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This document comprises a Supplementary Prospectus relating to the Company in connection with the issue of the Shares, prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority made pursuant to section 73A of FSMA. This Prospectus has been approved by the Financial Conduct Authority as the competent authority under the UK version of Regulation (EU) 2017/1129 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. The Financial Conduct Authority only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK version of Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Company or of the quality of the Shares.

The Company, whose registered office is set out on page 39, and each of the Directors, whose names appear on page 39 of the Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Potential investors are recommended to seek advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if you are in the United Kingdom or, if not, from another appropriately authorised independent adviser before investing in the Company. Potential investors should read the Prospectus and this Supplementary Prospectus in their entirety and in particular, should consider the risk factors relating to the Company set out on pages 12 to 25 of the Prospectus.

CHRYSALIS INVESTMENTS LIMITED

(Incorporated in Guernsey under the Companies (Guernsey) Law, 2008, as amended, with registered number 65432)

SUPPLEMENTARY PROSPECTUS

Placing Programme for Ordinary Shares and/or C Shares for up to 600 million Ordinary Shares and/or C Shares (inclusive of the Ordinary Shares issued pursuant to the Initial Placing, Intermediaries Offer, Offer for Subscription and Open Offer)

and

Admission of Ordinary Shares and C Shares to the premium segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's Main Market

Investment Manager

JUPITER INVESTMENT MANAGEMENT LIMITED

Sponsor, Global Co-ordinator

and Joint Bookrunner

LIBERUM CAPITAL LIMITED

Joint Bookrunner

NUMIS SECURITIES LIMITED

This document is supplementary to, and should be read in conjunction with, the Prospectus. The definitions adopted in the Prospectus apply in this Supplementary Prospectus save where the terms are defined in the section of this Supplementary Prospectus entitled "Definitions" or where the context requires otherwise.

Liberum and Numis Securities, each of which is authorised and regulated in the United Kingdom by the FCA, are acting exclusively for the Company and for no one else in relation to the arrangements referred to in the Prospectus. Numis is not acting as sponsor to this transaction. Neither Liberum nor Numis Securities will regard any other person (whether or not a recipient of this Supplementary Prospectus) as its client in relation

to the arrangements referred to in this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the contents of this Supplementary Prospectus or any transaction or arrangement referred to herein. No representation or warranty, express or implied, is made by Liberum or Numis Securities as to the accuracy, completeness or verification of the information set forth in this document, and nothing contained in this document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Neither Liberum nor Numis Securities assumes any responsibility for its accuracy, completeness or verification and accordingly disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this Supplementary Prospectus or any such statement. Notwithstanding the foregoing, nothing referred to herein seeks to limit or exclude Liberum's or Numis' responsibilities and liabilities which may arise under FSMA or the regulatory regime established thereunder.

This Supplementary Prospectus does not constitute an offer to sell, or a solicitation of an offer to acquire or subscribe securities in the United States or in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Adviser, Liberum or Numis Securities Limited.

The Shares have not been, and will not be, registered under the Securities Act, or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold within the United States or to, or for the account or benefit of US persons (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. The Shares are being offered and sold (i) outside the United States to non-US-persons in reliance on Regulation S and (ii) within the United States only to persons reasonably believed to be QIBs, that are also QPs, and who deliver to the Company and Liberum or Numis Securities (as applicable) a signed Investor Representation Letter. The Company has not been, and will not be, registered under the Investment Company Act, and investors will not be entitled to the benefit of that Act. No offer, purchase, sale or transfer of the Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

The Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

This document does not constitute a prospectus for the purposes of any offer of shares in any EEA Member State and has not been approved by a competent authority in any EEA Member State for the purposes of the EU Prospectus Regulation. Accordingly, the Shares may only be offered to persons in any EEA Member State who are “qualified investors” within the meaning of EU Prospectus Regulation or in other circumstances in which a prospectus is not required by the EU Prospectus Regulation and, in any event, subject to compliance with the requirements of the AIFMD as implemented in that EEA Member State.

This Supplementary Prospectus is dated 18 February 2022.

INTRODUCTION

The publication of this Supplementary Prospectus is a regulatory requirement under the Prospectus Regulation Rules 3.4.1 and 3.4.2 and section 87G of FSMA and is being published to note a significant new factor relating to the information included in the Prospectus.

On 25 January 2022, the Company published its Annual Report which constitutes a significant new factor relating to financial information contained in the Prospectus.

A copy of the Annual Report has been filed with the Financial Conduct Authority.

This Supplementary Prospectus is also being published to update the Prospectus summary to include key historic financial information contained within the Annual Report.

This document contains further details of this significant new factor and is supplemental to, and should be read in conjunction with, the Prospectus.

