholders by providing RHM Shareholders with an opportunity to realise the value of their RHM Shares for cash at a value which is greater than the highest price at which the RHM Shares have traded since the Company's IPO in November 2020.

In reaching its conclusion, the RHM Board has carefully considered the following:

- the risk-adjusted returns that may be generated by RHM's strategy as compared with the certainty of execution of the Acquisition, which represents an acceleration of value crystallisation for RHM Shareholders;
- that the offer price of US\$1.15 per Scheme Share represents an all-time high share price for the RHM Shares;
- that the offer price represents a material premium of approximately 67.3 per cent to the Closing Price of US\$0.69 on the Latest Practicable Date;
- that the offer price represents a premium of approximately 64.0 per cent to the six-month volume weighted average price per RHM Share of US\$0.70 (being the volume weighted average Closing Price for the six-month period ended on the Latest Practicable Date); and
- that the Acquisition provides RHM Shareholders with the opportunity to realise the entirety of their interests in cash.

In addition to the financial terms of the Acquisition, in its evaluation of Concord as a suitable owner of RHM from the perspective of all stakeholders, in particular the artists and songwriters whose music rights are owned by the RHM Group, the RHM Board has also taken into account Concord's proven

track record and internal infrastructure in acquiring and administering catalogues of music rights of the type represented by RHM's portfolio.

As such, the RHM Board intends to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and RHM Shareholders vote in favour of the Resolution at the General Meeting.

## 6 **IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT**

Concord Bidco has received irrevocable undertakings from each of the RHM Directors who are interested in RHM Shares to vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of, in aggregate, 253,697 RHM Shares representing approximately 0.06 per cent of the issued share capital of RHM as at the Latest Practicable Date.

In addition to the irrevocable undertakings given by the RHM Directors as set out above, Concord Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), from CCLA Investment Management Limited, Schroder & Co Ltd, Brooks MacDonald Asset Management Limited and Evergreen Partners, L.P. and Turtlegrass Partners LLC (the latter two are entities controlled by Josh Gruss and his connected parties) in respect of, in aggregate, 111,619,295 RHM Shares representing approximately 27.38 per cent of RHM's issued share capital as at the Latest Practicable Date.

Concord Bidco has therefore received irrevocable undertakings from the RHM Directors and certain of the RHM Shareholders in respect of, in aggregate, 111,872,992 RHM Shares representing approximately 27.45 per cent of RHM's issued share capital as at the Latest Practicable Date.

Concord Bidco has also received a letter of intent to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), from Close Asset Management (UK) Limited in respect of, in aggregate, 23,200,435 RHM Shares representing approximately 5.69 per cent of RHM's issued share capital as at the Latest Practicable Date.

The total number of RHM's Shares which are therefore subject to irrevocable undertakings or letters of intent received by Concord Bidco from RHM Shareholders is 135,073,427 RHM Shares, in aggregate representing approximately 33.14 per cent of RHM's issued share capital as at the Latest Practicable Date.

Further details of the irrevocable undertakings and letters of intent given to Concord Bidco (and the circumstances in which such arrangements will cease to be binding or otherwise fall away) are set out in Appendix 3 to this Announcement.

## 7 **INFORMATION RELATING TO CONCORD**

Concord is an independent, worldwide leader in the development, management and acquisition of sound recordings, music publishing and theatrical performance rights and narrative content. It represents more than one million songs, composed works, plays, musicals and active recordings. Headquartered in Nashville, with additional offices in Berlin, London, Los Angeles, Melbourne, Miami and New York and staff in Auckland, Sydney, Toronto and Tokyo, Concord's repertoire is licensed in virtually every country and territory worldwide. Concord has more than 600 employees, augmented by global partners, that provide full administration and distribution capabilities that allow it to service and manage assets of the sort owned by RHM.

Concord has a proven track record of strategic acquisitions and catalogue expansion. Since 2015, it has deployed more than US\$2.0 billion of capital and completed more than 100 transactions across recorded music, music publishing and theatricals. Notable acquisitions include Imagem Music Group (2017), the Imagine Dragons publishing catalogue (2020), the owned copyrights of Downtown (2021), and the catalogues of Phil Collins and his Genesis bandmates Tony Banks and Mike Rutherford

(2022). Concord continues to actively make acquisitions across all aspects of recorded music, music publishing and theatricals.

## 8 INFORMATION RELATING TO RHM

RHM is an externally managed investment company whose ordinary shares are admitted to the Premium Listing Segment of the FCA's Official List and admitted to trading on the Main Market of the London Stock Exchange. The Company is a non-cellular Guernsey company and is regulated by the GFSC as a registered collective investment scheme.

RHM has appointed Round Hill Music LP as its external investment manager. Founded in 2010, the Investment Manager is a fully integrated owner and operator of music copyright properties. It currently manages 150+ catalogues, totalling around 200,000 songs with a combined value of circa US\$1.2 billion.

With over 70 employees located in the major music and entertainment markets of Nashville, New York, Los Angeles and London, the Investment Manager has an experienced management and investment team with an established reputation and extensive expertise in the music and finance industries.

RHM launched in November 2020 and invests in high quality, evergreen music catalogues that have proven longevity and revenue streams, with the aim of providing investors with an attractive level of regular and growing income and capital returns, underpinned by the positive structural drivers of the global music industry.

The RHM portfolio is diversified by income stream and music genre, with value created through the proactive and careful management and commercialisation of the repertoire through synchronisation (placement in films, television series and brand campaigns); licensing; data cleaning; and distribution (including across platforms such as Amazon Music, Apple Music, YouTube, and Spotify).

RHM's 51 catalogues, totalling over 150,000 songs, include music performed by artists such as Alice In Chains, Bonnie Tyler, British Rock band Bush, Bruno Mars, Céline Dion, Lady A, Louis Armstrong, The Offspring, Country music star Carrie Underwood, The Supremes, Wilson Pickett and Whitesnake.

The RHM portfolio of rights includes copyright interests in a musical composition or song (which can be the writer's share, publisher's share and/or performance rights), the rights to the recording of a musical composition or song (the master recording rights), as well as music rights and assets that meet RHM's investment strategy and objectives.

## 9 DIVIDENDS

RHM Shareholders will receive the dividend of US\$0.01125 per RHM Share in respect of the quarter ended 30 June 2023 (as announced by RHM on 31 August 2023) (the "**Q2 Dividend**"). In addition, RHM intends to declare a special dividend of US\$0.005 per RHM Share to be declared and paid prior to the Effective Date from income accrued by reference to the quarter ended 30 September 2023 (the "**Special Dividend**" and together with the Q2 Dividend the "**Permitted Dividends**"). The Permitted Dividends shall be paid to RHM Shareholders without a commensurate reduction in the price of the Acquisition. Other than the Permitted Dividends, Concord Bidco reserves the right to reduce the offer price payable for each Scheme Share pursuant to the Acquisition by up to the amount per Scheme Share of any dividends paid by RHM prior to the Effective Date.

## 10 INTENTIONS FOR RHM

The Concord Bidco Directors believe that, following completion of the Acquisition, the Combined Group will have a stronger position, as a result of Concord's enlarged catalogue post-acquisition and believes that the Acquisition provides an attractive opportunity for Concord to accelerate its existing growth strategy. Concord believes that the assets being acquired are of a quality and type consistent with Concord's existing holdings and Concord will leverage its existing operations and expertise to create value for all stakeholders. Following the Acquisition, the Concord Bidco Directors expect that the assets of RHM will be fully integrated into Concord's regular operations during a transition period of up to ten months, and managed alongside the other iconic assets owned and managed by the Concord Group. The Investment Manager will assist during the transition period.

### The RHM Directors

Concord intends to de-list RHM and to surrender RHM's registration as a collective investment scheme regulated by the GFSC following completion of the Acquisition. Consequently, RHM will not require listed company governance structures and it is accordingly intended that each of the RHM Directors will step down from the RHM Board and the boards of its subsidiaries upon completion of the Acquisition.

The board of Concord Bidco will remain unchanged following the Acquisition and will continue to provide the complementary skills necessary to drive the Combined Group forward following completion of the Acquisition.

### **Management services to RHM**

Concord has been in discussions with the current Investment Manager regarding future management arrangements and it has been agreed that Concord will assume the delivery of those services from completion of the Acquisition. This decision is to be effected with a view to delivering optimal value to stakeholders and continuity of service. Concord Bidco, RHM and the Investment Manager have entered into a deed of termination of the existing investment management agreement between RHM and the Investment Manager which is subject to completion of the Acquisition (the "**Investment Management Agreement Deed of Termination**"). In consideration for the termination of the existing investment management agreement and the Investment Manager's appointment thereunder, Concord Bidco shall pay to the Investment Manager on completion of the Acquisition a termination payment equal to US\$12 million (the "**Investment Management Termination Arrangements**").

It has also been agreed between Concord and the Investment Manager that the Investment Manager will provide such transitional services to RHM in respect of the portfolio and the investments, or otherwise as agreed between the Investment Manager and Concord Bidco, pursuant to the terms of a transition services agreement (the "**TSA**") to be entered into between Concord Bidco and the Investment Manager. The Investment Manager shall receive an aggregate fee equal to US\$3 million, of which US\$2 million shall be payable on completion of the Acquisition and US\$1 million shall be payable upon completion of such transitional services in accordance with the TSA, which the parties anticipate shall take place by 30 June 2024 (the "**Transitional Services Arrangements**").

For the purposes of Rule 16 of the Takeover Code, Cenkos has confirmed that, in its opinion, the terms of the Investment Management Termination Arrangements and the Transitional Services Arrangements are fair and reasonable so far as RHM Shareholders are concerned.

At the current time, Concord Bidco is unable to assess the impact of the Acquisition on persons employed by the Investment Manager whose principal role is the carrying out of activities on behalf of RHM.

### **Management, employees, pensions scheme, fixed assets, R&D and registered office**

As an externally managed investment company, RHM has no employees and does not operate any pension scheme, nor does it have any arrangements in place for any employee involvement in its capital. Other than its registered office, RHM has no fixed place of business, fixed assets (other than those held in its music catalogues and other investments), research and development function or headquarters.

### **Listing**

It is intended that dealings in, and registration of transfers of, RHM Shares (other than the registration of the transfer of the Scheme Shares to Concord Bidco pursuant to the Scheme) will be suspended shortly before the Effective Date at a time to be set out in the Scheme Document. It is further intended that applications will be made to the London Stock Exchange to cancel trading in the RHM Shares on the Main Market, and to the Financial Conduct Authority to cancel the listing of the RHM Shares on the Official List, in each case with effect from or shortly following the Effective Date. Further details about the de-listing and cancellation of trading of the RHM Shares can be found in paragraph 16.

### **Financing**

RHM's existing facility arrangements will be repaid by RHM on completion of the Acquisition.

### **No post-offer undertakings**

No statements in this paragraph 10 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

In considering the recommendation of the Acquisition to RHM Shareholders, the RHM Directors have given due consideration to Concord Bidco's intentions for RHM set out above.

## **11 FINANCING OF THE ACQUISITION**

The Acquisition will be financed via a combination of cash on hand, and debt provided by funds and accounts managed by Apollo and its affiliates, Concord's long-term financing partner, pursuant to an interim facility agreement.

J.P. Morgan Cazenove, as financial adviser to Concord and Concord Bidco, is satisfied that sufficient resources are available to Concord Bidco to enable it to satisfy in full the cash consideration payable to the Scheme Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

## **12 OFFER-RELATED ARRANGEMENTS**

### **Confidentiality Agreement**

Concord and RHM have entered into the Confidentiality Agreement (which contains mutual confidentiality obligations) pursuant to which each party has undertaken to keep confidential, and to procure that certain of its representatives keep confidential, information relating to the other party and/or to the Acquisition, to use such information solely for the agreed purposes in relation to the Acquisition and not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation.

### **Investment Management Agreement Deed of Termination**

Concord Bidco, RHM and the Investment Manager have entered into the Investment Management Agreement Deed of Termination which is subject to completion of the Acquisition. In consideration for the termination of the existing investment management agreement and the Investment Manager's appointment thereunder, the parties have agreed to the Investment Management Termination Arrangements as set out in paragraph 10 above.

## **13 DISCLOSURE OF INTERESTS IN RHM**

As at the close of business on the Latest Practicable Date, save for the irrevocable undertakings referred to in paragraph 6 of this Announcement, neither Concord Bidco nor any of the Concord Bidco Directors nor, so far as Concord Bidco is aware, any person acting in concert (within the meaning of the Takeover Code) with it for the purposes of the Acquisition had:

- any interest in or a right to subscribe for any relevant securities of RHM;
- any short positions in respect of relevant securities of RHM (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- borrowed or lent any relevant securities of RHM (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code); or
- entered into any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code, in relation to any relevant securities of RHM.



