

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek immediately your own personal financial advice from your independent financial adviser, stockbroker, bank manager, solicitor, accountant or from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your Ordinary Shares in Chrysalis Investments Limited (the “**Company**”), please send this Circular and the accompanying documents, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

CHRYSALIS INVESTMENTS LIMITED

(a company incorporated under the laws of Guernsey with registered number 65432)

NOTICE OF EXTRAORDINARY GENERAL MEETING

to approve a proposed new investment policy and new articles at incorporation

This Circular should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 3 of this Circular and which recommends you vote, as applicable, in favour of the Resolutions to be proposed at the General Meeting. Your attention is also drawn to Part 2 on page 4 of this Circular.

The matters described in this Circular are conditional on Shareholder approval.

To be valid, a Form of Proxy and any power of attorney under which it is executed (or a duly certified copy of such power of attorney) must be lodged with the Company’s Registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, or by e-mail to #UKCSBRS. ExternalProxyQueries@computershare.co.uk. Alternatively, a completed Form of Proxy can be sent to the registered office of the Company at Fourth Floor, Plaza House, Admiral Park, St Peter Port, Guernsey, GY1 2HU. All proxies must be received no later than 1.00 p.m. GMT on 20 March 2026.

The definitions used in this Circular are set out on pages 17 to 18.

CONTENTS

Part 1	Expected Timetable of Events	3
Part 2	Action to betaken by Shareholders.....	4
Part 3	Letter from The Chairman	5
Part 4	New Investment Policy.....	10
Part 5	Risk Factors.....	15
Part 6	Additional Information.....	16
Part 7	Defined Terms	17
Part 8	Notice of Extraordinary General Meeting	19

PART 1

EXPECTED TIMETABLE OF EVENTS

Latest time and date for receipt of Form of Proxy (and any accompanying power of attorney) for the General Meeting	1.00 p.m. on 20 March 2026
General Meeting	1.00 p.m. on 24 March 2026

PART 2

ACTION TO BE TAKEN BY SHAREHOLDERS

ALL HOLDERS OF ORDINARY SHARES ARE RECOMMENDED TO COMPLETE AND RETURN THEIR FORM OF PROXY TO INDICATE HOW THEY WISH TO VOTE IN RELATION TO THE RESOLUTIONS. COMPLETION AND RETURN OF THE FORM OF PROXY WILL NOT AFFECT A SHAREHOLDER'S RIGHT TO ATTEND AND VOTE AT THE GENERAL MEETING.

Shareholders are requested to complete and return their Form of Proxy (together with any power of attorney under which it is executed (or a duly certified copy of such power of attorney)) for the General Meeting as soon as possible and in any event not later than 1.00 p.m. GMT on 20 March 2026. Where a Shareholder, being a body corporate, wishes to attend and vote at the General Meeting, an appropriate letter of representation and suitable identification of the person nominated to represent the body corporate must be presented before the General Meeting.

PART 3
LETTER FROM THE CHAIRMAN

Directors

Andrew Haining* (Chairman)
Stephen Coe*
Tim Cruttenden*
Simon Holden*
Margaret O'Connor*
Sam Dobbyn*

Registered Office

Fourth Floor
Plaza House
Admiral Park
St Peter Port
Guernsey
GY1 2HU

* Independent Non-Executive Director

20 February 2026

Dear Shareholder,

Notice convening an extraordinary general meeting

Introduction

I am writing to provide you with details of an extraordinary general meeting of the Company which will be held at 1.00 p.m. on 24 March 2026 at the offices of the Company, Fourth Floor, Plaza House, Admiral Park, St Peter Port, Guernsey, GY1 2HU. The General Meeting is being convened in order to seek Shareholder approval for certain matters referenced in the Company announcement dated 19 December 2025 concerning the proposed new strategy of the Company (the “**Proposals**”). The purpose of this Circular is to provide Shareholders with further details of the Proposals and to convene the General Meeting in order to seek Shareholder approval for the following specific elements of the Proposals:

- the adoption of a new investment policy; and
- the adoption of revised articles of incorporation.

Background to the Proposals

In December 2025, the Board announced its intention to propose a new investment policy, together with certain other interrelated matters that would enable an orderly realisation of the Company’s assets to occur over the next three years. The proposed New Investment Policy is set out in Part 4 of this Circular.

Rationale for New Investment Policy

In 2024, the Board had set out a series of measures which it anticipated would help to address the following issues:

The wide share price discount to NAV:

The Company has returned over £100m of capital through share buybacks over the last two years in line with the Capital Allocation Policy (“**CAP**”) adopted in March 2024. Whilst the discount to NAV has improved, it has not improved significantly. The Board believes that this persistent level of discount is a market driven issue but is also, in part, because of the perceived risk of reinvestment in the Chrysalis strategy.