SUPPLEMENT TO THE SUMMARY

As a result of the publication of the Company's Annual Report, the summary document which forms part of the Prospectus is hereby supplemented as follows:

1. Table 1: "Statement of Comprehensive Income" in "What is the key financial information regarding the issuer?" section B(2) is updated with the information contained in the Annual Report, as follows:

	For the period from 1 October 2020 to 30 September 2021 (audited)	For the period from 1 October 2019 to 30 September 2020 (audited)
Net gains on investments held at fair value through profit or loss (£'000)	568,419	197,426
Net gains/(losses) on currency movements (£'000)	268	(985)
Net investment gains (£'000)	568,687	196,441
Interest income (£'000)	851	560
Total income (£'000)	851	560
Investment management and performance fees (£'000)	(117,230)	(34,692)
Other expenses (£'000)	(3,762)	(1,897)
(Losses)/gains before finance costs and taxation (£'000)	448,546	160,412
Finance costs (£'000)	(238)	—
(Losses)/gains before taxation (£'000)	448,308	160,412
Withholding tax expense (£'000)	—	—

Total gains and comprehensive income for the year/period (£'000)	448,308	160,412
(Loss)/gain per Ordinary Share (pence)	94.76	47.63

2. Table 2: "Statement of Financial Position" in "What is the key financial information regarding the issuer?" section B(2) is updated with the information contained in the Annual Report, as follows:

	30 September 2021 (£'000) (audited)	30 September 2020 (£'000) (audited)
<u>Non-current assets</u>		
Investments held at fair value through profit or loss	1,460,198	606,287
<u>Current assets</u>		
Cash and cash equivalents	49,794	15,559
Other receivables	427	267
Total assets	1,510,419	622,113
<u>Current liabilities</u>		
Performance fee payable	(112,077)	(32,710)
Management fee payable	(3,333)	(631)
Unsettled trades	–	(46,440)
Loan payable	(15,000)	–
Other payables	(1,075)	(289)
Total liabilities	(131,485)	(80,070)
Net assets	1,378,934	542,043
<u>Equity</u>		
Share capital	758,950	370,367
Capital reserve	633,420	176,810
Revenue reserve	(13,436)	(5,134)
Total equity	1,378,934	542,043
Net asset value per Ordinary Share (pence)	251.96	160.97
Number of Ordinary Shares in issue	547,273,076	336,742,424

3. Table 3: "Statement of Cash Flows" in "What is the key financial information regarding the issuer?" section B(2) is updated with the information contained in the Annual Report, as follows:

	For the period from 1 October 2020 to 30 September 2021 (£'000) (audited)	For the period from 1 October 2019 to 30 September 2020 (£'000) (audited)
<u>Cash flows from operating activities</u>		
Interest paid	(238)	–
Other expense payments	(37,987)	(5,286)
Interest income	851	560
Purchase of investments	(426,639)	(212,013)
Sale of investments	94,707	19,632
Net gains/(losses) on currency movements	268	(985)
Net cash outflow from operating activities	(369,038)	(198,092)
<u>Cash flows from financing activities</u>		
Issue of ordinary shares	395,000	–
Share issue costs	(6,417)	–
Proceeds of loan payable	15,000	–
Net cash flow from financing activities	403,583	–
Net increase/(decrease) in cash and cash equivalents	34,545	(198,092)
Net (loss)/gains on cash currency movements	(310)	986
Cash and cash equivalents at beginning of the year/period	15,559	212,665
Cash and cash equivalents at end of year	49,794	15,559
<u>Cash and cash equivalents comprise of the following:</u>		
Cash at bank	49,794	15,559
	49,794	15,559

Neither pro forma financial information nor any qualified audit report has been included in this Supplementary Prospectus.

4. Table 4: "Performance" in "What is the key financial information regarding the issuer?" section B(2) is updated with the information contained in the Annual Report, as follows:

As at 30 September 2020 (audited)

Share Class	Total NAV (£'000)	No. of shares in issue	NAV/share (p)
Ordinary Shares	542,043	336,742,424	160.97

As at 30 September 2021 (audited)

Share Class	Total NAV (£'000)	No. of shares in issue	NAV/share (p)
Ordinary Shares	1,378,934	547,273,076	251.96

FINANCIAL INFORMATION***Audited financial statements for the year ended 30 September 2021***

The Annual Report was prepared in accordance with IFRS, the requirements of the Companies Act applicable to companies reporting under IFRS and the Listing Rules.

The Annual Report was audited by the Auditors whose report was unqualified and did not contain any statements under sub-sections 498(2) and 298(3) of the Companies Act or any reference to any matters required pursuant to sub-section 495(4)(b) of the sub-Companies Act.

Selected financial information set out in paragraph (b) below from the Annual Report is incorporated by reference into, and forms part of, this document and the Prospectus. Information in the Annual Report that is not incorporated by reference is either not relevant to investors or covered elsewhere in this document.