For these purposes:

"interests in securities" arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person will be treated as having an 'interest' by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities; and

"relevant securities of RHM" are RHM Shares or securities convertible or exchangeable into RHM Shares.

In the interests of secrecy prior to this Announcement, it has not been practicable for Concord Bidco to make enquiries of all of its concert parties in advance of the release of this Announcement. Therefore, if Concord Bidco becomes aware, following the making of such enquiries, that any of its concert parties have any such interests in relevant securities of RHM, all relevant details in respect of Concord Bidco's concert parties will be included in Concord Bidco's Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Takeover Code (whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise).

#### 14 **OPENING POSITION DISCLOSURE**

Each of Concord Bidco and RHM confirms that it will make an Opening Position Disclosure, setting out the details required to be disclosed by it under Rule 8 of the Takeover Code, by no later than 12 noon (London time) on 22 September 2023.

#### 15 **STRUCTURE OF THE ACQUISITION**

##### **Scheme of arrangement**

It is intended that the Acquisition will be effected by means of a Court-sanctioned scheme of arrangement between RHM and Scheme Shareholders under Part VIII of the Companies Law. The procedure involves, among other things, an application by RHM to the Court to sanction the Scheme, in consideration for which Scheme Shareholders who are on the RHM register of members at the Scheme Record Time will receive consideration for their Scheme Shares on the basis set out in paragraph 2 above. The purpose of the Scheme is to provide for Concord Bidco to become the holder of the entire issued and to be issued share capital of RHM.

##### **Conditions**

The implementation of the Scheme will be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and all terms and conditions will be set out in full in the Scheme Document including, amongst other things, the:

- approval of the Scheme by a majority in number of the Scheme Shareholders who are present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting or at any adjournment thereof and who represent not less than 75 per cent of the voting rights held by such Scheme Shareholders;
- passing of the Resolution by the requisite majority at the General Meeting;
- sanction of the Scheme by the Court; and
- the Scheme becoming Effective by 11.59 p.m. on the Long Stop Date.

The Scheme will lapse and the Acquisition will not take place if:

- either the Court Meeting or the General Meeting are not held by the 22nd day after the expected date of such meeting to be set out in each case in the Scheme Document (or such later date(s) as may be agreed between Concord Bidco and RHM and the Court may allow);  
or

- the Court Hearing to approve the Scheme is not held by the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document (or such later date as may be agreed between Concord Bidco and RHM and the Court may allow); or
- the Scheme does not become Effective by the Long Stop Date,

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Court Hearing to approve the Scheme as set out above may be waived by Concord Bidco, and the deadline for the Scheme to become Effective may be extended by agreement between RHM and Concord Bidco (with the Panel's consent and as the Court may approve (if such consent and/or approval is required)).

Once the necessary approvals from Scheme Shareholders and RHM Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court (with or without modification but with any such modification being acceptable to RHM and Concord Bidco). The Scheme will become Effective upon delivery to the Guernsey Registry of a copy of the Court Order. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour of the resolutions proposed at such meetings).

Further details of the Scheme, including an indicative timetable for its implementation, will be set out in the Scheme Document, which, together with the Forms of Proxy, is expected to be dispatched to RHM Shareholders as soon as practicable and, in any event, within 28 days of this Announcement. It is expected that the Court Meeting and the General Meeting will be held on or around 18 October 2023 and that, subject to the satisfaction of the Conditions and the further terms set out in Appendix 1 to this Announcement and the further terms and conditions to be set out in full in the Scheme Document, the Scheme is expected to become Effective on 1 November 2023.

The Scheme will be governed by Guernsey law and will be subject to the jurisdiction of the Court. The Scheme will be subject to the applicable requirements of the GFSC, the Takeover Code, the Panel, the London Stock Exchange and the FCA.

#### **Right to switch to a Takeover Offer**

Concord Bidco has reserved the right to elect, subject to the consent of the Panel, for the Acquisition to be implemented by way of a Takeover Offer. In this event, the Takeover Offer will be implemented on the same terms, so far as applicable, as those which would apply to the Scheme. If Concord Bidco does elect to implement the Acquisition by way of a Takeover Offer, and if sufficient acceptances of such Takeover Offer are received and/or sufficient RHM Shares are otherwise acquired, it is the intention of Concord Bidco to apply the provisions of Part XVIII of the Companies Law to acquire compulsorily any outstanding RHM Shares to which such Acquisition relates.

#### **16 DELISTING OF RHM SHARES**

Prior to the Scheme becoming Effective, RHM will make an application to the London Stock Exchange to cancel trading in the RHM Shares on the Main Market and to the Financial Conduct Authority to cancel the listing of the RHM Shares from the Official List, in each case on or shortly after the Effective Date. The last day of dealings in the RHM Shares on the Main Market is expected to be the Business Day immediately prior to the Court Hearing and no transfers will be registered after 6.00 p.m. on that date.

On the Effective Date, RHM will become a wholly owned subsidiary of Concord Bidco and share certificates in respect of RHM Shares will cease to be valid and should be destroyed. In addition, entitlements to RHM Shares held within the CREST system will be cancelled on the Effective Date.

Upon the Scheme becoming Effective, Concord Bidco (and/or its nominee(s)) will acquire the Scheme Shares fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them including the right to receive and retain all dividends and distributions (if any) declared after the Effective Date.

## 17 GENERAL

The bases and sources of certain financial information contained in this Announcement are set out in Appendix 2 to this Announcement. A summary of the irrevocable undertakings and letters of intent given in relation to the Acquisition is contained in Appendix 3 to this Announcement. The valuation report for RHM's portfolio of investments (as at 8 September 2023) is set out in Appendix 4 to this Announcement pursuant to Rule 29 of the Takeover Code. Certain terms used in this Announcement are defined in Appendix 5 to this Announcement.

In the event that the music catalogues and other assets within RHM's portfolio were to be sold at the valuation contained in Citrin Cooperman's valuation report set out in Appendix 4 to this Announcement, any gains realised on such disposals may, in certain circumstances, be subject to taxation in the UK. If RHM were to dispose of assets it would seek to do so by the sale of the shares in an underlying UK subsidiary which holds such assets. As an investment trust for the purposes of UK taxation, RHM would generally be exempt from UK corporation tax on any gains realised from such disposals. However, if an underlying UK subsidiary of RHM were to dispose of assets held by it, any gains realised from such disposal may be subject to UK corporation tax. In connection with the Acquisition, it is not contemplated that any aforementioned liability to taxation will crystallise.

Each of J.P. Morgan Cazenove and Cenkos has given and not withdrawn its consent to the publication of this Announcement with the inclusion herein of the references to its name in the form and context in which it appears.

Citrin Cooperman has given and not withdrawn its consent to the publication of its valuation report in this Announcement with the inclusion of the references to its name and, where applicable, the valuation report in the form and context in which it they are included.

## 18 DOCUMENTS AVAILABLE ON WEBSITE

Copies of the following documents will be made available on RHM's website at <https://roundhillmusicroyaltyfund.com/offer-for-the-fund> and Concord Bidco's website at <http://www.concordcadence.com> by no later than 12 noon London time on the Business Day following this Announcement until the end of the Acquisition:

- a copy of this Announcement;
- the irrevocable undertakings and letters of intent referred to in paragraphs 4 and 6 above and summarised in Appendix 3 to this Announcement;
- the written consents of J.P. Morgan Cazenove, Cenkos and Citrin Cooperman to being named in this Announcement;
- the valuation report from Citrin Cooperman;
- the Confidentiality Agreement;
- the Investment Management Agreement Deed of Termination; and
- documents relating to Concord Bidco's financing of the Acquisition.

### Enquiries:

**Concord** +1 629 401 3906  
Kelly Voigt (SVP, Corporate Communications)

**J.P. Morgan Cazenove (Sole Financial Adviser to Concord Bidco and Concord)** +44 203 493 8000  
Jonty Edwards  
Brent Ballard  
Rupert Budge  
Edward Hatter

**H/Advisors Maitland (PR Adviser to Concord Bidco)**

Neil Bennett +44 7900 000777  
Sam Cartwright +44 7827 254561

**RHM**

Robert Naylor (Chairman) Via Cenkos

**Cenkos (Rule 3 Adviser, Financial Adviser and Corporate Broker to RHM)**

James King +44 207 397 1913  
William Talkington +44 207 397 1910

**JTC (Company Secretary and Administrator to RHM)**

Mariana Enevoldsen +44 1481 702 485

**Fourth Pillar (Financial PR Advisers to RHM)**

Claire Turvey +44 7850 548 198  
Lynne Best +44 7763 619 709

Reed Smith LLP is retained as UK legal adviser to Concord Bidco and Concord and Gowling WLG (UK) LLP is retained as UK legal adviser to RHM.

**Important notices**

*J.P. Morgan Securities LLC, together with its affiliate J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove and which is authorised in the United Kingdom by the Prudential Regulation Authority (the "PRA") and regulated in the United Kingdom by the PRA and the FCA, (together, "J.P. Morgan Cazenove"), is acting as financial adviser exclusively to Concord Bidco and Concord and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Concord Bidco and Concord for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein.*

*Cenkos Securities plc ("Cenkos"), which is authorised and regulated in the United Kingdom by the FCA, is acting as Rule 3 adviser, financial adviser and corporate broker exclusively for RHM and no-one else in connection with the matters described in this Announcement and will not be responsible to anyone other than RHM for providing the protections afforded to clients of Cenkos nor for providing advice in connection with the matters referred to herein.*

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or a solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, invitation, solicitation, purchase, sale, issuance or exchange is unlawful. The Acquisition will be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, any document by which the Takeover Offer is made) and the accompanying Forms of Proxy (or forms of acceptance, if applicable), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the resolutions proposed in connection with the Acquisition. Any vote, approval, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or any other document by which the Acquisition is made by way of a Takeover Offer).*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and the release of this Announcement shall not give rise to any implication that there has been no change in the facts set out in this Announcement since such date.*

*This Announcement does not constitute a prospectus or prospectus equivalent document.*

*RHM Shareholders should not make any investment decision in relation to the Acquisition except on the basis of the Scheme Document (or any other document by which the Acquisition is made by way of a Takeover Offer). RHM and Concord Bidco urge RHM Shareholders to read the whole of the Scheme Document when it becomes available because it will contain important information relating to the Acquisition.*

*No person should construe the contents of this Announcement as legal, financial or tax advice. If you are in any doubt about the contents of this Announcement 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 from an independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom, or another appropriately authorised independent financial adviser, if you are in a territory outside the United Kingdom.

### **Overseas Shareholders**

*This Announcement has been prepared for the purpose of complying with Guernsey law, English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Guernsey. Nothing in this Announcement should be relied on for any other purpose.*

*The release, publication or distribution of this Announcement in or into, jurisdictions other than the United Kingdom or Guernsey may be restricted by the laws and/or regulations of those jurisdictions and therefore persons into whose possession this Announcement comes who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom or Guernsey should inform themselves about and observe any such applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom or Guernsey to vote their Scheme Shares or RHM Shares (as applicable) with respect to the Scheme at the Court Meeting or the Resolution at the General Meeting, or to appoint another person as proxy to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.*

*Unless otherwise determined by RHM or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange, of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

### **Additional information for US investors**

*RHM Shareholders in the United States should note that the Acquisition relates to the securities of a Guernsey company with a listing on the London Stock Exchange and is proposed to be effected by means of a scheme of arrangement provided for under, and governed by, the Companies Law. This Announcement, the Scheme Document and certain other documents relating to the Acquisition have been or will be prepared in accordance with Guernsey law, English law, the Takeover Code and UK disclosure requirements, format and style, all of which differ from those in the United States. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the procedural and disclosure requirements and practices applicable to a scheme of arrangement involving a target company organised in Guernsey and listed on the London Stock Exchange, which differ from the procedural and disclosure requirements of the United States tender offer rules and proxy solicitation rules under the US Exchange Act. If, in the future, Concord Bidco exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the*

*Acquisition will be made in compliance with applicable United States laws and regulations. Such Takeover Offer would be made by Concord Bidco and no one else.*

*The financial information that is included in this Announcement or that may be included in the Scheme Document, or any other documents relating to the Acquisition, have been or will be prepared in accordance with IFRS and may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with US generally accepted accounting principles.*

*The RHM Shares have not been approved or disapproved by the Securities Exchange Commission or any US state securities commission, nor have any such authorities passed judgment upon the fairness or the merits of the Acquisition or determined if this Announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

*US holders of RHM Shares should also be aware that the transaction contemplated herein may have tax consequences in the United States and that such consequences, if any, are not described herein. US holders of RHM Shares are urged to consult with independent professional advisors regarding the legal, tax and financial consequences of the Acquisition applicable to them.*

*It may be difficult for US holders of RHM Shares to enforce their rights and claims arising out of US federal securities laws, since RHM is incorporated outside the United States, and its officers and directors may be residents of, and some or all of their assets may be located in, countries other than the United States. US holders of RHM Shares may have difficulty effecting service of process within the United States upon those persons or recovering against judgments of US courts, including judgments based upon the civil liability provisions of the US federal securities laws. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

*In accordance with normal practice in the UK and Guernsey and consistent with Rule 14e-5(b) of the US Exchange Act, Concord Bidco, certain affiliated companies and their nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in RHM outside the United States, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*Further details in relation to US investors will be contained in the Scheme Document.*

### **Forward-looking statements**

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Concord Bidco or RHM contain statements about Concord Bidco, Concord, RHM and/or the Combined Group that are or may be deemed to be forward-looking statements. All statements other than statements of historical facts included in this Announcement, may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "hopes", "projects", "continue", "schedule" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Concord's or RHM's or the Combined Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Concord's or RHM's or the Combined Group's business.*

*These forward-looking statements are not based on historical fact and are not guarantees of future performance. By their nature, such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the entities' ability to control or estimate precisely. These factors include, but are not limited to, the satisfaction of or failure to satisfy all or any of the conditions to the Acquisition, as well as additional factors, such as changes in political and economic*

conditions, changes in the level of capital investment, retention of key employees, changes in customer habits, success of business and operating initiatives and restructuring objectives, the impact of any acquisitions or similar transactions, changes in customers' strategies and stability, competitive product and pricing measures, changes in the regulatory environment, fluctuations of interest and exchange rates and the outcome of any litigation.

Neither Concord Bidco or RHM, nor any of their respective associates or directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this Announcement. All subsequent oral or written forward-looking statements attributable to Concord Bidco or RHM or any of their respective members, directors, officers, employees or advisers or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Concord Bidco and RHM disclaim any obligation to update any forward-looking or other statements contained in this Announcement, except as required by applicable law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

### **Disclosure requirements of the City Code on Takeovers and Mergers**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day (as defined in the Takeover Code) following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (London time) on the 10th Business Day (as defined in the Takeover Code) following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day (as defined in the Takeover Code) following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Takeover Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Right to switch to a Takeover Offer**

Concord Bidco reserves the right to elect, with the consent of the Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of RHM as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Concord Bidco

so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Part B of Appendix 1 to this Announcement.

### **Publication of this Announcement on websites and availability of hard copies**

A copy of this Announcement and the documents required to be published pursuant to Rules 26.1 and 26.2 of the Takeover Code will be available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on RHM's website at <https://roundhillmusicroyaltyfund.com/offer-for-the-fund> and Concord Bidco's website at <http://www.concordcadence.com> by no later than 12.00 p.m. on the Business Day following the date of this Announcement.

In accordance with Rule 30.3 of the Takeover Code, RHM Shareholders may request a hard copy of this Announcement by contacting RHM's registrars, JTC Registrars Limited at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT, or by calling 01481 711 301 or from overseas +44 1481 711 301. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom or Guernsey will be charged at the applicable international rate. Lines are open between 9.00 a.m. to 5.00 p.m. (London time), Monday to Friday (except public holidays in the UK and Guernsey). Please note that JTC Registrars Limited cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

### **Information relating to RHM Shareholders**

Please be aware that addresses, electronic addresses and certain information provided by RHM Shareholders and other relevant persons for the receipt of communications from RHM may be provided to Concord Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

### **Rule 2.9 of the Takeover Code**

For the purposes of Rule 2.9 of the Takeover Code, RHM confirms that, as at the Latest Practicable Date, it had 407,621,300 ordinary shares of no par value in issue and admitted to trading on the London Stock Exchange and no shares held in treasury. The ISIN of the RHM Shares is GG00BMXNVC81.



**APPENDIX 1  
CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE ACQUISITION**

**PART A**

**CONDITIONS TO THE SCHEME AND THE ACQUISITION**

**Long Stop Date**

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than 11.59 p.m. on the Long Stop Date or such later date as Concord Bidco and RHM may, with the consent of the Panel, agree and (if required) the Court may allow.

**Scheme approval**

2. The Scheme will be conditional upon:
  - (a)
    - (i) its approval by a majority in number representing 75 per cent or more of the voting rights of the Scheme Shareholders (or the relevant class or classes thereof) who are on the register of members of RHM at the Scheme Voting Record Time and who are present and vote, whether in person or by proxy, at the Court Meeting, and at any separate class meeting which may be required by the Court, or, in each case, at any adjournment of any such meeting; and
    - (ii) the Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document (or such later date (if any) as may be agreed by Concord Bidco and RHM with the consent of the Panel and (if required) the Court may allow);
  - (b)
    - (i) all resolutions in connection with, or necessary to approve and implement the Scheme, as set out in the notice of the General Meeting, being duly passed by the requisite majority or majorities of RHM Shareholders at the General Meeting (or at any adjournment thereof); and
    - (ii) the General Meeting (or any adjournment of that meeting) being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document (or such later date (if any) as may be agreed by Concord Bidco and RHM with the consent of the Panel and (if required) the Court may allow);
  - (c)
    - (i) the sanction of the Scheme by the Court (with or without modification, but subject to any modification being on terms acceptable to Concord Bidco and RHM); and
    - (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out either in (X) the Scheme Document (or such later date (if any) as may be agreed by Concord Bidco and RHM with the consent of the Panel and (if required) that the Court may allow); or (Y) in the event that such expected date remains unknown at the time of publication of the Scheme Document and the Scheme Document identifies any date as indicative only, in any update announcement issued through a Regulatory Information Service pursuant to paragraph 6(a) of Appendix 7 of the Takeover Code (or such later date (if any) as may be agreed by Concord Bidco and RHM, with the consent of the Panel and (if required) that the Court may allow).

3. In addition, subject to: (i) the terms of Part B of this Appendix 1, and (ii) the requirements of the Panel, the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived prior to the Scheme being sanctioned by the Court:

#### **Notifications, waiting periods and Authorisations**

- (a) all material notifications, filings and/or applications which are necessary under applicable legislation or regulation having been made, all necessary waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with, in each case in connection with the Acquisition or the acquisition, or proposed acquisition, of any shares or other securities (or the equivalent) in, or control of, RHM or any other member of the Wider RHM Group by any member of the Wider Concord Group;
- (b) all Authorisations which are necessary in any relevant jurisdiction for or in respect of the Acquisition (or its implementation) or the acquisition, or proposed acquisition, of any shares or other securities (or the equivalent) in, or control of, RHM or any other member of the Wider RHM Group by Concord Bidco or any member of the Wider Concord Group, having been obtained, in terms and in a form reasonably satisfactory to Concord Bidco from all appropriate Third Parties or from any persons or bodies with whom any member of the Wider Concord Group or any other member of the Wider RHM Group has entered into contractual arrangements, and all such Authorisations, together with all Authorisations necessary for any member of the Wider RHM Group to carry on its business, remaining in full force and effect and all filings necessary for such purpose having been made, and there being no notice or other intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same;

#### **General regulatory**

- (c) all Authorisations which are necessary in any relevant jurisdiction for or in respect of the Acquisition (or its implementation) or the acquisition, or proposed acquisition, of any shares or other securities (or the equivalent) in, or control of, RHM or any other member of the Wider RHM Group by Concord Bidco or any member of the Wider Concord Group, having been obtained, in terms and in a form reasonably satisfactory to Concord Bidco from all appropriate Third Parties or from any persons or bodies with whom any member of the Wider Concord Group or any other member of the Wider RHM Group has entered into contractual arrangements, and all such Authorisations, together with all Authorisations necessary for any member of the Wider RHM Group to carry on its business, remaining in full force and effect and all filings necessary for such purpose having been made, and there being no notice or other intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same that:
  - (i) require, prevent or materially delay any divestiture, or alter the terms envisaged for any proposed divestiture, by any member of the Wider Concord Group or by any member of the Wider RHM Group of all or any part of their respective businesses, assets or property, or impose any limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their assets or property (or any part thereof);
  - (ii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Concord Group, directly or indirectly, to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in any member of the Wider RHM Group or the Wider Concord Group or on the ability of any member of the Wider RHM Group or any member of the Wider Concord Group, directly or indirectly, to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any such member;

- (iii) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position, or prospects of any member of the Wider Concord Group or any member of the Wider RHM Group;
- (iv) result in any member of the Wider Concord Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (v) make the Acquisition, its implementation, or the acquisition or the proposed acquisition of any shares or other securities (or the equivalent) in, or control or management of RHM or any member of the Wider RHM Group by Concord Bidco or any member of the Wider Concord Group void, unenforceable and/or illegal under the laws of any jurisdiction, or otherwise, directly or indirectly prevent or prohibit, restrict, restrain, materially delay or otherwise materially interfere with the implementation of the same, or impose additional adverse conditions or obligations with respect to, or otherwise challenge, impede, interfere with the Acquisition (or its implementation) or such acquisition, or require material amendment to the terms of the Acquisition or the acquisition of any shares or other securities (or the equivalent) in, or control or management of, RHM by any member of the Wider Concord Group;
- (vi) require, prevent or materially delay any divestiture, or alter the terms envisaged for any proposed divestiture, by any member of the Wider Concord Group of any shares or other securities (or the equivalent) in RHM or any member of the Wider RHM Group;
- (vii) require (save as envisaged in the implementation of the Acquisition or by Part XVIII of the Companies Law) any member of the Wider Concord Group or of the RHM Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in, or any interest in any of the assets owned by, any member of the Wider Concord Group or any member of the Wider RHM Group owned by any Third Party, or to sell or offer to sell any shares or other securities (or their equivalent) or any interest in any of the assets owned by any member of the Wider Concord Group or the Wider RHM Group; or
- (viii) impose any limitation on the ability of any member of the Wider Concord Group, or any member of the Wider RHM Group, to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Concord Group and/or the Wider RHM Group (as applicable),

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any relevant jurisdiction in respect of the Acquisition or the acquisition of any RHM Shares or otherwise intervene having expired, lapsed or been terminated (as the case may be);

**Certain matters arising as a result of any arrangement, agreement, etc**

- (d) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, permit, franchise or other instrument to which any member of the Wider RHM Group is a party, or by or to which any such member, or any of its assets is or may be bound, entitled or subject to, or any event or circumstance, which, in each case as a consequence of the Acquisition (or its implementation) or the proposed acquisition by Concord Bidco or any member of the Wider Concord Group, or otherwise of any shares or other securities (or the equivalent) in, or control or management of, RHM or any member of the Wider RHM Group, would or might reasonably be expected to result in, in any case to an extent which is or would be material in the context of the Wider RHM Group taken as a whole or in the context of the Acquisition:
  - (i) any monies borrowed by, or any other indebtedness or liabilities, actual or contingent of, or any grant available to, any member of the Wider RHM Group being or becoming repayable or capable of being declared repayable immediately or before its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited, or being capable of becoming or being withdrawn or inhibited;

- (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider RHM Group, or any such mortgage, charge, encumbrance or other security interest (wherever and whenever created, arising or having arisen) being enforced or becoming enforceable;
- (iii) any arrangement, agreement, lease, licence, permit, franchise or other instrument, or the rights, liabilities, obligations or interests of any member of the Wider RHM Group thereunder, being, terminated, adversely modified or adversely affected or any adverse action being taken or arising thereunder or any onerous obligation or liability arising thereunder;
- (iv) any asset or interest of any member of the Wider RHM Group or any asset the use of which is enjoyed by any member of the Wider RHM Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider RHM Group or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider RHM Group otherwise than in the ordinary course of business;
- (v) the rights, liabilities, obligations or interests of any member of the Wider RHM Group in, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or adversely affected other than as directed, requested and/or required by Concord Bidco;
- (vi) the value of, or the financial or trading position or profits of, any member of the Wider RHM Group being prejudiced or adversely affected;
- (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider RHM Group, other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition; or
- (viii) any member of the Wider RHM Group being required to acquire or repay any shares in and/or indebtedness of any member of the Wider RHM Group owned by or owed to any Third Party;