Investment performance:

The Company had a portfolio of 12 growth company investments in March 2024. It was hoped that, by extending the life of the Company by a further three years, these growth companies would have the chance to develop and their value could be maximised.

This is still the case for Starling and Smart Pension, which have both increased in value and hold potential for further growth. However, the remaining four investments have not progressed as hoped.

Since inception, the Company has raised £818.3m of external capital (net of issue costs). As at Q1 2026, the Company had returned approximately £108m to shareholders through share buybacks and reported a net asset value of £818.5m, implying total value of approximately £926.5m. This represents a 1.13x total value to paid in capital (TVPI) multiple over approximately seven years.

Overall, the blended subscription price across the shares issued for cash since inception is approximately £1.45 per share. The Company's current share price of £0.95 represents a discount of approximately 34% to that blended subscription price.

Based on this historic performance, the Board believes returning capital to shareholders on realisations is more appropriate than reinvesting in new investments.

Management arrangements would lead to improved resource and capability:

At the time of introducing the capital allocation policy, the Board also entered into the Investment Management and Advisory Agreement with the Investment Adviser, a vehicle formed by Richard Watts and Nick Williamson, and the AIFM as the alternative investment fund manager.

It was hoped that, by enabling a spin-out of the Investment Adviser, the Investment Adviser would be well positioned and funded to build out its own regulatory and operational capacity as communicated at the time. In the Board's view, the Investment Adviser has not developed its regulatory and operational capacity as envisaged over this period. Consequently, the Board believes that a revised investment policy which does not provide for any new investments is appropriate.

Management/advisory arrangements

In light of the proposed changes to the Company's investment policy, the Board has evaluated options available to the Company in relation to its management and advisory arrangements. These have included continuing to be advised by the Investment Adviser on terms appropriate to the New Investment Policy, being advised by a new investment adviser and the adoption of a self-managed model.

The annual investment advisory fee, currently approximately £4.5 million under the existing investment advisory arrangement with the Investment Adviser, was put in place three years ago to support the development of the Investment Adviser as an independent entity with the required resources, structure and processes to manage a multi-asset growth portfolio which was continuing to assess and make new investments. Given the New Investment Policy does not envisage new investments and is focused on realising assets in an orderly manner, the Board has sought to secure changes to the Investment Management and Advisory Agreement which more appropriately reflect the New Investment Policy. At the time of this Circular, the Board's proposals for a new investment management and advisory agreement have not been agreed to by the Investment Adviser.

As a result, taking into account the costs to shareholders of the existing investment advisory arrangements, the number of holdings in the Company's portfolio and the expertise available through the Board and third party consultants (as appropriate) the Board has determined that it would be in the best interests of shareholders to terminate the existing arrangements with the Investment Adviser and the Board has today served protective notice on the Investment Adviser under the Investment Management and Advisory Agreement (which has a six months' notice period). For the avoidance of doubt, notice has not been served on G10 Capital Limited, who will remain as the Company's alternative investment fund manager for at least that six-month notice period.

Unless other arrangements can be reached with the Investment Adviser during its six month notice period, the Company's intention after the expiry of that notice period is to operate with a self-managed model in delivering the New Investment Policy, continuing to exercise appropriate oversight of its portfolio companies, including the maintenance of governance and information rights. In connection with this proposed transition, the Board has been working with Sam Dobbyn who has today joined the Board as an independent non-executive director.

Sam Dobbyn, who has significant relevant experience most recently at Allied Minds PLC, will oversee the transition, ensuring continuity of portfolio oversight, and acting as the central point of accountability between the Board, the Investment Adviser, and the Company's other advisers. Following the transition, the Board intends that Sam will lead the execution of the Company's

business plan in respect of key portfolio assets, supported by other Board members and by external advisers as required.

Portfolio oversight, risk management, valuation oversight, regulatory compliance and financial reporting would continue to be supported by the AIFM (initially as alternative investment fund manager as referenced above, and then – should the Company complete its transition to a self-managed model – in a non-AIFM advisory capacity), alongside specialist legal and transaction advisers engaged on a case by case basis. G10 Capital Limited has offered to provide its services to the Board on the revised approach where it will provide the same risk management and reporting services on a fixed fee basis. The Board will continue to discuss with the Investment Adviser how it could work within this structure on a mutually acceptable basis. Given the Investment Adviser has already received a performance fee, the Board does not believe a further incentive fee for the Investment Adviser is appropriate but hopefully other terms can be agreed.