(a) Selected financial information

Key figures that summarise the Company's financial condition in respect of the year ended 30 September 2021 which have been extracted without material adjustment from the Annual Report are set out in the table below:

	2021 £'000
ASSETS	
Non-current assets	
Investments held at fair value through profit or loss	1,460,198
Current assets	
Cash and cash equivalents	49,794
Other receivables	427
Total current assets	<u>50,221</u>
TOTAL ASSETS	<u>1,510,419</u>
Current liabilities	
Performance fee payable	(112,077)
Management fee payable	(3,333)
Unsettled trades	–
Loan payable	(15,000)
Other payables	(1,075)
Total liabilities	<u>(131,485)</u>
NET ASSETS	<u>1,378,934</u>
EQUITY AND LIABILITIES	
Share Capital	758,950
Capital reserve	633,420
Revenue reserve	(13,436)
TOTAL SHAREHOLDERS' EQUITY	<u>1,378,934</u>
NAV per Ordinary Share (pence)	251.96

(b) Information incorporated by reference

The information set out below and relating to the Company is incorporated by reference and is available online at www.chrysalisinvestments.co.uk/investor-relations/ and www.morningstar.co.uk/uk/nsm and is also available for inspection at the address stated on page 39 of the Prospectus.

<i>Information incorporated by reference</i>	<i>Page references in the Annual Report</i>
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NO SIGNIFICANT CHANGE

Save as set out in paragraphs (a) and (b) below, there has been no significant change to the financial or trading position of the Company since 30 September 2021, being the end of the last financial period of the Company for which audited financial information has been published:

- (a) On 13 December 2021 the Company announced that it had raised gross proceeds of £60 million pursuant to the issue of 25,210,084 new Ordinary shares at a price of 238 pence per Ordinary Share; and
- (b) On 29 November 2021, the Company announced that it had entered into an agreement with the Investment Adviser to settle 54 per cent. (£60,522,000) of the performance fee due in respect of the year to 30 September 2021 in Ordinary Shares issued by the Company. The remaining 46 per cent (£51,555,000) of the performance fee amount will be settled in cash. The issue price of the Ordinary Shares was 267p per Ordinary Share (being the closing share price on 30 September 2021).

ADDITIONAL INFORMATION

1. ***Withdrawal rights***

In accordance with Prospectus Regulation Rule 3.4.1 and Article 23(2) of the UK Prospectus Regulation, if any investors had agreed before this Supplementary Prospectus is published to purchase or subscribe for Ordinary Shares and/or C Shares, the allotment of which had not become fully unconditional, such investors would have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their agreement. The final date by which an investor would be entitled to exercise their right of withdrawal is 22 February 2022, however, there is no offer to the public being made pursuant to the Prospectus which has not, as at the date of this Supplementary Prospectus, become fully unconditional.

2. ***Documents available for inspection***

Copies of the Prospectus, this Supplementary Prospectus and the Annual Report are available for inspection at the registered office of the Company (3rd Floor, 1 Le Truchot, St Peter Port, Guernsey, GY1 1WD) during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) up to and including 9 March 2022.

Copies of the Prospectus, Supplementary Prospectus and Annual Report are available for collection, free of charge, from the registered office of the Company. Such documents are also available on the Company's website at www.chrysalisinvestments.co.uk/investor-relations/. Investors should note, however, that contents of the Company's website and the contents of any websites which can be accessed through links on the Company's website, do not form part of either the Prospectus or this Supplementary Prospectus.

3. ***General***

To the extent that there is any inconsistency between any statement in or incorporated by reference in this document and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this document will prevail.

4. ***No significant new factor, material mistake or material inaccuracy***

Save as disclosed in this document, no significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Shares has arisen or been noted since the publication of the Prospectus.

DEFINITIONS

Save as set out below, the definitions adopted in the Prospectus apply in this Supplementary Prospectus. The following definitions apply throughout this Supplementary Prospectus, unless the context requires otherwise:

"Annual Report"	the audited financial results of the Company for the year ended 30 September 2021.
"Auditors"	KPMG Channel Islands Limited.
"Company"	Chrysalis Investments Limited.
"EU Prospectus Regulation"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
"FSMA"	Financial Services and Markets Act 2000.
"IASB"	the International Accounting Standards Board.
"IFRC"	the International Financial Reporting Interpretations Committee of the IASB.
"IFRS" or "International Financial Reporting Standards"	International Financial Reporting Standards, as adopted by the European Union, as amended from time to time.
"Investment Company Act"	US Investment Company Act of 1940, as amended.
"Liberum"	Liberum Capital Limited.
"Numis Securities"	Numis Securities Limited.
"Prospectus"	the prospectus published by the Company on 10 March 2021.
"QIBs"	qualified institutional buyers as defined in Rule 144A under the Securities Act.
"QPs"	qualified purchasers as defined in Section 2(a)(51) of the Investment Company Act.
"Regulation S"	Regulation S under the Securities Act.
"Securities Act"	US Securities Act of 1933, as amended.
"Supplementary Prospectus"	this document.
"Shares"	the Ordinary Shares and the C Shares (as the context may require).

"UK Prospectus Regulation"

the UK version of Regulation (EU) 2017/1129 as amended from time to time and any successor or replacement regulation, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended.