

CHRYSALIS INVESTMENTS LIMITED
INFORMATION FOR OFFERINGS IN OR TO PERSONS DOMICILED OR REGISTERED
IN THE UNITED KINGDOM AND EUROPEAN ECONOMIC AREA

1 July 2022

This supplement (the "**Supplement**") for offerings in or to persons domiciled or registered in the United Kingdom (the "**UK**") and the European Economic Area (the "**EEA**") hereby supplements the prospectus dated 10 March 2021 as may be amended or supplemented from time to time (the "**Prospectus**") for Chrysalis Investments Limited (the "**Company**") for the purposes described below. This Supplement is not a complete summary of, should be read in conjunction with and is qualified in its entirety by the Prospectus and the articles of association of the Company. All references to the "Investment Adviser" contained in the Prospectus should now be read as references to the Portfolio Manager (as defined below).

This Supplement is being provided to certain prospective investors as an information-only document for the purpose of providing certain summary information about an investment in the Company as required pursuant to: (i) the requirements of the Financial Conduct Authority (the "**FCA**") rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the "**AIFMD**") in the UK and related UK laws (including Commission Delegated Regulation (EU) No. 231/2013, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018) (together, "**UK AIFMD**"), which continue to apply notwithstanding the UK's withdrawal from the EU; and (ii) the requirements of the AIFMD.

This Supplement does not update any information except as specifically described herein. Capitalised terms, unless otherwise defined herein, are used as defined in the Prospectus.

UK AIFMD AND AIFMD DISCLOSURE

In accordance with the UK AIFMD and the AIFMD, the Company must disclose certain prescribed information to prospective investors because it is intended that the Ordinary Shares in the capital of the Company be marketed to professional investors in the UK in accordance with the UK AIFMD and in Member States of the EEA in accordance with Articles 31 and 32 of the AIFMD. The following table indicates where the required information is located within the Prospectus or sets out the required information, to the extent applicable.

| UK AIFMD Article | AIFMD Article | Disclosure Requirement | Disclosure |
|-------------------------|----------------------|--|--|
| Fund 3.2.2 | 23(1)(A) | INVESTMENT STRATEGY | |
| (1)(a) | 1 | Description of the investment strategy and objectives of the Company | Please refer to the sections titled "Investment Objective and Overview" and "Investment Policy" in Part II of the Prospectus. The "Investment Process" section in Part III of the Prospectus describes the investment strategy of the Company. |
| (1)(d) | 2 | Description of the types of assets in which the Company may invest | Please refer to the section titled "Investment Policy" in Part II of the Prospectus. |

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| (1)(e) | 3 | Techniques the Company may employ | Please refer to the section titled "Investment Process" in Part III of the Prospectus. |
| (1)(e) | 4 | Risks associated with those types of assets and those techniques | Please refer to the "Risk Factors" section of the Prospectus, in particular the sub-section titled "Risks related to the Company's investment objective and strategy". |
| (1)(f) | 5 | Applicable investment restrictions | Please refer to the sections titled "Investment Policy" and "Investment Restrictions" in Part II of the Prospectus. |
| | 6 | Use of leverage | |
| (1)(g) | a. | Circumstances in which the Company may employ leverage | Please refer to the section titled "Borrowing Policy" in Part II of the Prospectus. |
| (1)(h) | b. | Types and sources of leverage permitted | There are no restrictions on the type or source of leverage that the Company is permitted to incur. |
| (1)(h) | c. | All risks associated with the use of leverage | Please refer to the "Risk Factors" section of the Prospectus for a description of the risks associated with the Company's use of leverage, and in particular, the paragraph titled <i>"The Company may borrow in connection with its investment activities which subjects it to interest rate risk and additional losses when the value of its investments fall"</i> . |
| (1)(i) | d. | Any restrictions on the use of leverage and any collateral and asset reuse arrangements | Please refer to the section titled "Borrowing Policy" in Part II of the Prospectus for the restrictions on the use of leverage. There are no collateral or asset reuse arrangements. |
| (1)(j) | e. | Maximum level of leverage which the AIFM is entitled to employ on behalf of the Company | The Company may incur indebtedness of up to a maximum of 20 per cent. of its Net Asset Value, calculated at the |