**Certain events occurring since 31 December 2022**

- (e) except as Disclosed, no member of the Wider RHM Group having since 31 December 2022:
  - (i) issued or agreed to issue, or authorised or proposed or announced its intention to authorise or propose the issue of, additional shares of any class, or securities (or the equivalent) or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities (or the equivalent) or convertible securities, or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of RHM Shares out of treasury (except, where relevant, as between RHM and wholly-owned subsidiaries of RHM or between the wholly-owned subsidiaries of RHM);
  - (ii) recommended, declared, paid or made, or proposed to recommend, declare, pay or make, any bonus, dividend or other distribution (whether payable in cash or otherwise) other than: (a) the quarterly dividends paid on 24 March 2023 and 30 June 2023, (b) the Q2 Dividend, (c) the Special Dividend or (d) any dividends or other distributions (whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of RHM to RHM or any of their respective wholly-owned subsidiaries;
  - (iii) except for transactions between RHM and its respective wholly-owned subsidiaries, or between such wholly-owned subsidiaries of RHM, implemented, effected, authorised or proposed, or announced its intention to implement, effect, authorise or propose, any acquisition of any body corporate, partnership or business, merger, demerger, reconstruction, amalgamation, scheme, commitment or offer or disposal of assets or shares or loan capital (or the equivalent thereof);

- (iv) undertaken:
  - (A) a conversion under Part V of the Companies Law;
  - (B) an amalgamation under Part VI of the Companies Law;
  - (C) a migration under Part VII of the Companies Law ; or
  - (D) an arrangement or reconstruction (other than the Scheme) under Part VIII of the Companies Law;
- (v) except for transactions between RHM and its respective wholly-owned subsidiaries, or between such wholly-owned subsidiaries of RHM, acquired or disposed of or transferred, mortgaged, charged or created any security interest over any material asset (including shares in any undertaking and trade investments) or any right, title or interest in any asset, or authorised, proposed or announced any intention to do the same;
- (vi) except for transactions between RHM and its respective wholly-owned subsidiaries, or between such wholly-owned subsidiaries of RHM, issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or other trade credit incurred in the ordinary course of business, or become subject to any contingent liability or incurred or increased any indebtedness or other liability (actual or contingent), which is material in the context of the Wider RHM Group taken as a whole;
- (vii) entered into, varied, authorised, proposed, or announced an intention to enter into or vary, any contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude, or which is or which involves or could involve an obligation of a nature or magnitude which is or could reasonably be expected to be restrictive on the business of any member of the Wider RHM Group which, taken together with any other such transaction, arrangement, agreement, contract or commitment, is material in the context of the Wider RHM Group taken as a whole;
- (viii) entered into, or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, service agreement, commitment or arrangement with any director of any member of the Wider RHM Group;
- (ix) purchased, redeemed or repaid, or announced any proposal to purchase, redeem or repay, any of its own shares or other securities (or the equivalent) or reduced or made any other change to any part of its share capital;
- (x) except in the ordinary course of business, waived, compromised or settled any claim which is material in the context of the Wider RHM Group taken as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider RHM Group and any other person in a manner which would, or might reasonably be expected to, have a material adverse effect on the financial position or prospects of the Wider RHM Group taken as a whole other than as directed, required and/or requested by Concord Bidco;
- (xii) made any material alteration to its memorandum or articles of incorporation or other incorporation documents (in each case, other than in connection with the implementation of the Acquisition);
- (xiii) put in place any pension schemes for its directors or their dependants, or made or agreed or consented to any change to:
  - (A) the terms of the trust deeds and rules constituting the pension scheme(s) (if any) established by any member of the Wider RHM Group for its directors or their dependants;

- (B) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
  - (xv) (other than in respect of a member of the Wider RHM Group which is dormant and was solvent at the relevant time) taken or proposed any steps or corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
  - (xvi) except for transactions between RHM and its respective wholly-owned subsidiaries, or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital;
  - (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities;
  - (xviii) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 3(e); or
  - (xix) taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of RHM Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

**No adverse change, litigation, regulatory enquiry or similar**

- (f) since 31 December 2022, except as Disclosed:
  - (i) no adverse change or deterioration having arisen in the business, assets, financial or trading position or profits or prospects or operational performance of the Wider RHM Group taken as a whole, which in any case is material in the context of the Wider RHM Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against (and in each case not having been withdrawn and/or resolved) or in respect of, any member of the Wider RHM Group or to which any member of the Wider RHM Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider RHM Group, which in any case is or might reasonably be expected to have a material adverse effect on the Wider RHM Group taken as a whole;
  - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider RHM Group having been threatened, announced or instituted or remaining outstanding by, against (and in each case not having been withdrawn and/or resolved) or in respect of any member of the Wider RHM

Group, which in any case is or might reasonably be expected to have a material adverse effect on the Wider RHM Group taken as a whole;

- (iv) no contingent or other liability having arisen, or become apparent to any member of the Concord Group, or increased which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider RHM Group, which in any case is material in the context of the Wider RHM Group taken as a whole;
- (v) no claim being made and no circumstance having arisen which might reasonably be expected to lead to a claim being made under the insurance of any member of the Wider RHM Group where such claim would not be covered by such insurance and which in any case is material in the context of the Wider RHM Group taken as a whole;
- (vi) no member of the Wider RHM Group having conducted its business in breach of any applicable laws and regulations which is material in the context of the Wider RHM Group taken as a whole; and
- (vii) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence, permit or consent held by any member of the Wider RHM Group which is necessary for the proper carrying on of its business and which in any case is material in the context of the Wider RHM Group taken as a whole;

**No discovery of certain matters regarding information, liabilities and environmental issues**

- (g) except as Disclosed, Concord Bidco not having discovered that (in each case to an extent which is or could be material in the context of the Wider RHM Group taken as a whole or material in the context of the Acquisition):
  - (i) any financial, business or other information concerning the Wider RHM Group publicly announced before the date of this Announcement or disclosed, whether publicly or otherwise, at any time to any member of the Wider Concord Group by or on behalf of any member of the Wider RHM Group is materially misleading, contains any material misrepresentation of fact, or omits to state a fact necessary to make any information contained therein not misleading;
  - (ii) any member of the Wider RHM Group is subject to any liability, contingent or otherwise;
  - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider RHM Group;
  - (iv) any past or present member of the Wider RHM Group has failed to comply with any applicable legislation or regulations or common law of any jurisdiction or any notice, order or requirement of any Third Party or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous or harmful substance or any substance likely to impair the environment (including property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider RHM Group;
  - (v) there is or has been a disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous or harmful substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider RHM Group; or
  - (vi) there is or is reasonably likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any

property or controlled waters, currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider RHM Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto.

### **Anti-corruption, sanctions and criminal property**

- (h) Concord Bidco not having discovered that:
  - (i) any past or present member, director, officer or employee of the Wider RHM Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, the Prevention of Corruption (Bailiwick of Guernsey) Law 2003 or any other anti-corruption legislation or anti-bribery law, rule or regulation applicable to the Wider RHM Group or any other law, rule or regulation concerning improper payments or kickbacks; or any person that performs or has performed services for or on behalf of the Wider RHM Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, the Prevention of Corruption (Bailiwick of Guernsey) Law 2003 or any other anti-corruption legislation or anti-bribery law, rule or regulation or any other law, rule or regulation concerning improper payments or kickbacks;
  - (ii) any asset of any member of the Wider RHM Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider RHM Group is found to have engaged in activities constituting money laundering;
  - (iii) any past or present member, director, officer or employee of the Wider RHM Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct or business which would violate any economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from: (a) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by applicable US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs in the United Kingdom; or (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the UK, the European Union or any of their respective member states;
  - (iv) any past or present member, director, officer or employee of the Wider RHM Group, or any other person for whom any such person may be liable or responsible:
    - (A) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act;
    - (B) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;
    - (C) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour;



- (D) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
- (v) any member of the Wider RHM Group has or is engaged in any transaction which would cause Concord Bidco or any member of the Wider Concord Group to be in breach of any applicable law or regulation upon its acquisition of RHM, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs in the United Kingdom, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the UK, the European Union or any of its member states.

## **PART B**

### **CERTAIN FURTHER TERMS OF THE ACQUISITION**

1. Conditions 2(a), 2(b) and 3(a) to 3(h) (inclusive) of Part A above must be fulfilled or (if capable of waiver) waived by no later than 11.59 p.m. (London time) on the date immediately preceding the date of the Court Hearing (or such later date as Concord Bidco, RHM, the Panel and, if required, the Court may allow), failing which the Acquisition will lapse, or if the Acquisition is implemented by way of Takeover Offer, no later than as permitted by the Panel.
2. To the extent permitted by law and subject to the requirements of the Panel in accordance with the Takeover Code, Concord Bidco reserves the right, in its sole discretion, to waive in whole or in part all or any of the Conditions set out in Part A, above, and to proceed with the Court Hearing prior to the fulfilment, satisfaction or waiver of any of the Conditions, except Conditions 1, 2(a)(i), 2(b)(i) and 2(c)(i) which cannot be waived. If any of Conditions 2(a)(ii), 2(b)(ii) or 2(c)(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Concord Bidco will make an announcement by 8.00 a.m. (London time) on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with RHM to extend the relevant deadline.
3. The Acquisition will lapse if the Scheme does not become Effective by no later than 11.59 p.m. (London time) on the Long Stop Date.
4. If Concord Bidco is required by the Panel to make a Takeover Offer for RHM Shares under the provisions of Rule 9 of the Takeover Code, Concord Bidco may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of that Rule.
5. Concord Bidco will be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied, or to treat as fulfilled any of the Conditions by a date earlier than the latest date for the fulfilment or waiver of that Condition notwithstanding that the other Conditions of the Acquisition may, at such earlier date, have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any of such Conditions may not be capable of satisfaction or fulfilment.
6. The RHM Shares to be acquired pursuant to the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, on or after the date of this Announcement, save for the Permitted Dividends.
7. RHM Shareholders will be entitled to receive the Permitted Dividends. The Permitted Dividends shall be paid to RHM Shareholders without a commensurate reduction in the price of the Acquisition. Any other subsequently authorised, declared, and paid dividends shall not constitute Permitted Dividends. Concord Bidco reserves the right (without prejudice to any right of Concord Bidco to invoke Condition 3(e)(ii) in Part A of this Appendix 1) to reduce the consideration payable by the amount per Scheme Share of any such subsequent dividend, distribution or other return of value, in which case: (a) any reference in this Announcement or in the Scheme Document to the consideration payable for the Scheme Shares will be deemed to be a reference to the consideration payable as so reduced; and (b)

the relevant eligible RHM Shareholders will be entitled to receive and retain such dividend, distribution or return of value. To the extent that any such dividend, distribution or other return of value announced, declared, made or paid is: (x) transferred pursuant to the Acquisition on a basis which entitles Concord Bidco to receive the dividend or distribution and to retain it; or (y) cancelled, the consideration payable will not be subject to change in accordance with this paragraph. Any exercise by Concord Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

8. Under Rule 13.5(a) of the Takeover Code, Concord Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Concord Bidco in the context of the Acquisition. The conditions contained in Conditions 1 and 2 of Part A above (and any Takeover Offer Acceptance Condition (as defined below) adopted on the basis specified in paragraphs 4 or 9 of this Part B) are not subject to this provision of the Takeover Code. Any Condition that is subject to Rule 13.5(a) may be waived by Concord Bidco.
9. Concord Bidco reserves the right to elect (with the consent of the Panel (where necessary)) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Acquisition will be implemented on the same terms and conditions (subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent of the issued share capital of RHM (or such lower percentage (being more than 50 per cent) of the issued share capital of RHM as Concord Bidco may, subject to the rules of the Takeover Code and with the consent of the Panel, decide) as those which would apply to the Scheme (each a "**Takeover Offer Acceptance Condition**"). Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient RHM Shares are otherwise acquired, it is the intention of Concord Bidco to apply the provisions of Part XVIII of the Companies Law to compulsorily acquire any outstanding RHM Shares to which such Takeover Offer relates.
10. The availability of the Acquisition to RHM Shareholders not resident in the United Kingdom or Guernsey may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom or Guernsey should inform themselves about and observe any applicable requirements. Further details in relation to overseas shareholders will be contained in the Scheme Document.
11. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws of that jurisdiction.
12. The Acquisition and the Scheme will be governed by the laws of Guernsey and be subject to the jurisdiction of the Court and to the conditions and further terms set out in this Appendix 1 and the full terms and conditions to be set out in the Scheme Document. The Acquisition will also be subject to the applicable requirements of the Companies Law, the Court (as a result of RHM being incorporated in Guernsey), the GFSC, the FCA, the London Stock Exchange and the Takeover Code.
13. Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.

**APPENDIX 2  
BASES AND SOURCES**

- 1 Unless otherwise stated, all financial information relating to RHM is prepared in accordance with IFRS and has been extracted or derived (without adjustment) from the audited financial statements of RHM for the period ended 31 December 2022.
- 2 All Closing Prices for RHM Shares have been derived from Bloomberg as of 7 September 2023, being the Latest Practicable Date, unless stated otherwise.
- 3 As at the Latest Practicable Date, there were 407,621,300 RHM Shares in issue, all of which are credited as fully paid and no RHM Shares were held as treasury shares.
- 4 As at the Latest Practicable Date, the number of RHM Shares eligible to vote on: (i) the Scheme at the Court Meeting is 407,621,300 RHM Shares; and (ii) the Resolution at the General Meeting is 407,621,300 RHM Shares.
- 5 Valuation information relating to RHM's portfolio of investments is from the valuation report produced by Citrin Cooperman as set out in Appendix 4 of this Announcement.
- 6 Volume weighted average prices have been derived from Bloomberg as of 7 September 2023, being the Latest Practicable Date, and have been rounded to the nearest single cent.
- 7 The Economic NAV per RHM Share as at 8 September 2023 of US\$1.30; and

|  | <b>US\$</b>        |
|--|--------------------|
| Value of RHM portfolio of investments per valuation report | 654,747,144        |
| Adjustments*   | (25,104,416)       |
| <b>Fair value of portfolio of investments</b>              | <b>629,642,728</b> |
| Q2 Dividend (ex-dividend date 7 September 2023)            | (4,585,740)        |
| Gross debt**   | (108,139,679)      |
| Cash   | 5,988,803          |
| Other current net assets / (liabilities)                   | 8,224,824          |
| <b>Economic Net Asset Value</b>                            | <b>531,130,937</b> |
| Total RHM Shares in issue                                  | 407,621,300        |
| <b>Economic NAV per RHM Share</b>                          | <b>1.30</b>        |

*\*For the purposes of Rule 29.1(d)(ii) of the Takeover Code, "Adjustments" includes advances to songwriters and changes in fair value of RHM's investment in RH Carlin Holdings, LLC, the latter of which includes an adjustment for RHM's portion of the US\$75,000,000 of debt within the Carlin group, tax liens and contract liabilities.*

*\*\*Includes the accrued liability to make a deferred payment of US\$2,000,000 in relation to the recently acquired share of the catalogue of music publishing rights of Big Loud Shirt Industries, LLC and the 50% interest in the writer's income streams from Craig Wiseman (both as announced by RHM on 8 August 2023).*

**APPENDIX 3  
IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT**

**Summary of Irrevocable Undertakings**

|                               | <b>Number of RHM Shares in respect of which undertaking is given</b> | <b>Percentage of RHM Shares in issue at the Latest Practicable Date (%)</b> |
|-------------------------------|--|---|
| <b>RHM Directors</b>          | 253,697  | 0.06  |
| <b>Other RHM Shareholders</b> | 111,619,295  | 27.38   |
| <b>Total RHM Shares</b>       | 111,872,992  | 27.45   |

**Irrevocable Undertakings from the RHM Directors**

The RHM Directors have given irrevocable undertakings in respect of their entire beneficial holdings of RHM Shares to vote or procure votes in favour of: (i) the Scheme at the Court Meeting, and (ii) the Resolution at the General Meeting, amounting in aggregate to 253,697 RHM Shares, representing approximately 0.06 per cent of RHM's existing issued ordinary share capital as at close of business on the Latest Practicable Date:

| <b>Name</b>     | <b>Number of RHM Shares in respect of which undertaking is given</b> | <b>Percentage of RHM Shares in issue at the Latest Practicable Date (%)</b> |
|-----------------|--|---|
| Robert Naylor*  | 100,000  | 0.02  |
| Caroline Chan   | 50,000   | 0.01  |
| Francis Keeling | 75,000   | 0.02  |
| Audrey McNair   | 28,697   | 0.01  |

\* 50,000 of these RHM Shares are beneficially owned by Aíinne Naylor the wife of Robert Naylor.

These irrevocable undertakings will cease to bind if:

- (i) the Scheme Document or, if the Acquisition is implemented by way of a Takeover Offer, the offer document (as applicable) has not been posted to RHM Shareholders within 28 days of the issue of this Announcement (or within such longer period as Concord Bidco and RHM, with the consent of the Panel, may agree);
- (ii) the Scheme or Takeover Offer (as applicable) or the Resolution is not approved by the requisite majority of: (a) the Scheme Shareholders at the Court Meeting or (b) the RHM Shareholders at the General Meeting (as the case may be);
- (iii) the Scheme or Takeover Offer (as applicable) has not become Effective, or become or been declared unconditional in all respects (as the case may be), on or before the Long Stop Date;
- (iv) the Scheme does not become Effective or, as applicable, the offer lapses or is withdrawn and no new, revised or replacement Scheme or Takeover Offer is or has been announced in accordance with the Takeover Code at the same time;
- (v) before despatch of the Scheme Document or, if the Acquisition is implemented by way of a Takeover Offer, the offer document (as the case may be) any event occurs or becomes known to Concord Bidco or its financial adviser as a result of which the Panel requires or agrees that Concord Bidco need not make the offer; or
- (vi) any competing offer for the entire issued and to be issued share capital of RHM is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective

**Irrevocable Undertakings from other RHM Shareholders**

In addition to the irrevocable undertakings given by the RHM Directors as set out above, Concord Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of, in aggregate, 111,619,295 RHM Shares representing approximately 27.38 per cent of RHM's issued share capital as at the Latest Practicable Date.

| Name of RHM Shareholder                   | Number of RHM Shares in respect of which undertaking is given | Percentage of RHM Shares in issue at the Latest Practicable Date (%) |
|---|---|--|
| CCLA Investment Management Limited        | 37,090,511  | 9.1  |
| Schroder & Co Ltd                         | 35,275,760  | 8.7  |
| Brooks MacDonald Asset Management Limited | 13,425,025  | 3.3  |
| Evergreen Partners, L.P. (Gross holding)  | 13,000,000  | 3.2  |
| Turtlegrass Partners LLC (Gross holding)  | 12,827,999  | 3.1  |

These irrevocable undertakings will cease to bind if:

- (i) the Scheme Document or, if the Acquisition is implemented by way of a Takeover Offer, the offer document (as applicable) has not been posted to RHM Shareholders within 28 days of the issue of this Announcement (or within such longer period as Concord Bidco and RHM, with the consent of the Panel, may agree);
- (ii) the Scheme or Takeover Offer (as applicable) or the Resolution is not approved by the requisite majority of: (a) the Scheme Shareholders at the Court Meeting or (b) the RHM Shareholders at the General Meeting (as the case may be);
- (iii) the Scheme or Takeover Offer (as applicable) has not become Effective, or become or been declared unconditional in all respects (as the case may be), on or before the Long Stop Date;
- (iv) the Scheme does not become Effective or, as applicable, the offer lapses or is withdrawn and no new, revised or replacement Scheme or Takeover Offer is or has been announced in accordance with the Takeover Code at the same time;
- (v) before despatch of the Scheme Document or, if the Acquisition is implemented by way of a Takeover Offer, the offer document (as the case may be) any event occurs or becomes known to Concord Bidco or its financial adviser as a result of which the Panel requires or agrees that Concord Bidco need not make the offer;
- (vi) any competing offer for the entire issued and to be issued share capital of RHM is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective; or
- (vi) if a competing offer for the entire issued and to be issued ordinary share capital of RHM, howsoever structured, is announced provided that such offer represents a value per RHM Share of not less than 10 per cent above the value of the offer price of US\$1.15 per Scheme Share.

#### Letters of Intent

Concord Bidco has also received a non-binding letter of intent to vote in favour of the Scheme at the Court Meeting, and in favour of the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of, in aggregate, 23,200,435 RHM Shares representing approximately 5.69 per cent of RHM's issued share capital as at the Latest Practicable Date.

| Name of RHM Shareholder             | Number of RHM Shares in respect of which undertaking is given | Percentage of RHM Shares in issue at the Latest Practicable Date (%) |
|-------------------------------------|---|--|
| Close Asset Management (UK) Limited | 23,200,435  | 5.7  |

**APPENDIX 4  
VALUATION REPORT**

**VALUATION OF  
ROUND HILL MUSIC ROYALTY FUND LIMITED AND CARLIN MUSIC  
AS OF 9/8/2023**



**CITRINCOOPERMAN®**



50 Rockefeller Plaza  
New York, NY 10020  
T 212.697.1000 F 212.697.1004  
citrincooperman.com

September 8, 2023

Robert Naylor, Chairman  
Round Hill Music Royalty Fund Limited  
PO Box 156  
Ground Floor  
Dorey Court  
Admiral Park  
St Peter Port  
Gurnsey GY1 4EU

Re: Valuation of Round Hill Music Royalty Fund Limited and Carlin Music

Dear Robert:

Round Hill Music Royalty Fund Limited (the “Fund”) has retained Citrin Cooperman Advisors LLC,<sup>1</sup> to conduct valuation services related to the Fund’s assets and the Carlin Music catalog (“Carlin Music”). Pursuant to your request, we have prepared a summary report opining as to the fair market value of the Fund and Carlin Music as of 9/8/2023 (the “Valuation Date”).

This Valuation Report is provided solely to the Fund for its corporate planning purposes which may include evaluating an offer made to acquire all or some of the shares in the Fund (an “Offer”) in accordance with the City Code on Takeovers and Mergers (the “City Code”), to assist the Fund to comply with Rule 29 of the Code and for no other purpose. This Valuation Report must not, without our prior written consent, be used for any other purpose or disclosed to any third party, and notwithstanding any such consent must not be relied upon by any third party in any circumstances whatsoever. Accordingly, we assume no responsibility in respect of this Valuation Report to any third party including, without limitation, any current or future offeror, or person investing in or seeking to acquire control of the Fund, or to any person connected to or acting in concert with any such person. To the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person for any loss suffered as a result of reliance on, or otherwise arising out of or in connection with, this Valuation Report (whether in contract, tort, by statute or otherwise) or any consent given by us pursuant to Rule 23.2 of the City Code, or any update or confirmation of either that we may issue.

The Fund will not refer to us or this Valuation Report in any public document or communication (in any form whatsoever) without our prior written consent. The Fund and its advisers will be solely responsible for any such public document or communication, and we do not and will not

---

<sup>1</sup> “Citrin Cooperman” is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients’ business needs. The two firms operate as separate legal entities in an alternative practice structure. Citrin Cooperman is an independent member of Moore North America, which is itself a regional member of Moore Global Network Limited (MGNL).



accept responsibility for or authorise the contents of, and shall not be represented as having accepted responsibility for or having authorised the contents of, all or any part of any such document or communication for any purpose including under the City Code.

In providing this Valuation Report we are not making any recommendation to any person regarding an Offer or any other investment decision or expressing an opinion on the fairness of the terms of an Offer or the terms of any arrangement involving the Fund or the Carlin Music catalog. The overall assessment of the terms of an Offer and the decision on whether to proceed with the Offer must be made by the Fund and any investor in the light of their own commercial assessments.

Based upon the information and financial data provided and representations received, in our opinion the fair market value of the Fund at \$558,214,666, and the fair market value of Carlin Music of \$96,532,478<sup>2</sup> is appropriately applied.

The conclusions and opinions expressed in this letter and the accompanying report are contingent upon the qualifying factors set forth in the *Assumptions and Limiting Conditions* attached to this report.

Respectfully submitted,



Barry Massarsky, Partner  
Co-Leader, Music Economics  
and Valuation Services Practice



Nari Matsuura, Partner  
Co-Leader, Music Economics  
and Valuation Services Practice

---

<sup>2</sup> Represents 29.14% of the asset value of Carlin Music. Round Hill contributes 29.14% of Carlin Music to the portfolio that is traded on the London Stock Exchange.

## **I. INTRODUCTION**

### **Purpose**

Citrin Cooperman Advisors LLC was retained to render an opinion as to the fair market value of the Fund and Carlin Music. We understand this opinion is being prepared for the Fund's corporate planning purposes which may include evaluating an offer made to acquire all or some of the shares in the Fund (an "Offer") in accordance with the City Code on Takeovers and Mergers (the "City Code"), to assist the Fund to comply with Rule 29 of the Code and for no other purpose.

### **Standard of Value**

The standard of value is fair market value. Fair market value is defined as:

*“the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms’ length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.”<sup>3</sup>*

The valuation will be consistent with fair market guidelines. IFRS 13 defines “fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).”

---

<sup>3</sup> Statement on Standards for Valuation Services No. 1, American Institute of Certified Public Accountants, June 2007.

## II. ABOUT THE CATALOGS

### *Round Hill Music Royalty Fund Limited (the Fund)*

Round Hill Music is a fund exclusively dedicated to investments in revenue generating music copyright assets. The following lists the catalogs held in the Fund:

- **Adage:** Adage is a catalog composed of soul classics and TV animation cues. Its soul classics include such perennials as “Land of 1000 Dances,” which insure earnings recurrence and longevity. Its music cues are contained in such TV animated programs as *Pokémon*, *Yu-Gi-Oh!*, and *Teenage Mutant Ninja Turtles*, which translate well abroad.
- **Al Anderson:** Al Anderson wrote the country song "Loving You Easy," which was recorded by the Zac Brown Band. It peaked at number one on the U.S. Country Airplay Chart in 2015.
- **Alice in Chains:** Alice in Chains is an American rock band formed in 1987 which rose to international fame as part of the grunge movement of the early 1990s and has since sold over 30 million records worldwide.
- **Andreas Carlsson:** Andreas Carlsson’s writer catalog consists of songs that represent a number of modern pop classics, including “Bye Bye Bye,” “That’s the Way It Is,” and “I Want It That Way.” Along with Max Martin, Andreas Carlsson created the “Swedish sound” that propelled the Jive Records empire which included artists such as Britney Spears, Backstreet Boys and ’N Sync.
- **Arthouse:** The Arthouse catalog is composed of numerous smash hits, including the Bruno Mars song “Just the Way You Are,” which peaked at #1 on the US Billboard Hot 100 and Mainstream Top 40 charts.
- **Big Loud Shirt Industries:** This premiere country music catalog includes such hit songs as Tim McGraw’s “Live Like You Were Dying,” Carrie Underwood’s “Before He Cheats” and “Blown Away,” as well as George Strait’s “I Saw God Today.” Moreover, a number of Big Loud Shirt songs have been cut by artists such as Martina McBride, Brooks & Dunn, and Nickelback.
- **Big Tractor:** The catalog consists of numerous country hits by artists such as George Strait, Blake Shelton, and Lonestar.
- **Bob DiPiero:** Bob DiPiero is a country songwriter who has had a remarkably consistent and prolific output of charting titles since 1983, including 15 number one hits.
- **Bosshouse:** Bosshouse is a production music library. Its music is used on numerous television shows, such as *Shameless*, the successful Showtime series, as well as *Girlfriends’ Guide to Divorce*.

- **Bush:** Bush is a successful British 1990s alt-rock band known for their hit songs “Comedown,” “Glycerine,” “Machinehead,” and “Swallowed.”
- **Calvin Lewis:** "When a Man Meets a Woman" is Calvin Lewis' main song, which was listed 54th in *Rolling Stone* magazine's list of “The 500 Greatest Songs of All Time” and is the definition of an evergreen. The Percy Sledge recording reached number one on the Billboard Hot 100 and R&B singles charts, and the Michael Bolton recording reached number one on the U.S. pop and adult contemporary singles charts.
- **Carmen:** Eric Carmen wrote numerous hit songs during the 1970s and 1980s, first as a member of the Raspberries (who had a million-selling single with "Go All the Way"), and then during his solo career, which includes hits such as "All by Myself" and "Never Gonna Fall in Love Again."
- **Charlie Midnight:** Charlie Midnight has had an incredibly wide-spanning career, which includes writing the song "Living In America" immortalized by James Brown, as well as music for over 30 films, many of them hit movies such as *The Bodyguard*, *Rocky IV*, and *Bull Durham*.
- **Chris Tompkins:** Chris Tompkins is a rock and country songwriter who has written hit songs for Carrie Underwood, Jason Aldean, Kenny Chesney, and Florida Georgia Line.
- **David Coverdale:** David Coverdale is a British-American rock singer and Rock and Roll Hall of Famer, best known for his work in the rock bands Whitesnake and Deep Purple.
- **Dennis Elliott:** Dennis Elliott is a British musician and artist, who was the original drummer of the rock band Foreigner.
- **Eddie Holland:** Eddie Holland was a member of the Holland-Dozier-Holland writing team, which wrote many of the songs that defined the Motown era. They have written 25 number one hit singles, including “How Sweet It Is To Be Loved By You,” “You Keep Me Hangin’ On,” and “You Can’t Hurry Love.” These iconic songs epitomize the definition of an evergreen.
- **Eddie Schwartz:** Eddie Schwartz co-wrote the 1980s Pat Benatar classic “Hit Me With Your Best Shot,” which went platinum in the U.S. and is still consistently used in movies and television shows.
- **Eric Krasno - Feel Records:** This two-time Grammy winning guitarist, musician and producer is best known for his work with Soulive, Lettuce, Tedeschi Trucks Band, and Pretty Lights.
- **Florida Georgia Line:** Florida Georgia Line is one of the most successful country music acts of the 2010s. They released albums in 2012, 2014, and 2016, and all of them reached number one on the U.S. Top Country Albums chart.

- **Gary Numan:** Gary Numan, is an English musician, singer, songwriter, composer, and record producer. While his commercial popularity peaked in the late 1970s and early 1980s with hits such as "Are 'Friends' Electric?" and "Cars" (both of which reached number one on the UK Singles Chart), Numan maintains a cult following and has sold over 10 million records.
- **Gerald Marks:** Gerald Marks was an American composer; best known for the song "All of Me" which he co-wrote with Seymour Simons and has been recorded about 2,000 times.
- **GIL GPS:** This catalog features six Beatles songs, including "From Me To You," "I Saw Her Standing There," and "She Loves You." Because Beatles songs are considered to be the gold standard in music publishing, there will always be new reissues, remasters, and covers to provide constant earnings replenishment.
- **Howie Day:** Howie Day is an American singer-songwriter most well-known for his 2004 hit song "Collide."
- **Jani Lane:** Jani Lane was the lead singer and main songwriter of the successful glam metal band Warrant.
- **Jimmy Robbins:** In 2015, Round Hill entered into a deal with Jimmy Robbins, a prolific country writer with numerous number one hits. He has written songs for Keith Urban, Miranda Lambert, Blake Shelton, Florida Georgia Line, Jason Aldean, Dierks Bentley, and Tim McGraw.
- **Josh Kear:** Josh Kear is a Nashville hit songwriter who has written hits for Lady A, Carrie Underwood, Tim McGraw, and Dierks Bentley.
- **Kid Rock Writers:** Kid Rock writers include Jimmie Bones and Twisted Brown.
- **Lou Yoelin:** Lou Yoelin writes for T.V. programs, films, and commercials.
- **Loving Mary:** This band was formed in 2014 by writer Marti Frederiksen.
- **Marti Frederiksen:** Marti Frederiksen is a prolific writer of hit songs who is best known for his work with artists such as Aerosmith, Gavin Rossdale, Carrie Underwood, Buckcherry, Daughtry, Ozzy Osbourne, and Faith Hill.
- **Monty Criswell:** Monty Criswell is a country songwriter who wrote for George Strait and others.
- **Nancy Wilson:** Nancy Wilson is an American musician, singer, songwriter, producer, film composer, and Rock and Roll Hall of Famer. She rose to fame as a guitarist and backing vocalist in the rock band Heart.
- **Nigel Hall - Feel Records:** Nigel Hall is an American vocalist and keyboardist, best known for his work in the band Lettuce.

- **Niko Moon:** Niko Moon is a country pop singer and songwriter. He has written songs for Dierks Bentley, Zac Brown Band, Rascal Flatts, and Morgan Wallen.
- **Offspring:** The Offspring is a hugely successful American punk-pop band that has sold over 40 million records worldwide.
- **O'Jays:** The O'Jays are an American R&B group formed in 1958. They were inducted into the Vocal Group Hall of Fame in 2004, the Rock and Roll Hall of Fame in 2005, and the Rhythm and Blues Music Hall of Fame in 2013.
- **Pressman:** Consists of the musical rights to the soundtrack for the film *The Man Who Knew Infinity* (2016).
- **Raspberries:** Raspberries were an American pop rock band which had a run of success in the early 1970s.
- **Rebelution:** Rebelution is a Grammy nominated reggae rock music band formed in Isla Vista, California.
- **Richardsons:** Jack Richardson and his son Garth Richardson are record producers. They have worked with artists such as Alice Cooper, Red Hot Chili Peppers, and Nickelback, among many others.
- **Root 49:** Root 49 is a country catalog that includes songs written for Jason Aldean, Tim McGraw, Chris Cagle, and Gary Allan.
- **Royal Teeth:** Royal Teeth is an American indie pop band formed in 2010.
- **Ryan Shaw:** Ryan Shaw is an American soul musician from Georgia. He is part of the soul-revival movement in music and has been nominated for a Grammy three times, in the category of Best Traditional R&B Performance.
- **Spacehog:** Spacehog is an English rock band that formed in 1994. Its music is heavily influenced by David Bowie, Queen, and T. Rex. The band's best-known single is "In the Meantime."
- **Supertramp:** Supertramp is an English rock band that is most well-known for their 1979 quadruple Platinum selling album *Breakfast in America*. The band has sold over 60 million albums worldwide.
- **Suzie McNeil:** Suzie McNeil is a Canadian pop rock singer and songwriter who has been releasing albums and singles since 2007.
- **Ted Nugent:** Ted Nugent was the 1970s and 1980s hard rock musician who has sold over 30 million albums.

- **Tesla:** Tesla is a hard rock band that has sold over 14 million albums in the U.S. and had a string of hits in the late 1980s to early 1990s.
- **The London Souls - Feel Records:** A New York City based rock band formed in 2008 with albums released in 2009, 2011, and 2015.
- **Tim Palmer:** Tim Palmer is an English record producer, audio engineer, guitarist and songwriter of rock and alternative music. Palmer has produced for over four decades and has worked with artists such as U2, Robert Plant, and Ozzy Osbourne, among many others.
- **Toby Keith:** In 2015, Round Hill completed the acquisition of a collection of Toby Keith songs. Included in the catalog is the number one hit country song “I Love This Bar.”
- **Trevor Rabin:** Trevor Rabin is a musician, singer-songwriter, producer, and film composer. Rabin was inducted into the Rock and Roll Hall of Fame as a member of Yes.
- **Triumph:** Consisting of the master recording rights, Triumph is a hard rock band from the 1970s and 1980s that has numerous albums that were certified Gold in the U.S. and Platinum in Canada.
- **Vinnie Vincent:** Vinnie Vincent is a songwriter and former member of the rock band, Kiss.
- **Wade Kirby:** Wade Kirby is a country songwriter who has written hits for Blake Shelton, George Strait, Parmalee, and Easton Corbin.
- **Warrant:** Warrant is an American glam metal band formed in 1984 that experienced success from 1988 to 1996 with five albums reaching international sales of over 10 million.
- **What a Wonderful World:** "What a Wonderful World" is a song written by Bob Thiele (as "George Douglas") and George David Weiss. Its first and most widely known rendition was recorded by Louis Armstrong, which was inducted in the Grammy Hall of Fame in 1999.
- **Admin / Co-Pub / Advances:** The Fund administers on behalf of a number of significant writers and owns the co-publishing of a number of catalogs.

### *Carlin Music*

Carlin Music is one of the largest music publishing catalogs, with a catalog of over 100,000 titles. Carlin’s long-held family-owned catalog consists of number one hits from the rock 'n' roll years, numerous rock and pop best-sellers, great song standards, Broadway showtunes and significant classical works. Its works have been recorded by numerous major artists including: Elvis Presley, Frank Sinatra, Whitney Houston, Dolly Parton, Billie Holiday, Barbra Streisand, Johnny Cash, Madonna, David Bowie, James Brown, Louis Armstrong, Van Morrison, among many others.<sup>4</sup>

---

<sup>4</sup> Source: Round Hill Music website.

### **III. HISTORICAL EARNINGS PERFORMANCE**

Historical earnings performance provided by management has been reviewed in conjunction with our analysis.

### **IV. DETERMINATION OF FAIR MARKET VALUE**

There are three common approaches applied in determining fair market value, each of which is described below.

- **Asset Approach** – this approach is based on the value of the subject’s assets net of liabilities and should be considered in the valuation of an investment holding company, real estate holding company, or a business appraised on a basis other than as a going concern. This approach is not relevant for the current matter.
- **Market Approach** – this approach determines the value of an asset through the comparison of the subject to similar businesses that have been sold. This approach is not relevant for the current matter.
- **Income Approach** – this approach determines the value of an asset by converting anticipated economic benefits into a present single amount using procedures that consider the expected growth and timing of the benefits, the risk profile of the benefits stream and the time value of money. The two common methods used under the income approach are the capitalization of benefits method and the discounted cash flow method. In the capitalization of benefits method, a representative benefit level is divided or multiplied by an appropriate capitalization factor to convert the benefit to value. In the discounted cash flow method, benefits are estimated for each of several future periods, and are converted to value by applying an appropriate discount rate and using present value procedures.

We relied on the income approach, and specifically applied the discounted cash flow (“DCF”) method to estimate the fair market value of the Fund and Carlin Music.

#### **Discounted Cash Flow Method**

The DCF method is based on the economic principle of expectation. That is, the value of an asset to a hypothetical buyer or a hypothetical seller is estimated by projecting the future economic benefits or cash flows that a buyer can reasonably expect to receive from the asset. The future benefit streams are then discounted back to the valuation date, at a rate reflecting the risk associated with generating those benefits, to establish a value of the asset.



## **1. Steady State Catalogs**

Steady state refers to catalogs whose earnings have reached steady state; that is, their earnings are no longer on a lifecycle curve following release. These catalogs have been included in our analysis.

## **2. Catalogs Composed of Recent Releases**

Catalogs composed of recent releases refer to those catalogs whose songs are still on a lifecycle curve since they were recently released. Recent releases have been included in our analysis.

## **3. Baseline Value**

The baseline refers to the earnings value against which the 2023e growth rate was applied.

## **4. Identified Areas of Opportunity**

Management has identified several areas of opportunity to increase Carlin Music's future earnings. The forecast for future earnings from each opportunity has been included in our analysis.

## **5. Adjustments**

Earnings adjustments were made for a number of catalog specific reasons.

## **6. Pipeline**

Pipeline refers to new releases for which royalties have yet to be collected or have just begun to be collected. Forecast earnings of Pipeline releases have been included in our analysis.

## **7. Streaming Mechanical Uplift**

On July 1, 2022, the CRB made its final decision to increase streaming mechanical royalty rates under Phonorecords III which covered the period 2018 - 2022. As part of the Phonorecords III decision, the streaming services and Mechanical Licensing Collective (MLC) will be making retroactive payments for the period under the Phonorecord III ruling. This decision was followed on August 31, 2022, by the settlement of the rate increases for Phonorecords IV which covers the period 2023 - 2027. We considered the streaming mechanical uplift and the Phono III back-pay in our analysis.

## 8. Facebook and TikTok Licenses

Round Hill has executed licenses with Facebook and TikTok, which we have considered in our analysis.

## 9. Reversions

Specific catalogs in the Fund will have future earnings impacted by rights reversions, which was considered in our analysis.

## 10. Discount Rate

A discount rate was used to calculate the Net Present Value (NPV) of projected earnings of the Fund and Carlin Music, which represents the value of the portfolio.

## 11. Terminal Value

Terminal growth rates were applied after the discrete projection period.

## 12. Recent Market Transactions and Deal Multiples

The following multiples of transactions that took place in 2H2022-1H2023<sup>5</sup> that most closely resemble those assets held by the Fund and Carlin, are as follows:

| <u>Period</u>                 | <u>Genre</u> | <u>Vintage</u>      | <u>Simplified Vintage</u> | <u>Multiple</u> |
|-------------------------------|--------------|---------------------|---------------------------|-----------------|
| 2H22                          | Country      | 1970s, 1980s        | Standards Music           | 15.70           |
| 2H22                          | Country      | 1990s, 2000s, 2010s | Standards Music           | 20.40           |
| 2H22                          | Latin, Pop   | 1990s, 2000s, 2010s | Standards Music           | 23.64           |
| 2H22                          | Rock, R&B    | 1960s, 2010s        | Standards Music           | 18.76           |
| 1H23                          | Pop          | 1990s, 2000s, 2010s | Standards Music           | 16.29           |
| 1H23                          | Pop          | 2000s, 2010s        | Standards Music           | 18.00           |
| 1H23                          | Pop          | 1980s               | Standards Music           | 24.36           |
| <b>Average Multiple =&gt;</b> |              |                     |                           | <b>19.59</b>    |

<sup>5</sup> For which Citrin Cooperman has data.

### 13. The Fund and Carlin<sup>6</sup> Compared to Recent Market Transactions

The average multiple of recent market transactions (19.59X) can be compared against the multiple presented below:

| <u>Genre</u>       | <u>Vintage</u>                              | <u>Simplified Vintage</u> | <u>Multiple</u> |
|--------------------|---|---------------------------|-----------------|
| Rock, Pop, Country | 1950s, 1960s, 1970s, 1980s,<br>1990s, 2000s | Standards Music           | 19.56           |

---

<sup>6</sup> Includes 29.14% of Carlin's value.

## V. CONCLUSION

It is our opinion that the fair market value, based on all of the factors described in this report, of \$558,214,666 for the Fund and \$96,532,478<sup>7</sup> for Carlin Music is appropriately applied. Please see Appendix 1 for a summary of values by entity.

---

<sup>7</sup> Represents 29.14% of Carlin Music.

**VI. APPENDIX 1**

**Summary of the Fund and Carlin Music and their Values**

| <u>Entity</u>                                    | <u>Valuation as of 9/8/2023</u> |
|--|---------------------------------|
| Round Hill Music Royalty Fund Limited (the Fund) | \$558,214,666                   |
| Carlin Music                                     | \$96,532,478                    |
| <b>Total =&gt;</b>                               | <b>\$654,747,144</b>            |

## CURRICULUM VITAE OF BARRY MASSARSKY

### **PROFESSIONAL EXPERIENCE**

- Barry Massarsky is a partner and co-leader of the firm's Music Economics and Valuation Services Practice. He has over 30 years of experience acting as a key advisor in the music industry serving the valuation interests of music publishing and recording label firms. He provides strategic counsel to owners of music copyrights, as well as valuation, litigation economics, and performance income review. Mr. Massarsky is known for his high value relationships with performance rights organizations, music publishers, record companies, music industry trade organizations, and music litigation firms.
- Mr. Massarsky has pioneered the field of music copyright economics serving revenue-related interests within the U.S. music industry, facilitating strategic opportunities for advancing royalty income, and inspiring new license regimes. His experience also extends to the music production library marketplace where he has led many performing rights initiatives on behalf of both its trade organization and individual market leaders. Mr. Massarsky has worked with commercial lenders, private equity, and other financial investors who are acquiring music asset rights.

### **EDUCATIONAL BACKGROUND AND CREDENTIALS**

- Massarsky received a Bachelor of Arts, cum laude, from Boston University, and a Master of Business Administration from Cornell University.
- Previously, Mr. Massarsky was the founder of Massarsky Consulting, a leading copyright economics consultancy, which joined Citrin Cooperman in 2022. Prior to founding Massarsky Consulting, Barry was a Senior Economist at American Society of Composers, Authors and Publishers (ASCAP).

## CURRICULUM VITAE OF NARI MATSUURA

### **PROFESSIONAL EXPERIENCE**

- Nari Matsuura is a partner and co-leader of the firm's Music Economics and Valuation Services Practice. She has transformed the custom and practice of music valuation and supports most of the institutional funds transacting in this market. In 2022 alone, she led over 400 music asset valuations valued at over \$9 billion.
- Ms. Matsuura performs full-scale valuations of music publishing and recorded music assets on behalf of buyers, sellers, and lenders. Her valuation clients include major music funds, music publishers, record companies, private equity firms, banks, business managers, estates, as well as the creators themselves.
- Ms. Matsuura has over 20 years of experience as an economist in the music industry, including valuation, litigation economics, process evaluation, performance income forecasting, cost analysis, strategy, evaluating new business opportunities, and developing license models.
- Previously, Nari was a partner at Massarsky Consulting, which joined Citrin Cooperman in 2022. Prior to joining Massarsky in 2001, Nari was a concert pianist and recording artist, widely recognized for her performances in major venues throughout North America and Asia.

### **EDUCATIONAL BACKGROUND AND CREDENTIALS**

- Ms. Matsuura received Bachelor of Music and Master of Music degrees from the Juilliard School, and a Master of Business Administration from Cornell University.

## STATEMENT OF CERTIFICATION

**We certify that, to the best of our knowledge and belief:**

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased, professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the asset or property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation and our firm's compensation are not contingent on any action or event resulting from the analyses, opinions or conclusions in, or the use of, this report.
- 
- This summary report encompasses all disclosure requirements as required in accordance with the AICPA's Business Valuation Standards known as SSVS 1.
- This summary report has been made only for the purpose stated and shall not be used for any other purpose. The report, its conclusions and its contents may not be used, copied or transmitted in any form, in whole or in part, by any party without the prior written permission of Citrin Cooperman Advisors LLC.
- The conclusions as to fair market value contained herein represent the opinion of the undersigned and are not to be construed in any way as a guarantee or warranty, either expressed or implied, that the interest being valued herein will actually sell for the fair market value contained in this opinion.
- 
- Jake DeVries and Matthew Palermo provided notable assistance in the research and preparation of the analysis and this report.



Barry Massarsky, Partner  
Co-Leader, Music Economics  
and Valuation Services Practice



Nari Matsuura, Partner  
Co-Leader, Music Economics  
and Valuation Services Practice



- **STATEMENT OF GENERAL ASSUMPTIONS AND LIMITING CONDITIONS**

This valuation report has been made with the following general assumptions and limiting conditions:

1. No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters, including title or encumbrances. Title to assets is assumed to be good and marketable unless otherwise stated. Assets are further assumed to be free and clear of any or all liens, easements or encumbrances unless otherwise stated.
2. Information furnished by others, upon which all or a portion of this report is based, is believed to be reliable, but has not been verified in all cases. No warranty is given as to the accuracy of such information. Our work does not constitute an audit, nor have we attempted to confirm the information provided to us for accuracy and completeness, except within the framework of the valuation process; we do not express an opinion or any form of assurance on them. Accordingly, our work was not conducted in accordance with generally accepted auditing standards. In addition, we have not conducted a forensic examination of the books and records of the financial information provided for the Musical Works. Such an examination, if conducted, might lead us to a different opinion of value.
3. Public, industry and statistical information have been obtained from sources we believe to be reliable. However, we make no representation as to the accuracy or completeness of such information and have performed no procedures to corroborate the information.
4. No responsibility is taken for changes in market conditions, and no obligation is assumed to revise this summary valuation report to reflect events or conditions which occur subsequent to the date hereof.
5. This report and the conclusion of value arrived at herein are for the exclusive use of our client for the sole and specific purposes as noted herein. They may not be used for any other purpose or by any other party for any purpose.