The Board believes that this approach provides appropriate risk control, expertise, transparency and flexibility while materially reducing the Company's ongoing cost base. Based on current planning assumptions, the annual operating cost of the self-managed structure is expected to be materially lower than the current investment advisory arrangements and is anticipated to be below £2 million per annum. The Board will retain full oversight of strategy and disposal decisions and will provide further updates to shareholders as the transition progresses.

New Investment Policy

The full text of the Proposed New Investment Policy together with a comparison against the Existing Investment Policy, is included in Part 4 of this Circular. In summary, the New Investment Policy contains the following key components:

- the Company's objective will be to maximise the value of its existing portfolio and return capital to Shareholders over a three year period (from February 2026);
- subject to very limited exceptions, no new investments will be made;
- proceeds received from the sales of assets will be returned to Shareholders in an efficient and timely manner, including via mechanisms such as compulsory redemptions, tender offers or share buybacks, subject to the maintenance of a working capital buffer to cover the forecast running costs of the Company and an appropriate provision for investments permitted in the limited circumstances referenced within the New Investment Policy. The level of such buffer will be kept under regular review by the Board. It is the Board's intention that as investments are sold and the likelihood for follow on investing reduces, the provision for follow on investing will reduce; and
- subject to prior repayment of borrowings, the Company will seek to dispose of listed securities received through IPO, or make asset disposals, in a manner and timeframe considered to balance the objective of maximising value and returning capital to Shareholders, having regard to market conditions.

As this change to the Existing Investment Policy is considered to be material, the Board is seeking Shareholder approval for it in accordance with the UK Listing Rules.

New Articles

In connection with the proposed adoption of the New Investment Policy, the Board is proposing the adoption of the New Articles. The material changes proposed to be made to the Existing Articles by the adoption of the New Articles are as follows:

- a change to the date of the Company's next continuation vote, such that the next continuation vote will be held in February 2029. The purpose of this amendment is to allow for the expected three-year period of the Company's strategy to return capital to run its course and avoid a continuation vote (which would otherwise be held in early 2027) unduly affecting the execution of the proposed New Investment Policy; and
- the removal of the condition to the Directors' authority to compulsorily redeem Shares in accordance with the Existing Articles that a continuation vote is not passed. This will allow the Directors flexibility to use the compulsory redemption mechanism provided for in the Existing Articles (and the New Articles) at any time to return capital in accordance with the New Investment Policy where the Directors deem it to be in the interests of Shareholders to do so.

Other minor amendments have been made to the process for such compulsory redemptions to be made.

UK Resident Shareholders – UK Offshore Fund Rules

If the Proposals are approved by Shareholders, it is expected that this will result in the Ordinary Shares being treated as an “offshore fund” for the purposes of UK taxation.

As a result, the Directors intend to obtain from HM Revenue & Customs (“HMRC”) recognition of the Ordinary Shares as a reporting fund for the purposes of the UK Offshore Funds (Tax) Regulations 2009 (SI 2009/3001) (the “**UK Offshore Fund Rules**”). Details of the date from which such status applies may be found on the website of HM Revenue & Customs at <http://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>. There can be no guarantee that reporting fund status will be obtained and/or maintained for the Shares. The following paragraphs in this section assume that the Company obtains and maintains its reporting fund status in respect of the Ordinary Shares and that the Company does not fail the “qualifying investments” test at any time during the relevant period.

This summary is intended to be a general guide with respect to the application of the UK Offshore Fund Rules on a Shareholder’s investment in the Company and does not constitute tax advice. Shareholders should seek appropriate independent professional tax advice.

Income

As a reporting fund under the Offshore Fund Rules, the Company would be required to provide relevant Shareholders with a report of the income for each reporting period in respect of the Ordinary Shares (as calculated for the purposes of the UK Offshore Fund Rules). This information must be provided to Shareholders (and HMRC) within six months of the end of the relevant reporting period. Reporting periods will generally be the same as the Company’s accounting periods.

If the amount of income reported to relevant Shareholders exceeds the amount actually distributed to them for a relevant reporting period (“**excess reported income**”), UK resident Shareholders will generally be taxed as if they had received a notional dividend equal to the excess reported income. As a result, UK resident Shareholders could be taxed by reference to income they have not actually received to the extent that distributions that they receive are less than the reported income in respect of the Ordinary Shares.

Disposals of Ordinary Shares

Provided that the Ordinary Shares are, and continue to be, approved by HMRC as a reporting fund with effect from the time it becomes an offshore fund, gains on disposals of Ordinary Shares realised by UK resident shareholders should generally continue to be subject to UK taxation as capital gains and not as income. If the Ordinary Shares cease to be approved by HMRC as a reporting fund, any gain arising on the disposal of Ordinary Shares may be taxed as income, rather than as a capital gain.

