

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a supplementary prospectus relating to Baronsmead Venture Trust plc ("BVT") and Baronsmead Second Venture Trust plc ("BSVT" and together with BVT the "Companies") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority ("FCA") made pursuant to section 73A of the Financial Services and Markets Act 2000 (the "Supplementary Prospectus").

This Supplementary Prospectus has been approved by the FCA as competent authority under Regulation (EU) 2017/1129 and any regulatory or implementing technical standards and other delegated or implementing acts adopted under that Regulation, in each case to the extent that they form part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as may be amended from time to time, including, without limitation, by virtue of the European Union (Withdrawal Agreement) Act 2020) (the "UK Prospectus Regulation"). The FCA only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this Supplementary Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Supplementary Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares. This document will be made available to the public in accordance with the UK Prospectus Regulation Rules by being made available on the Companies' website at www.baronsmeadvcts.co.uk.

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the prospectus published by the Companies on 4 November 2021 relating to the Offers for Subscription to raise up to £50 million in aggregate, together with an Over-allotment Facility to raise up to a further £25 million in aggregate (the "Prospectus"). Except as expressly stated herein, or unless the context otherwise requires, the definitions used or referred to in the Prospectus also apply in this Supplementary Prospectus.

The Directors of BVT and BVT each accept responsibility for the information contained in this Supplementary Prospectus, other than those parts of the document that specifically relate to BSVT. To the best of the knowledge of the BVT Directors and BVT the information contained in those parts of this Supplementary Prospectus for which they are responsible is in accordance with the facts and those parts of this Supplementary Prospectus make no omission likely to affect the import of such information.

The Directors of BSVT and BSVT each accept responsibility for the information contained in this Supplementary Prospectus, other than those parts of the document that specifically relate to BVT. To the best of the knowledge of the BSVT Directors and BSVT the information contained in those parts of this Supplementary Prospectus for which they are responsible is in accordance with the facts and those parts of this Supplementary Prospectus make no omission likely to affect the import of such information.

BARONSMEAD VENTURE TRUST PLC

(a company incorporated in England and Wales with registered number 03504214)

and

BARONSMEAD SECOND VENTURE TRUST PLC

(a company incorporated in England and Wales with registered number 04115341)

Supplementary Prospectus relating to the Offers for Subscription to raise up to £50 million in aggregate, together with an Over-allotment Facility to raise up to a further £25 million in aggregate

The distribution of this Supplementary Prospectus and the Prospectus and the offering of New Shares in jurisdictions other than the United Kingdom may be restricted by law or regulation and accordingly persons into whose possession this Supplementary Prospectus or the Prospectus comes are required to inform themselves about and observe any such restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. No action has been taken to permit the distribution of this Supplementary Prospectus or the Prospectus, or the offering of New Shares, in any jurisdiction outside the United Kingdom where such action is required to be taken.

Neither this Supplementary Prospectus nor the Prospectus constitutes, and may not be used for the purposes of, an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Companies, the Sponsor, or the Investment Manager or to any person to whom it is unlawful to make such offer or solicitation. The offer and sale of the New Shares is not being made, directly or indirectly, in or into, or by the use of the mails, or by any means or

instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, Japan, the Republic of South Africa or any other Restricted Jurisdiction. Accordingly, copies of this document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from, or to any resident of, the United States, Canada, Australia, Japan, the Republic of South Africa or any other Restricted Jurisdiction and persons receiving this Supplementary Prospectus or the Prospectus (including custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such jurisdictions. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or under any of the relevant securities laws of, or with any securities regulatory authority of, any state of the United States or of Canada, Australia, Japan or the Republic of South Africa. Accordingly, unless an exemption under such act or laws is applicable, the New Shares may not be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, Japan or the Republic of South Africa or to, or for the account or benefit of, any resident of the United States, Canada, Australia, Japan or the Republic of South Africa. The Companies have not been and will not be registered under the US Investment Company Act of 1940 and recipients of this Supplementary Prospectus or the Prospectus, and investors, will not be entitled to the benefits of that Act.