## APPENDIX 5 DEFINITIONS

The following definitions apply throughout this Announcement unless the context requires otherwise.

|                                  |   |
|----------------------------------|---|
| <b>“Acquisition”</b>             | the proposed acquisition by Concord Bidco of the entire issued and to be issued ordinary share capital of RHM, to be implemented by means of the Scheme (or by way of a Takeover Offer under certain circumstances described in this Announcement) and, where the context requires, any subsequent revision, variation, extension or renewal thereof; |
| <b>“Amended RHM Articles”</b>    | the articles of incorporation of RHM, as amended to include provisions, in terms approved by Concord Bidco, that avoid any person (other than Concord Bidco or its nominee) remaining as a holder of RHM Shares after the Effective Date, such proposed amendment to be set out in full in the notice of the General Meeting;                         |
| <b>“Announcement”</b>            | this announcement made pursuant to Rule 2.7 of the Takeover Code;   |
| <b>“Authorisations”</b>          | regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals;   |
| <b>“Business Day”</b>            | a day (other than Saturdays, Sundays and public holidays in the UK and Guernsey) on which banks are generally open for normal business in the City of London and Guernsey;  |
| <b>“Cenkos”</b>                  | Cenkos Securities plc, Rule 3 adviser, Financial Adviser and Corporate Broker to RHM;   |
| <b>“Citrin Cooperman”</b>        | Citrin Cooperman Advisors LLC;  |
| <b>“Closing Price”</b>           | the closing middle market quotation of a RHM Share as derived from Bloomberg on any particular date;  |
| <b>“Combined Group”</b>          | the Concord Group as enlarged by the RHM Group following completion of the Acquisition;   |
| <b>“Companies Act”</b>           | the UK Companies Act 2006, as amended from time to time;  |
| <b>“Companies Law”</b>           | the Companies (Guernsey) Law, 2008 (as amended);  |
| <b>“Concord”</b>                 | Alchemy Copyrights, LLC, trading as Concord;  |
| <b>“Concord Bidco”</b>           | Concord Cadence Limited;  |
| <b>“Concord Bidco Directors”</b> | the directors of Concord Bidco at the date of this Announcement or, where the context so requires, the directors of Concord Bidco from time to time;  |
| <b>“Concord Group”</b>           | Concord and its subsidiaries and subsidiary undertakings from time to time and, where the context permits, each of them;  |
| <b>“Conditions”</b>              | the conditions of the Acquisition set out in Appendix 1 to this Announcement and to be set out in full in the Scheme Document;  |

|   |   |
|---|---|
| <b>“Confidentiality Agreement”</b>                  | the confidentiality agreement dated 22 July 2023 between Concord and RHM;   |
| <b>“Court”</b>                                      | the Royal Court of Guernsey;  |
| <b>“Court Hearing”</b>                              | the Court hearing at which RHM will seek an order sanctioning the Scheme for the purposes of section 110 of the Companies Law;  |
| <b>“Court Meeting”</b>                              | the meeting or meetings of the Scheme Shareholders to be convened pursuant to an order of the Court pursuant to section 107 of the Companies Law for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment, postponement or reconvention of any such meeting, notice of which shall be contained in the Scheme Document;  |
| <b>“Court Order”</b>                                | the order of the Court sanctioning the Scheme;  |
| <b>“CREST”</b>                                      | the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001;   |
| <b>“Dealing Disclosure”</b>                         | an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer;  |
| <b>“Disclosed”</b>                                  | the information disclosed: (i) fairly in writing to Concord and Concord Bidco (or their respective officers, employees, agents or advisers) by, or on behalf of, the RHM Group (including via the virtual data room established by, or on behalf of, RHM for the purposes of the Acquisition) prior to the publication of this Announcement; (ii) to Concord and Concord Bidco (or their respective officers, employees, agents or advisers) by, or on behalf of, the RHM Group via management meetings held on 11 August 2023, 22 August 2023, 24 August 2023, 1 September 2023 and 3 September 2023 in connection with the Acquisition; (iii) in the annual report and accounts of the RHM Group for the financial year ended 31 December 2022; (iv) in this Announcement; and/or (v) in any other announcement made by, or on behalf of, RHM via a Regulatory Information Service before the publication of this Announcement; |
| <b>“Disclosure Guidance and Transparency Rules”</b> | the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA;   |
| <b>“Economic NAV”</b>                               | at any date, the Gross Asset Value less the amount which (to the extent not otherwise deducted in the calculation of Gross Asset Value), in accordance with RHM's latest published valuation methodology, fairly reflects the amount of the liabilities and expenses of RHM;  |
| <b>“Economic NAV per RHM Share”</b>                 | the Economic NAV divided by the number of RHM Shares in issue at the time of calculation;   |
| <b>“Effective”</b>                                  | in the context of the Acquisition: <ul style="list-style-type: none"> <li>(i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms upon the delivery of a copy of the Court Order to the Guernsey Registry; or</li> </ul>  |

|   |   |
|---|---|
|   | (ii) if Concord Bidco elects to implement the Acquisition by way of a Takeover Offer, such Takeover Offer having been declared unconditional in all respects in accordance with the requirements of the Takeover Code;  |
| <b>“Effective Date”</b>                       | the date on which the Scheme becomes Effective;   |
| <b>“Euroclear”</b>                            | Euroclear UK & International Limited, the operator of CREST;  |
| <b>“European Union”</b>                       | the economic and political confederation of European nations which share a common foreign and security policy and co-operate on justice and home affairs known as the European Union;   |
| <b>“Excluded Shares”</b>                      | any RHM Shares which are: (i) registered in the name of, or beneficially owned by, Concord Bidco or any other member of the Concord Group or any of their respective nominees; or (ii) held as treasury shares, in each case at any relevant time;  |
| <b>“FCA” or “Financial Conduct Authority”</b> | the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA, or any successor regulatory body;  |
| <b>“Forms of Proxy”</b>                       | the forms of proxy in connection with each of the Court Meeting and the General Meeting which will accompany the Scheme Document;   |
| <b>“FSMA”</b>                                 | the Financial Services and Markets Act 2000, as amended from time to time;  |
| <b>“General Meeting”</b>                      | the general meeting of RHM Shareholders (including any adjournment thereof) to be convened for the purpose of seeking approval of all actions necessary for carrying the Scheme into effect and the adoption of the Amended RHM Articles;   |
| <b>“GFSC”</b>                                 | the Guernsey Financial Services Commission;   |
| <b>“Gross Asset Value”</b>                    | at any date, the aggregate of: (i) the value of all the investments of RHM as determined by the RHM Directors and calculated in the case of copyrights by reference to an independent valuer’s determination of the appropriate current value for such copyrights, which is to be calculated in accordance with RHM’s latest published valuation methodology, among other things, as regards the fair market value of the copyrights; and (ii) the amount which, in accordance with RHM’s latest published valuation methodology, fairly reflects the value of all other assets of RHM; |
| <b>“Guernsey”</b>                             | the Island of Guernsey;   |
| <b>“Guernsey Registry”</b>                    | the body authorised by the States of Guernsey to maintain various registers as required under Guernsey legislation and operating under the name Guernsey Registry;  |
| <b>“IFRS”</b>                                 | International Financial Reporting Standards;  |

|  |   |
|--|---|
| <b>“Investment Management Agreement Deed of Termination”</b> | the investment management agreement deed of termination dated 8 September 2023 between Concord Bidco, RHM and the Investment Manager;   |
| <b>“Investment Manager”</b>                                  | Round Hill Music LP;  |
| <b>“ISIN”</b>  | International Securities Identification Number;   |
| <b>“J.P. Morgan Cazenove”</b>                                | J.P. Morgan Securities LLC and its affiliate J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove, Financial Adviser to Concord Bidco and Concord;         |
| <b>“Latest Practicable Date”</b>                             | 7 September 2023;   |
| <b>“Listing Rules”</b>                                       | the rules and regulations made by the FCA under FSMA and contained in the publication of the same name, as amended from time to time;   |
| <b>“London Stock Exchange”</b>                               | London Stock Exchange Group plc;  |
| <b>“Long Stop Date”</b>                                      | 29 December 2023 or such later date (if any) as Concord Bidco and RHM may (with the consent of the Panel) agree and (if required) the Court may allow;  |
| <b>“Main Market”</b>   | the London Stock Exchange’s main market for listed securities;  |
| <b>“Market Abuse Regulation”</b>                             | the UK version of EU Regulation No. 596/2014, which has effect in English law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019; |
| <b>“Offer Period”</b>  | the offer period (as defined by the Takeover Code) relating to RHM, which commenced on the date of this Announcement;   |
| <b>“Official List”</b>                                       | the official list of the FCA;   |
| <b>“Opening Position Disclosure”</b>                         | has the same meaning as in Rule 8 of the Takeover Code;   |
| <b>“Overseas Shareholders”</b>                               | RHM Shareholders (or nominees of, or custodians or trustees for RHM Shareholders) not resident in, or nationals or citizens of, the United Kingdom or Guernsey;   |
| <b>“Panel”</b>   | the UK Panel on Takeovers and Mergers;  |
| <b>“Permitted Dividends”</b>                                 | together, the Q2 Dividend and the Special Dividend;   |
| <b>“Q2 Dividend”</b>   | the dividend of US\$0.01125 per RHM Share in respect of the quarter ended 30 June 2023 (as announced by RHM on 31 August 2023);   |
| <b>“Regulatory Information Service”</b>                      | any information service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange’s website;           |
| <b>“Resolution”</b>  | the resolution proposed to be passed at the General Meeting in connection with the adoption of the Amended RHM Articles and such other matters as may be necessary to implement the Scheme;                 |

|                                       |  |
|---------------------------------------|--|
| <b>“Restricted Jurisdiction”</b>      | any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Scheme is sent or made available to RHM Shareholders in that jurisdiction;   |
| <b>“RHM” or “Company”</b>             | Round Hill Music Royalty Fund Limited, a non-cellular company incorporated under the laws of Guernsey with registered number 68002 and which has its registered office at Ground Floor, Dorey Court, Admiral Park, St. Peter Port, Guernsey GY1 2HT;   |
| <b>“RHM Directors” or “RHM Board”</b> | the directors of RHM at the date of this Announcement or, where the context so requires, the directors of RHM from time to time;   |
| <b>“RHM Group”</b>                    | RHM and its subsidiaries and subsidiary undertakings from time to time and, where the context permits, each of them;   |
| <b>“RHM Shareholders”</b>             | holders of RHM Shares from time to time;   |
| <b>“RHM Shares”</b>                   | ordinary shares of no par value in the capital of RHM and each being a <b>“RHM Share”</b> ;  |
| <b>“Scheme”</b>                       | the proposed scheme of arrangement under Part VIII of the Companies Law between RHM and Scheme Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by RHM and Concord Bidco;   |
| <b>“Scheme Document”</b>              | the document to be sent to RHM Shareholders containing, amongst other things, the full terms and conditions of the Scheme, an explanatory statement in compliance with Part VIII of the Companies Law, and the notices convening the Court Meeting and the General Meeting;  |
| <b>“Scheme Record Time”</b>           | the time and date specified in the Scheme Document by reference to which the entitlements of Scheme Shareholders under the Scheme will be determined, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date;  |
| <b>“Scheme Shareholders”</b>          | a holder of Scheme Shares from time to time;   |
| <b>“Scheme Shares”</b>                | all RHM Shares which are: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document and which remain in issue at the Scheme Record Time;</li> <li>(ii) (if any) issued after the date of the Scheme Document, but at or before the Scheme Voting Record Time and which remain in issue at the Scheme Record Time; and</li> <li>(ii) (if any) issued after the Scheme Voting Record Time but at or before the Scheme Record Time, either on terms that the original or any subsequent holder thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holder is, or shall have agreed in writing to be, bound by the Scheme and which remain in issue at the Scheme Record Time,</li> </ul> <p>in each case other than any Excluded Shares;</p> |

|   |   |
|---|---|
| <b>“Scheme Voting Record Time”</b>        | the date and time specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined;   |
| <b>“Significant Interest”</b>             | in relation to an undertaking or partnership, a direct or indirect interest of 20 per cent or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking or the relevant partnership interest;  |
| <b>“Special Dividend”</b>                 | a special dividend of US\$0.005 per RHM Share to be declared and paid by RHM to RHM Shareholders prior to the Effective Date from income accrued by reference to the quarter ended 30 September 2023;   |
| <b>“Takeover Code”</b>                    | the City Code on Takeovers and Mergers;   |
| <b>“Takeover Offer”</b>                   | if the Acquisition is implemented by way of a takeover offer (which shall be an offer for the purposes of section 337 of the Companies Law), the offer to be made by or on behalf of Concord Bidco to acquire the entire issued and to be issued ordinary share capital of RHM including, where the context admits, any subsequent revision, variation, extension or renewal of such offer; |
| <b>“Third Party”</b>                      | each of any relevant central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction;  |
| <b>“UK” or “United Kingdom”</b>           | the United Kingdom of Great Britain and Northern Ireland;   |
| <b>“United States of America” or “US”</b> | United States of America, its territories and possessions, all areas subject to its jurisdiction or any subdivision thereof any state of the United States and the District of Columbia;  |
| <b>“US Exchange Act”</b>                  | the United States Securities Exchange Act of 1933, as amended, and the rules and regulations promulgated thereunder;  |
| <b>“Wider Concord Group”</b>              | Concord, its subsidiary undertakings, associated undertakings and any other undertaking in which Concord and/or such undertakings (aggregating their interests) have a Significant Interest; and  |
| <b>“Wider RHM Group”</b>                  | RHM, its subsidiary undertakings, associated undertakings and any other undertaking in which RHM and/or such undertakings (aggregating their interests) have a Significant Interest.  |

In this Announcement, **"subsidiary"**, **"subsidiary undertaking"**, **"undertaking"** and **"associated undertaking"** have the respective meanings given thereto by the Companies Act.

All references to **"pounds"**, **"pounds Sterling"**, **"Sterling"**, **"£"**, **"pence"**, **"penny"** and **"p"** are to the lawful currency of the United Kingdom.

All references to **"dollars"**, **"US dollars"**, **"US\$"**, **"\$"**, and **"cent"** are to the lawful currency of the United States of America.

All references to a statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

All the times referred to in this Announcement are London (UK) times unless otherwise stated.

References to the singular include the plural and vice versa.