The General Meeting

The formal Notice of the General Meeting and the Resolutions to be proposed are set out at the end of this Circular. Subject to the provisions set out in “Attendance and voting at the Meeting” below, Shareholders may attend the General Meeting, in person or by proxy, or if a corporation, by a duly appointed representative.

The Proposals are conditional on the approval by Shareholders of the Resolutions to be proposed at the General Meeting.

Resolution 1 (relating to the adoption of the New Investment Policy) will be proposed as an ordinary resolution. An ordinary resolution requires a simple majority of votes cast in favour in order for it to be passed.

Resolution 2 (relating to the adoption of the New Articles) will be proposed as a special resolution. A special resolution requires a majority of at least 75 per cent. of votes cast in favour in order for it to be passed.

Each Resolution is conditional on the passing of the other Resolution (such that the Proposals are either approved or rejected as a whole package).

Attendance and voting at the Meeting

The Company expects to be able to hold the General Meeting as an in-person meeting.

Shareholders are also encouraged to submit any questions they may have in advance of the General Meeting for the attention of myself or Mr Stephen Coe, Senior Independent Director, at the Company's registered office, Fourth Floor, Plaza House, Admiral Park, St Peter Port, Guernsey, GY1 2HU.

Each of the Resolutions will be put to a poll in reflection of best practice and to ensure that all Shareholders have their votes taken into account proportionately to their shareholdings in the Company.

In order for a quorum to be present at the General Meeting, it is necessary for there to be present in person, by corporate representative or by proxy, two or more Shareholders. If, within half an hour after the time appointed for the General Meeting, a quorum is not present, then the General Meeting will stand adjourned to 1.00 p.m. on 31 March 2026. At any adjourned meeting, those Shareholders present in person, by corporate representative or by proxy and entitled to vote will constitute a quorum. Forms of Proxy will also be valid at any adjourned meeting.

Action to be taken

Shareholders are being asked to vote at the General Meeting as each Resolution requires approval in accordance with the Articles, the Companies Law and/or the UK Listing Rules (as applicable).

The Articles allow Shareholders to attend and vote at the General Meeting.

You are asked to complete the Form of Proxy in accordance with the instructions printed thereon so as to be received by the Registrar not later than 1.00 p.m. on 20 March 2026. The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so. Further details relating to voting by proxy are set out in the Notes to Part 8 on page 20 of this Circular.

Shareholders are recommended to vote in favour of the Resolutions.

Recommendation

Your Board considers that the Proposals are in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions proposed at the General Meeting.

Yours sincerely,

Andrew Haining
Chairman

PART 4

NEW INVESTMENT POLICY

The Board is proposing that the full text of the New Investment Policy be as follows:

“Investment objective

The Company’s objective will be to maximise the value of its existing portfolio over a three-year period (from February 2026) and to make capital returns to Shareholders upon realisation of investments.

Investment policy

The Company’s investment policy is to effect an orderly realisation of its assets in a manner that is consistent with the Company’s investment objective and the principles of good investment management. This process is expected to include sales of some or all of the Company’s assets which may include running off certain assets in accordance with their timelines for a natural exit. Once the Company has completed the disposal of its assets, it is intended that the Company will be put into a voluntary liquidation process.

The Company will cease to make any new investments or to undertake any capital expenditure except:

- (i) with the prior written approval of the Board and where, in the opinion of the Board, in its absolute discretion, the investment or capital expenditure is considered necessary or desirable to protect or enhance the value of any existing investment or to facilitate an orderly disposal; or*
- (ii) where the investment or capital expenditure is required under contract or applicable law or regulation by the Company or any vehicle through which it holds its investments),*

any such investment or capital expenditure being a “Permitted Investment”.

In normal market conditions, the Company’s level of gearing is not expected to exceed 20 per cent. of the Company’s net asset value (calculated at the time of drawdown) but it is intended that the Company’s existing debt facility will be repaid in full at its maturity (expected to be in September 2026). For the avoidance of doubt, the Company will not take on any new borrowings.

Subject to prior repayment of all amounts owed under the Company’s borrowing facilities from time to time, the net proceeds received from the sales of assets will be returned to shareholders in an efficient and timely manner, as the Board considers appropriate, which may include compulsory redemptions, tender offers or share buybacks, subject to the maintenance of a working capital buffer to cover the forecast running costs of the Company and an appropriate provision for investments under i) and ii) above.

The level of such buffer will be kept under regular review by the Board. It is the Board’s intention that as investments are sold and the likelihood for follow on investing reduces, the provision for follow on investing will reduce.

The Company will seek to dispose of listed securities received through IPO, or make asset disposals, in a manner and timeframe considered to balance the objective of maximising value and returning capital to shareholders, having regard to market conditions.

Subject to the ability of the Company to make Permitted Investments, any cash received by the Company that has not been used to repay borrowings prior to its distribution to the Company’s shareholders will be held by the Company as cash on deposit and/or as cash equivalent securities, including short-dated corporate bonds or other cash equivalents, money market funds, cash funds or bank cash deposits (and/or funds holding such investments).

The Company may use derivatives for efficient portfolio management and managing any exposure to assets denominated in currencies other than pound sterling.

Changes to Investment Policy

Any material change to the Company's investment policy set out above will require the approval of Shareholders by way of an ordinary resolution at a general meeting and the approval of the Financial Conduct Authority. Non-material changes to the investment policy may be approved by the Board."

The following table sets out the changes which would be made to the Existing Investment Policy by the adoption of the New Investment Policy.

Existing Investment Policy	New Investment Policy
<p>Investment objective</p> <p>The investment objective of the Company is to generate long term capital growth through investing in a portfolio consisting primarily of equity or equity-related investments in unquoted and listed companies.</p> <p>Investment policy</p> <p>Investments will be primarily in equity and equity-related instruments (which shall include, without limitation, preference shares, convertible debt instruments, equity related and equity-linked notes and warrants) issued by portfolio companies. The Company will also be permitted to invest in partnerships, limited liability partnerships and other legal forms of entity where the investment has equity like return characteristics.</p> <p>For the purposes of this investment policy, unquoted companies shall include companies with a technical listing on a stock exchange but where there is no liquid trading market in the relevant securities on that market (for example, companies with listings on The International Stock Exchange or the Cayman Islands Stock Exchange). Furthermore, the Company shall be permitted to invest in unquoted subsidiaries of companies whose parent or group entities have listed equity or debt securities.</p> <p>The Company may invest in publicly traded companies (including participating in the IPO of an existing unquoted company investment), subject to the investment restrictions below. In particular, unquoted portfolio companies may seek IPOs from time to time following an investment by the Company, in which case the Company may continue to hold its investment without restriction.</p> <p>The Company is not expected to take majority shareholder positions in portfolio companies but shall not be restricted from doing so. Furthermore, there may be circumstances where the ownership of a portfolio company exceeds 50% of voting and/or economic interests in that portfolio company notwithstanding an initial investment in a minority position. While the Company does not intend to focus its</p>	<p>Investment objectives</p> <p>The investment objective of the Company is to generate long term capital growth through investing in a portfolio consisting primarily of equity or equity-related investments in unquoted and listed companies.</p> <p><u>The Company's objective will be to maximise the value of its existing portfolio over a three-year period (from February 2026) and to make capital returns to Shareholders upon realisation of investments.</u></p> <p>Investment policy</p> <p><u>The Company's investment policy is to effect an orderly realisation of its assets in a manner that is consistent with the Company's investment objective and the principles of good investment management. This process is expected to include sales of some or all of the Company's assets which may include running off certain assets in accordance with their timelines for a natural exit. Once the Company has completed the disposal of its assets, it is intended that the Company will be put into a voluntary liquidation process.</u></p> <p>Investments will be primarily in equity and equity-related instruments (which shall include, without limitation, preference shares, convertible debt instruments, equity related and equity-linked notes and warrants) issued by portfolio companies. The Company will also be permitted to invest in partnerships, limited liability partnerships and other legal forms of entity where the investment has equity like return characteristics.</p> <p>For the purposes of this investment policy, unquoted companies shall include companies with a technical listing on a stock exchange but where there is no liquid trading market in the relevant securities on that market (for example, companies with listings on The International Stock Exchange or the Cayman Islands Stock Exchange). Furthermore, the Company shall be permitted to invest in unquoted subsidiaries of companies whose parent or group entities have listed equity or debt securities.</p>

Existing Investment Policy	New Investment Policy
<p>investments on a particular sector, there is no limit on the Company's ability to make investments in portfolio companies within the same sector if it chooses to do so.</p> <p>The Company will seek to ensure that it has suitable investor protection rights through its investment in portfolio companies where appropriate. The Company may acquire investments directly or by way of holdings in special purpose vehicles, intermediate holding vehicles or other funds or similar structures.</p> <p>Investment restrictions</p> <p>The Company will invest and manage its assets with the objective of spreading risk, as far as reasonably practicable. No single investment (including related investments in group entities) will represent more than 20% of Gross Assets, calculated as at the time of that investment.</p> <p>The market value of individual investments may exceed 20% of gross assets following investment. The Company's aggregate equity investments in publicly traded companies that it has not previously held an investment in prior to that Company's IPO will represent no more than 20% of the Gross Assets, calculated at the time of investment.</p> <p>Subject in all cases to the Company's cash management policy, the Company's aggregate investment in notes, bonds, debentures and other debt instruments (which shall exclude for the avoidance of doubt convertible debt, equity-related and equity-linked notes, warrants or equivalent instruments) will represent no more than 20% of the Gross Assets, calculated as at the time of investment.</p> <p>The Company will not be required to dispose of any investment or rebalance its portfolio as a result of a change in the respective value of any of its investments.</p>	<p>The Company may invest in publicly traded companies (including participating in the IPO of an existing unquoted company investment); subject to the investment restrictions below. In particular, unquoted portfolio companies may seek IPOs from time to time following an investment by the Company, in which case the Company may continue to hold its investment without restriction.</p> <p>The Company is not expected to take majority shareholder positions in portfolio companies but shall not be restricted from doing so. Furthermore, there may be circumstances where the ownership of a portfolio company exceeds 50% of voting and/or economic interests in that portfolio company notwithstanding an initial investment in a minority position. While the Company does not intend to focus its investments on a particular sector, there is no limit on the Company's ability to make investments in portfolio companies within the same sector if it chooses to do so.</p> <p>The Company will seek to ensure that it has suitable investor protection rights through its investment in portfolio companies where appropriate. The Company may acquire investments directly or by way of holdings in special purpose vehicles, intermediate holding vehicles or other funds or similar structures.</p> <p>Investment restrictions</p> <p>The Company will invest and manage its assets with the objective of spreading risk, as far as reasonably practicable. No single investment (including related investments in group entities) will represent more than 20% of Gross Assets, calculated as at the time of that investment.</p> <p>The market value of individual investments may exceed 20% of gross assets following investment. The Company's aggregate equity investments in publicly traded companies that it has not previously held an investment in prior to that Company's IPO will represent no more than 20% of the Gross Assets, calculated at the time of investment.</p> <p>Subject in all cases to the Company's cash management policy, the Company's aggregate investment in notes, bonds, debentures and other debt instruments (which shall exclude for the avoidance of doubt convertible debt, equity-related and equity-linked notes, warrants or equivalent instruments) will represent no more than 20% of the Gross Assets, calculated as at the time of investment.</p>

Existing Investment Policy	New Investment Policy
	<p>The Company will not be required to dispose of any investment or rebalance its portfolio as a result of a change in the respective value of any of its <u>cease to make any new investments</u> or to undertake any capital expenditure except:</p> <p>(i) <u>with the prior written approval of the Board and where, in the opinion of the Board, in its absolute discretion, the investment or capital expenditure is considered necessary or desirable to protect or enhance the value of any existing investment or to facilitate an orderly disposal; or</u></p> <p>(ii) <u>where the investment or capital expenditure is required under contract or applicable law or regulation by the Company or any vehicle through which it holds its investments),</u></p> <p><u>any such investment or capital expenditure being a "Permitted Investment".</u></p> <p><u>In normal market conditions, the Company's level of gearing is not expected to exceed 20 per cent. of the Company's net asset value (calculated at the time of drawdown) but it is intended that the Company's existing debt facility will be repaid in full at its maturity (expected to be in September 2026). For the avoidance of doubt, the Company will not take on any new borrowings.</u></p> <p><u>Subject to prior repayment of all amounts owed under the Company's borrowing facilities from time to time, the net proceeds received from the sales of assets will be returned to shareholders in an efficient and timely manner, as the Board considers appropriate, which may include compulsory redemptions, tender offers or share buybacks, subject to the maintenance of a working capital buffer to cover the forecast running costs of the Company and an appropriate provision for investments under i) and ii) above.</u></p> <p><u>The level of such buffer will be kept under regular review by the Board. It is the Board's intention that as investments are sold and the likelihood for follow on investing reduces, the provision for follow on investing will reduce.</u></p> <p><u>The Company will seek to dispose of listed securities received through IPO, or make asset disposals, in a manner and timeframe considered to balance the objective of maximising value and returning capital to shareholders, having regard to market conditions.</u></p>