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| | | | <p>time of drawdown, for investment and for working capital purposes.</p> <p>The maximum leverage of the Company calculated in accordance with both the gross method (under Article 7 of Commission Delegated Regulation No. 231/2013 (the "AIFMD Regulation")) and the commitment method (under Article 8 of the AIFMD Regulation) is 120 per cent.</p> |
| (2) | 23(1)(B) | CHANGE OF INVESTMENT STRATEGIES OR INVESTMENT POLICY | |
| | | Description of the procedures by which the Company may change its investment strategies or investment policy, or both | Any material change to the investment policy of the Company will be made only with the approval of Shareholders by ordinary resolution in accordance with the provisions of the Listing Rules. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders. |
| (3) | 23(1)(C) | CONTRACTUAL RELATIONSHIPS | |
| | | Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, on the applicable law and on the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established | The Company is incorporated under the laws of Guernsey and accordingly, (except as detailed below), any disputes between an investor and the Company will be resolved by the Royal Courts of Guernsey in accordance with Guernsey law. Notwithstanding the foregoing, any disputes between an investor and the Company relating to the contract to subscribe for new Shares will be governed by, and construed in accordance with, the laws of England and Wales and the Judgements (Reciprocal Enforcement) (Guernsey) Law 1957 shall apply. Accordingly, a final and conclusive judgment under which a sum of money is payable, capable of execution, obtained in the Supreme Court and the Senior Courts of |

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| (4) | 23(1)(D) | SERVICE PROVIDERS | |
| 1 | | Identity of the AIFM, the Company's depositary, auditor and other service providers | <p data-bbox="941 212 1378 526">England and Wales (excluding the Crown Court) would be recognised and enforced by the Royal Courts of Guernsey against the Company, but would be subject to compliance with procedural and other requirements of Guernsey's reciprocal enforcement legislation.</p> <p data-bbox="941 627 1378 1288">The Company is a self-managed AIF and as such where reference is made to the AIFM this should be interpreted to mean the Company. The registered office of the Company is 3rd Floor, 1 Le Truchot, St Peter Port, Guernsey, GY1 1WD. As detailed in the section titled "The Company" of Part IX of the Prospectus, the Company is an investment company limited by shares and incorporated in Guernsey with registered number 65432. The Company's legal entity identifier number is: 213800F9SQ753JQHSW24. The Company's website is https://www.chrysalisinvestments.co.uk/.</p> <p data-bbox="941 1321 1378 1859">The Company has delegated discretionary portfolio management to Jupiter Investment Management Limited (the "Portfolio Manager"). The registered office of the Portfolio Manager is The Zig Zag Building, 70 Victoria Street, London, United Kingdom, SW1E 6SQ. The Portfolio Manager is a private limited company incorporated in England with registered number 02949554. The Portfolio Manager's website is https://www.jupiteram.com/uk/en/individual/.</p> <p data-bbox="941 1892 1378 2002">The Depositary of the Company is Citibank UK Limited. The registered office of the Depositary is Citigroup</p> |

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| | | | <p>Centre, Canada Square, Canary Wharf, London E14 5LB. The Depositary is a private limited company incorporated in England with registered number 11283101. The Depositary is authorised and subject to regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority. The Depositary's legal entity identifier number is 549300U8H3KN0K301B23. The Depositary's website is https://www.citibank.co.uk/citicentre.htm.</p> <p>The identity of the Auditor and other service providers of the Company are set out in the section of the Prospectus titled "Directors, Investment Adviser and Advisers".</p> |
| | 2 | Description of the duties of each of those service providers | <p>The Company and the Depositary are parties to a legal agreement appointing the Depositary originally dated 11 October 2018 as amended and novated pursuant to deeds of novation dated; (i) 1 May 2021 and (ii) 9 October 2021 and subsequently amended and novated pursuant to a deed of novation dated 30 June 2022 (the "Depositary Agreement").</p> <p>The Depositary Agreement may be terminated by not less than 90 days' written notice provided that no such notice shall take effect until the appointment of a successor to the Depositary.</p> <p>The Depositary Agreement provides indemnities to the Depositary from the Company against costs, charges, losses and liabilities incurred by it (or its associates) in the proper execution, or in the purported proper execution, or exercise (reasonably</p> |

and in good faith) of its duties, powers, authorities and discretions to the Company, except where it has failed to exercise due care and diligence.