Dickson Minto W.S. which is authorised and regulated in the United Kingdom by the FCA, is the sponsor to the Companies in relation to the Offers and is acting for the Companies and is not advising any other person or treating any other person as its client in relation to the Offers or the matters referred to in this Supplementary Prospectus or the Prospectus and will not be responsible to anyone other than the Companies for providing the protections afforded to its clients nor for providing advice in relation to the Offers or the matters referred to in this Supplementary Prospectus or the Prospectus. Apart from the responsibilities and liabilities, if any, which may be imposed on Dickson Minto W.S. under FSMA or the regulatory regime established thereunder, Dickson Minto W.S. does not make any representation, express or implied, or accept any responsibility whatsoever for the contents of this Supplementary Prospectus or the Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Companies, the Investment Manager, the Ordinary Shares or the Offers. Accordingly, Dickson Minto W.S., to the fullest extent permitted by law, disclaims all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Supplementary Prospectus, the Prospectus or any such statement.

7 December 2021

Events arising since publication of the Prospectus

This document constitutes a Supplementary Prospectus required under Prospectus Regulation Rules 3.4.1 and 3.4.2 following the publication of the Companies' respective annual report and audited financial statements for the financial year ended 30 September 2021 (each a "**2021 Report and Accounts**" and together the "**2021 Reports and Accounts**"), which constitutes a significant new factor relating to financial information contained in the Prospectus. This Supplementary Prospectus has been approved for publication by the FCA.

Significant new factor

On 6 December 2021, the Companies announced that they had published their respective 2021 Report and Accounts. By virtue of this Supplementary Prospectus, the parts of the 2021 Reports and Accounts referenced in this Supplementary Prospectus are incorporated into, and form part of, the Prospectus dated 4 November 2021. The parts of the 2021 Reports and Accounts not referenced in this Supplementary Prospectus are either not relevant for investors or are covered elsewhere in the Prospectus. To the extent that any part of the 2021 Reports and Accounts that is incorporated into the Prospectus by reference itself contains information that is incorporated by reference, such information shall not form part of the Prospectus.

The 2021 Reports and Accounts have been prepared in accordance with UK Accounting Standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and in conformity with the requirements of the Companies Act 2006. They were audited by BDO LLP, whose respective reports were unqualified. BDO LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.

Supplements to the summary

As a result of the publication of the 2021 Reports and Accounts, the summary document which forms part of the Prospectus is hereby supplemented as follows:

What is the key financial information regarding the issuers?

BVT

Information relevant to closed-end funds

Selected audited financial information relating to BVT which summarises the financial condition of BVT for the financial year ended 30 September 2021 (audited) is set out in the following table.

| Share class | Total NAV (£'000) | No. of Shares (excluding treasury shares) | NAV per Share (p) | NAV per Share (p) as at 31 March 2021 (unaudited)) |
|-------------|-------------------|---|-------------------|--|
| Ordinary | 222,863 | 270,458,280 | 82.40 | 79.16 |

Income statement for closed-end funds

Selected audited financial information relating to BVT which summarises the financial condition of BVT for the financial year ended 30 September 2021 is set out in the following table.

Annual financial report for the year ended 30 September 2021

| | Revenue | Capital | Total |
|--|----------------|----------------|--------------|
| Gains/(losses) on investments (£'000) | - | 49,591 | 49,591 |
| Income (£'000) | 3,058 | - | 3,058 |
| Performance fee (accrued/paid) (£'000) | - | (1,941) | (1,941) |
| Investment fee (accrued/paid) (£'000) | (1,009) | (3,028) | (4,037) |
| Any other material fees (accrued/ paid) to service providers (£'000) | (618) | - | (618) |
| Net profit/(loss) after taxation (£'000) | 1,327 | 44,726 | 46,053 |
| Basic and diluted (loss)/earnings per Ordinary Share (p) | 0.51 | 17.08 | 17.59 |

Balance sheet for closed-end funds

Year ended 30 September 2021 (audited)

| | |
|--------------------------|---------|
| Total net assets (£'000) | 222,863 |
| NAV per Share (p) | 82.40 |

BSVT

Information relevant to closed-end funds

Selected audited financial information relating to BSVT which summarises the financial condition of BSVT for the financial year ended 30 September 2021 (audited) is set out in the following table.

| Share class | Total NAV (£'000) | No. of Shares (excluding treasury shares) | NAV per Share (p) | NAV per Share (p) as at 31 March 2021 (unaudited)) |
|-------------|-------------------|---|-------------------|--|
| Ordinary | 248,374 | 282,974,085 | 87.77 | 83.07 |

Income statement for closed-end funds

Selected audited financial information relating to BSVT which summarises the financial condition of BSVT for the financial year ended 30 September 2021 is set out in the following table.