Existing Investment Policy	New Investment Policy
	<p data-bbox="805 197 1385 539"><u>Subject to the ability of the Company to make Permitted Investments, any cash received by the Company that has not been used to repay borrowings prior to its distribution to the Company's shareholders will be held by the Company as cash on deposit and/or as cash equivalent securities, including short-dated corporate bonds or other cash equivalents, money market funds, cash funds or bank cash deposits (and/or funds holding such investments).</u></p> <p data-bbox="805 562 1385 680"><u>The Company may use derivatives for efficient portfolio management and managing any exposure to assets denominated in currencies other than pound sterling.</u></p> <p data-bbox="805 725 1198 752"><u>Changes to Investment Policy</u></p> <p data-bbox="805 763 1385 976"><u>Any material change to the Company's investment policy set out above will require the approval of Shareholders by way of an ordinary resolution at a general meeting and the approval of the Financial Conduct Authority. Non-material changes to the investment policy may be approved by the Board.</u></p>

PART 5

RISK FACTORS

Prior to making any decision to vote in favour of the Resolutions, Shareholders should carefully consider all the information contained in this Circular including, in particular, the specific risks and uncertainties described below.

The risks and uncertainties set out below are those which the Directors believe are the material risks relating to the Proposals.

The risks and uncertainties described below are not intended to be exhaustive and are not the only ones that face the Company. The information given is as at the date of this Circular and, except as required by the FCA, the London Stock Exchange, the UK Listing Rules and Disclosure Guidance and Transparency Rules or other applicable laws and/or regulations, will not be updated. Additional risks and uncertainties not currently known to the Directors, or that they currently deem immaterial, may also have an adverse effect on the business, financial condition, results of operations and prospects of the Company.

- There can be no assurance that the Company's investments will meet their target returns, or any other level of return, or that the Company would achieve or successfully implement its investment objective under the New Investment Policy.
- The proposed New Investment Policy would result in the Company becoming reliant on the Investment Adviser's ability to dispose of (or otherwise realise) the Company's public equity investments in accordance with the New Investment Policy.
- The market price and the NAV of the Shares may go down as well as up. The market price of the Shares at any particular time may vary significantly and not reflect the underlying NAV per Share. Shareholders may not get paid the amount they originally invested on a sale or redemption of their Shares.
- The Resolutions are interconditional. Resolution 2 (concerning the adoption of the New Articles) requires a special resolution to be passed. A special resolution requires a majority of at least 75 per cent. of votes cast in favour in order for it to be passed. In effect therefore, Resolution 1 (concerning the adoption of the New Investment Policy) is also subject to the special resolution standard of approval.
- Before returning capital to Shareholders, the Company will repay its debt facilities.
- No assurance can be given that all cash received on future realisations of the Company's investments will be returned in a structure which attracts a lower rate of taxation than UK dividend taxation.
- As noted in the section titled "*UK Resident Shareholders – UK Offshore Fund Rules*" in Part 3 of this Circular, no assurance can be given that reporting fund status (for the purpose of the UK Offshore Funds Rules) will be obtained and/or maintained for the Ordinary Shares. Shareholders should seek appropriate independent professional advice..

PART 6

ADDITIONAL INFORMATION

1. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Circular until the conclusion of the General Meeting:

- 1.1** this Circular;
- 1.2** the Existing Articles, marked to show the proposed changes; and
- 1.3** the New Articles (proposed to be adopted at the General Meeting).

A copy of the Proposed New Articles has also been submitted to the National Storage Mechanism at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

PART 7

DEFINED TERMS

“AIFM”	G10 Capital Limited;
“Board”	the board of Directors of the Company;
“Chairman”	the chairman of the Company, presently Andrew Haining;
“Circular”	this circular dated 20 February 2026;
“Companies Law”	the Companies (Guernsey) Law 2008, as amended from time to time;
“Company”	Chrysalis Investments Limited;
“CREST”	the computerised settlement system operated by Euroclear UK & International Limited which facilitates the transfer of title to shares in uncertified form;
“Director”	each director of the Company (together, the “Directors”);
“Existing Articles”	the articles of incorporation of the Company as at the date of this Circular;
“Existing Investment Policy”	the investment policy of the Company as at the date of this Circular;
“FCA”	the United Kingdom Financial Conduct Authority (or any successor entity or entities);
“Form of Proxy”	the form of proxy for use by Shareholders unable to attend the General Meeting in person;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at 1.00 p.m. on 24 March 2026 at the offices of the Company, Fourth Floor, Plaza House, Admiral Park, St Peter Port, Guernsey, GY1 2HU;
“Investment Adviser”	Chrysalis Investment Partners LLP, the Company’s investment adviser;
“Investment Management and Advisory Agreement”	the investment management and advisory agreement between the Company, the AIFM and the Investment Adviser dated 29 January 2024, amended from time to time;
“NAV”	the value of the assets of the Company less its liabilities determined in accordance with the accounting policies and principles adopted by the Board from time to time;
“New Articles”	the revised articles of incorporation of the Company proposed to be adopted pursuant to Resolution 2;
“New Investment Policy”	the revised investment policy of the Company proposed to be adopted pursuant to Resolution 1;
“Notice of General Meeting” or “Notice”	the notice of the Extraordinary General Meeting, as provided at Part 8 of this Circular;
“Ordinary Shares”	ordinary shares in the capital of the Company from time to time;
“Registrar”	Computershare Investor Services (Guernsey) Limited;
“Resolution 1”	the ordinary resolution to be proposed at the General Meeting to approve the adoption of the New Investment Policy;
“Resolution 2”	the special resolution to be proposed at the General Meeting to approve the adoption of the New Articles;