The Depositary is entitled to receive remuneration out of the Company's assets for its services, as explained below at "Fees and Expenses".

The key duties of the Depositary consist of:

- cash monitoring and verifying the Company's cash flows;
- safekeeping of the Company's assets;
- ensuring that the sale, issue, re-purchase, redemption, cancellation and valuation of Shares are carried out in accordance with the Company's articles of association, the Prospectus and applicable law, rules and regulations;
- ensuring that, in transactions involving the Company's assets, any consideration is remitted to the Company within the usual time limits;
- ensuring that the Company's income is applied in accordance with the Company's articles of association, the Prospectus and applicable law, rules and regulations; and
- carrying out instructions from the Company unless they conflict with the Company's articles of association, the Prospectus or applicable law, rules and regulations.

The duties of the Administrator, Company Secretary, Registrar and Auditor are set out in Part IV of the Prospectus and the agreements entered into with each of these service providers are described in more detail in paragraph 9, "Material contracts and Related Party Transactions" of Part IX of the Prospectus.

The Company and the Portfolio Manager entered into a portfolio management agreement dated 30 June 2022 (the "**Portfolio Management Agreement**"). Under the Portfolio Management Agreement, the Company has appointed the Portfolio Manager to provide discretionary portfolio management services in respect of the Company's investments. The services provided by the Portfolio Manager are subject to the Company's investment guidelines and the overall supervision of the Board.

The services provided by the Portfolio Manager include:

- providing portfolio management services to the Company;
- assisting with the preparation of Company reports (including statements to be included in the reports);
- at the expense of the Company, being available for meetings with Shareholders or providing written updates on the Company's performance;
- ensuring that the assets of the Company are entrusted to the Depositary in accordance with the requirements of the

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| 3 | Description of the investors' rights in respect of those service providers | <p>Depositary Agreement and providing the Depositary access to the Company's books and records pursuant to the Depositary Agreement;</p> <ul style="list-style-type: none">• liaising with the Company's other advisors (including without limitation, the auditors, Depositary, Company Secretary and administrator) as reasonably required from time to time; and• providing general administrative assistance to the Company and the Company's other advisors as appropriate in connection with the Depositary Agreement. <p>Without prejudice to any potential right of action in common law that a Shareholder may have to bring a claim against a service provider to the Company, each Shareholder's contractual relationship in respect of its investment in Shares in the Company is with the Company only. Therefore, no Shareholder will have any contractual claim against any service provider with respect of such service provider's default pursuant to the terms of the agreement that it has entered into with the Company.</p> <p>The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 13D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 13D of the Financial Services and Markets Act 2000, or in tort,</p> |
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| | | | against any service provider in connection with their investment in the Company should consult their legal adviser. |
| (5) | 23(1)(E) | PROFESSIONAL INDEMNITY LIABILITY | |
| | | Description of how the AIFM covers professional liability risks | The Company, as a self-managed Alternative Investment Fund established outside the EEA and the UK, is not authorised under the UK AIFMD or AIFMD and is therefore not subject to the detailed requirements set out therein in relation to the holding of professional indemnity insurance and regulatory capital. |
| (6) | 23(1)(F) 23(2) | DELEGATIONS | |
| 6(a) – (d) | 23(1)(F) | Description of any delegated management functions and of any safekeeping function delegated by the Depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations | <p>The Company has delegated discretionary portfolio management in respect of its portfolio to the Portfolio Manager.</p> <p>Notwithstanding the foregoing, all activities engaged under the provisions of the Portfolio Management Agreement by the Portfolio Manager or any of its delegates on behalf of the Company shall at all times be subject to the overall policies, supervision and review of the Board.</p> <p>The Portfolio Manager's conflicts of interest policy is described in the paragraph titled "Conflicts of Interest" in Part III of the Prospectus.</p> <p>The Depositary has delegated the custody and safe keeping services to its affiliate Citibank N.A.</p> |
| 3.2.3 | 23(2) | A description of any arrangement made by the depositary to contractually discharge itself of liability | The Depositary Agreement contains customary indemnities given by the Company in favour of the Depositary. |

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| (7) | 23(1)(G) | VALUATIONS Description of the Company's valuation procedure and of the pricing methodology for valuing assets, including methods used to value hard-to-value assets | <p>Please refer to the paragraph titled "Net Asset Value publication and calculation" in Part II of the Prospectus. All assets of the Company are valued in accordance with the methods set out in the Prospectus, save that, since publication of the Prospectus, references to the "Investment Adviser's Fair Value Pricing Committee" should now be read instead as references to the "Company's Valuation Committee".</p> <p>The Company's accounts and the annual report are drawn up in British pounds Sterling and in accordance with IFRS.</p> |
| (8) | 23(1)(H) | LIQUIDITY RISK MANAGEMENT 1 Description of the Company's liquidity risk management, including redemption rights both in normal and exceptional circumstances and the existing redemption arrangements with investors | <p>There are no redemption rights for Shareholders since the Company is closed-ended.</p> <p>In addition, although the Company has no fixed life, pursuant to the Articles an ordinary resolution for the continuation of the Company will be proposed at the first annual general meeting of the Company to be held following the fifth anniversary of Initial Admission and, if passed, every three years thereafter. Upon any such resolution not being passed, proposals will be put forward to Shareholders for the reconstruction, reorganisation or winding-up of the Company within six months.</p> <p>Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due. In managing its assets, the Company will seek to</p> |

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| (9) | 23(1)(I) | FEES AND EXPENSES | <p>ensure that it holds at all times a portfolio of assets (including cash) to discharge its payment obligations. The Company may also maintain a short-term overdraft facility that it may utilise from time to time for short-term liquidity purposes.</p> |
| | | <p>Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors</p> | <p>Please refer to the section entitled "Fees and Expenses" in Part IV of the Prospectus, noting however that, since publication of the Prospectus: (a) the alternative investment fund management agreement has been terminated and, pursuant to alternative contractual arrangements, the management fees and performance fees expressed to be payable to the alternative investment fund manager are now payable to the Portfolio Manager pursuant to the Portfolio Management Agreement; and (b) the fee payable to the Depositary is no longer payable to Citibank Europe plc but to Citibank UK Limited.</p> |
| | | | <p>No fees or expenses of the Company will be directly borne by the investors.</p> |
| | | | <p>Given that the amount of the fees payable by the Company are irregular in their nature, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.</p> |
| (10), (11) | 23(1)(J) | FAIR TREATMENT OF INVESTORS | <p>The Company complies with the provisions of the Listing Rules which require the Company to treat all Shareholders of a given class equally.</p> |
| | | <p>Description of how the AIFM ensures a fair treatment of investors and a description of any preferential treatment, the type of investors who obtain such preferential treatment</p> | |

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| | | and, where relevant, their legal or economic links with the AIFM | <p>Other than as disclosed in the Prospectus, the Company:</p> <ul style="list-style-type: none"> • will treat investors fairly; • will not allow any investor to obtain preferential treatment; and • has not entered into any agreement to allow any investor to be treated preferentially. |
| (14) | 23(1)(K) | ANNUAL REPORTS | |
| | | The latest annual report of the Company | The Company's audited annual report and accounts for the year ending 30 September 2021 can be found on the Company's website: https://www.chrysalisinvestments.co.uk/investor-relations/ |
| (12) | 23(1)(L) | TERMS AND CONDITIONS | |
| | | The procedure and conditions for the issue and sale of interests in the Company | <p>The procedures and/or conditions applying to any issue of Shares will be set out in a prospectus or RNS announcement at the time any relevant offer is made.</p> <p>Certain restrictions on the sale and transfer of the Ordinary Shares are described in Part X of the Prospectus under the paragraph titled "Purchase and Transfer Restrictions for US Persons".</p> |
| (13) | 23(1)(M) | NET ASSET VALUE | |
| | | The latest net asset value of the Company, or the latest market price of the interests of the Company | The latest Net Asset Value of the Company is 211.76p per Ordinary Share (as at 31 March 2022). Quarterly net asset values, when published, can be found on the Company's website: https://www.chrysalisinvestments.co.uk/investor-relations/ |

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| (15) | 23(1)(N) | HISTORICAL PERFORMANCE Where available, the historical performance of the Company | The Company's audited annual report and accounts for the period from 3 September 2018 (the date of incorporation) to 30 September 2019 and the financial years ended 30 September 2020 and 30 September 2021 can be found on the Company's website: https://www.chrysalisinvestments.co.uk/investor-relations/ |
| (16) | 23(1)(O) | PRIME BROKERS | |
| | 1 | The identity of the prime broker and a description of any material arrangements of the Company with its prime brokers | Not applicable, the Company has not appointed any prime broker. |
| | 2 | The way conflicts of interest in relation to any prime brokers are managed | Not applicable, the Company has not appointed any prime broker. |
| | 3 | The provision in the contract with the depositary on the possibility of transfer and reuse of Company assets | The Depositary Agreement contains provisions permitting the transfer or re-use of Company assets in connection with the Company's appointment of a prime broker. |
| | 4 | Information relating to any transfer of liability to the prime broker that may exist | Not applicable, the Company has not appointed any prime broker. |
| 3.2.5, 3.2.6 | 23(1)(P) | PERIODIC DISCLOSURE Description of how and when the information required to be disclosed periodically to investors under FUND 3.2.5 and 3.2.6 and articles 23(4) and 23(5) of the AIFMD (so far as relevant, leverage and risk profile) will be disclosed | The Company is required to disclose periodically to investors: 1. the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature; 2. any new arrangements for managing the liquidity of the Company; and |

3. the current risk profile of the Company and the risk management systems employed to manage those risks.

The information shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the Main Market of the London Stock Exchange and, at a minimum, at the same time as the Company's annual report is made available.

The Company must disclose on a regular basis:

1. any changes to:
 - a. the maximum level of leverage that the Company may employ; and
 - b. any right of reuse of collateral or any guarantee granted under the leveraging arrangement, and
2. the total amount of leverage employed.

Information on changes to the maximum level of leverage and any right of reuse of collateral or any guarantee under the leveraging arrangements shall be provided without undue delay.

Information on the total amount of leverage employed shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the Main Market of the London Stock Exchange and at least at the same time as the annual report is made available to investors.

**UK AIFMD
Article** **AIFMD
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Disclosure Requirement

Disclosure

Without limitation to the generality of the foregoing, any of the information specified above may be disclosed:

1. in the Company's annual report;
2. in the Company's unaudited interim report;
3. by the issue of an announcement via a regulatory information service (or equivalent); or
4. by the publication of the relevant information on the Company website, <http://chrysalisinvestments.co.uk/>.

Disclosure relating to regulation (EU) 2019/2088 on sustainability-related disclosures relating to the financial services sector

Material sustainability risks are integrated into the investment decision making process and risk management process. The active ownership approach considers material ESG factors (such as environmental, or social considerations) which strengthens the assessment of the risks and opportunities that drive long-term value. These measures are believed to enhance investment decision making leading to better client outcomes.

These risks are considered through the investment process and form part of the ongoing monitoring of companies in which the Company is invested. The Company (through the Portfolio Manager) will utilise a combination of any of the following to meet these goals:

- (i) primary research;
- (ii) third party ESG risk data (including climate analysis);
- (iii) proxy voting research;
- (iv) direct and collaborative engagement with companies and other investors / industry bodies; and
- (v) commitment to responsible investment codes.

There are no sustainability risk-related limits or ESG investment restrictions applicable to the Company, save for such restrictions as may arise in line with regulatory requirements. Low ranking or negative third-party scores from third party ESG data providers will not automatically prohibit investment. The Company retains discretion to divest or engage with a company when considering adverse sustainability risks or events. The Company conducts such activities due to its responsibilities to consider and evaluate sustainability risks within the investment decision-making process. In the Company's view, the integration of material sustainability risks in the investment process informs investment decisions and contributes to the stronger risk adjusted returns over the long-term. The assessment of the likely impact of sustainability risks on returns involves both quantitative and qualitative judgments. The outcomes can be realised in the short term or achieved over multiple periods. Impact may also be influenced by market conditions.