Annual financial report for the year ended 30 September 2021

| | Revenue | Capital | Total |
|--|---------|---------|---------|
| Gains/(losses) on investments (£'000) | - | 59,071 | 59,071 |
| Income (£'000) | 3,821 | - | 3,821 |
| Performance fee (accrued/paid) (£'000) | - | - | - |
| Investment Management fee (accrued/paid) (£'000) | (1,424) | (4,272) | (5,696) |
| Any other material fees (accrued/ paid) to service providers (£'000) | (665) | - | (665) |
| Net profit/(loss) after taxation (£'000) | 1,624 | 54,907 | 56,531 |
| Basic and diluted (loss)/earnings per Ordinary Share (p) | 0.59 | 19.96 | 20.55 |

Balance sheet for closed-end funds

Year ended 30 September 2021 (audited)

| | |
|--------------------------|---------|
| Total net assets (£'000) | 248,374 |
| NAV per Share (p) | 87.77 |

Supplements to Part 5 – Financial Information (Including Portfolio Information)

As a result of the publication of the 2021 Reports and Accounts, Part 5 of the Prospectus is hereby supplemented as follows:

Baronsmead Venture Trust

Historical financial information

Historical financial information relating to BVT on the matters referred to below is included in the published annual report and audited accounts of BVT for the financial year ended 30 September 2021 as set out in the table below and is incorporated by reference into this Supplementary Prospectus.

| Nature of Information | <i>Annual report and accounts for the year ended 30 September 2021</i> | <i>Page No.</i> |
|-----------------------------------|--|-----------------|
| Financial Highlights | | 2 |
| Independent auditor's report | | 58-63 |
| Income statement | | 64 |
| Statement of changes in equity | | 65 |
| Balance sheet | | 66 |
| Statement of cash flows | | 67 |
| Notes to the financial statements | | 68-80 |

A. Selected financial information

The information in this paragraph is information regarding BVT which has been prepared by BVT and has been extracted directly from the historical financial information referred to in the paragraph above entitled "Historical financial information". Selected historical financial information relating to BVT which summarises the financial condition of BVT for the financial year ended 30 September 2021 is set out in the following table:

| Net asset value | <i>Annual financial report for the year ended 30 September 2021</i> |
|------------------------------------|---|
| Number of Ordinary Shares in issue | 270,458,280 |

| | |
|---|-------------|
| Net assets (£'000) | 222,863 |
| Net asset value per Ordinary Share (p) | 82.40 |
| Ordinary Share price (p) | 79.5 |
| Income | |
| Total income before operating expenses (£'000) | 3,058 |
| Net profit/(loss) (£'000) | 1,327 |
| Performance fee (accrued/paid) (£'000) | - |
| Investment Manager fee charged to revenue (accrued/paid) (£'000) | (1,009) |
| Any other material fees (accrued/paid) to service providers (£'000) | (618) |
| Revenue return per Ordinary Share (p) | 0.51 |
| Dividend per Ordinary Share (p) | 6.5 |
| Ongoing charges | |
| As a percentage of average total Shareholders' funds (%) | 2.2 |
| Portfolio summary | |
| Shareholders' funds (£'000) | 222,863 |

B. Operational and financial review

A description of changes in the performance of BVT, both capital and revenue, and changes to BVT's portfolio of investments is set out in the sections headed "Performance Summary", "Chairman's Statement", "Manager's Review" and "Full Investment Portfolio" in the published annual report and audited accounts of BVT for the financial year ended 30 September 2021 as follows:

*Annual report and accounts
for the year ended
30 September 2021*

| Nature of Information | <i>Page No.</i> |
|------------------------------|-----------------|
| Performance Summary | 3 |
| Chairman's Statement | 4-7 |
| Manager's Review | 8-11 |
| Full Investment Portfolio | 84-85 |

Significant change

As at the date of this Supplementary Prospectus, other than the allotment of 22,554,547 Ordinary Shares for an aggregate value of £18,405,629 on 6 December 2021, there has been no significant change in the financial position of BVT since 30 September 2021 (being the date on which audited financial information was last published).