“Resolutions”	the resolutions contained in Part 8 of this Circular to be voted on by Shareholders at the General Meeting;
“Shareholders”	the holders of Ordinary Shares;
“UK Listing Rules” or “UKLR”	the UK listing rules made by the FCA under section 73A of FSMA; and
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland.

PART 8

NOTICE OF EXTRAORDINARY GENERAL MEETING

CHRYSALIS INVESTMENTS LIMITED

(the “Company”)

(a company incorporated under the laws of Guernsey with registered number 65432)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at 1.00 p.m. on 24 March 2026 at the offices of Chrysalis Investments Limited, Fourth Floor, Plaza House, Admiral Park, St Peter Port, Guernsey, GY1 2HU. You will be asked to consider and vote on the Resolution below, which will be proposed as an ordinary resolution.

ORDINARY RESOLUTION

1. **THAT**, conditional on the passing of Resolution 2, the proposed New Investment Policy as described in Part 4 of the circular to Shareholders dated 20 February 2026 of which this notice forms part (the “**Circular**”) be adopted as the investment policy of the Company with immediate effect and the Existing Investment Policy be and is hereby so replaced.

SPECIAL RESOLUTION

2. **THAT**, conditional on the passing of Resolution 1, the draft articles of incorporation produced to the meeting and signed by the Chairman for identification purposes be approved and adopted as the articles of incorporation of the Company in substitution for, and to the exclusion of, the existing articles of incorporation of the Company to take effect immediately.

Words and expressions defined in the Circular shall, unless the context otherwise requires, have the same meaning **in** this Notice of General Meeting.

By order of the Board

IQ EQ Fund Services (Guernsey) Limited
Fourth Floor,
Plaza House,
Admiral Park,
St Peter Port,
Guernsey GY1 2HU

Explanatory Notes (General):

The following notes explain your general rights as a Shareholder and your right to vote at the General Meeting or to appoint someone else to vote on your behalf. Please note that appointing a proxy who cannot attend the General Meeting will effectively void your vote.

1. A Shareholder of the Company who is entitled to attend the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his or her place. A proxy does not need to be a Shareholder of the Company but must attend the General Meeting to represent you.
2. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. A Shareholder may appoint more than one proxy to attend the General Meeting provided that each proxy is appointed to exercise rights attached to different Ordinary Shares.
3. A Form of Proxy is enclosed which should be completed in accordance with the instructions. To be valid, this Form of Proxy (and any power of attorney under which it is executed (or a duly certified copy of such power of attorney)) must be lodged with the Registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgewater Road, Bristol BS99 6ZY, or by e-mail to #UKCSBRS.ExternCILProxyQueries@computershare.co.uk. Alternatively, completed Forms of Proxy can be sent to the registered office of the Company c/o IQ EQ Fund Services (Guernsey) Limited, Fourth Floor, Plaza House, Admiral Park, St Peter Port, Guernsey, GY1 2HU. All proxies must be received no later than 1.00 p.m. GMT on 20 March 2026.
4. CREST offers a proxy voting service which the Company's Registrar, Computershare Investor Services (Guernsey) Limited are an agent of.
5. Shareholders are advised that, upon receipt of their Form of Proxy from the Company, if they wish to appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID: 3RA50) two days prior to the date of the General Meeting at the latest. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means.
6. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST.
7. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 41 of the Uncertificated Securities (Guernsey) Regulations 2009.
8. Please note that the General Meeting will not be made available by way of publicly available real-time broadcast.
9. As at 19 February 2026 (being the last business day prior to the publication of the Notice), the Company's issued share capital consists of 595,150,414 Ordinary Shares, carrying one vote each. 108,626,609 Ordinary Shares are held in treasury by the Company. Therefore, the total number of voting rights in the Company as at 19 February 2026 is 486,523,805.
10. Ordinary Resolutions: An ordinary resolution is a resolution passed by a simple majority of votes cast by Shareholders voting in person or by proxy.
11. Special Resolutions: A special resolution is a resolution passed by a majority of at least 75 per cent. of votes cast by Shareholders in person or by proxy.