Baronsmead Second Venture Trust

Historical financial information

Historical financial information relating to BSVT on the matters referred to below is included in the published annual report and audited accounts of BSVT for the financial year ended 30 September 2021 as set out in the table below and is incorporated by reference into this Supplementary Prospectus.

| Nature of Information | <i>Annual report and accounts for the year ended 30 September 2021</i> | <i>Page No.</i> |
|-----------------------------------|--|-----------------|
| Financial Highlights | | 2 |
| Independent auditor's report | | 56-61 |
| Income statement | | 62 |
| Statement of changes in equity | | 63 |
| Balance sheet | | 64 |
| Statement of cash flows | | 65 |
| Notes to the financial statements | | 66-78 |

C. Selected financial information

The information in this paragraph is information regarding BSVT which has been prepared by BSVT and has been extracted directly from the historical financial information referred to in the paragraph above entitled "Historical financial information". Selected historical financial information relating to BSVT which summarises the financial condition of BSVT for the financial year ended 30 September 2021 is set out in the following table:

| | <i>Annual financial report for the year ended 30 September 2021</i> |
|---|---|
| Net asset value | |
| Number of Ordinary Shares in issue | 282,974,085 |
| Net assets (£'000) | 248,374 |
| Net asset value per Ordinary Share (p) | 87.77 |
| Ordinary Share price (p) | 85.0 |
| Income | |
| Total income before operating expenses (£'000) | 3,821 |
| Net profit/(loss) (£'000) | 1,624 |
| Performance fee (accrued/paid) (£'000) | - |
| Investment Manager fee charged to revenue (accrued/paid) (£'000) | (1,424) |
| Any other material fees (accrued/paid) to service providers (£'000) | (665) |
| Revenue return per Ordinary Share (p) | 0.59 |
| Dividend per Ordinary Share (p) | 6.5 |
| Ongoing charges | |
| As a percentage of average total Shareholders' funds (%) | 2.7 |

Portfolio summary

| | |
|-----------------------------|---------|
| Shareholders' funds (£'000) | 248,374 |
|-----------------------------|---------|

D. Operational and financial review

A description of changes in the performance of BSVT, both capital and revenue, and changes to BSVT's portfolio of investments is set out in the sections headed "Performance Summary", "Chairman's Statement", "Manager's Review" and "Full Investment Portfolio" in the published annual report and audited accounts of BSVT for the financial year ended 30 September 2021 as follows:

| Nature of Information | <i>Annual report and accounts for the year ended 30 September 2021</i> | <i>Page No.</i> |
|------------------------------|--|-----------------|
| Performance Summary | | 3 |
| Chairman's Statement | | 4-7 |
| Manager's Review | | 8-11 |
| Full Investment Portfolio | | 82-83 |

Significant change

As at the date of this Supplementary Prospectus, other than the allotment of 17,252,487 Ordinary Shares for an aggregate value of £14,914,708 on 6 December 2021, there has been no significant change in the financial position of BSVT since 30 September 2021 (being the date on which audited financial information was last published).

Withdrawal rights

In accordance with the UK Prospectus Regulation, where a supplementary prospectus has been published and, prior to publication, a person has agreed to purchase or subscribe for securities to which the supplementary prospectus relates, that have not yet been delivered to the investor at the time of publication of the supplementary prospectus, they may withdraw their acceptance before the end of the period of two working days beginning with the first working day after the date on which the supplementary prospectus is published.

Investors who have submitted an application under the Offers and have not yet been issued Ordinary Shares have until 0.01 a.m. on 10 December 2021 to withdraw their applications for New Shares to be issued pursuant to the Offers. An application not withdrawn in its entirety by this time and in accordance with this process will remain valid and binding. Investors who wish to exercise this right should contact The City Partnership (UK) Ltd, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH (baronsmeadvcts@city.uk.com).

Documents available for inspection

Copies of the 2021 Reports and Accounts are available for inspection on the Companies' website at

www.baronsmeadvcts.co.uk.

This Supplementary Prospectus is available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> and on the Companies' website www.baronsmeadvcts.co.uk.

General

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

Save as disclosed in this Supplementary Prospectus, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

7 December 2021