

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"). This document has been approved by the Financial Conduct Authority (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 document 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 prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this 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 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 16 September 2020 relating to the Offers for Subscription to raise up to £40 million in aggregate, together with an Over-allotment Facility to raise up to a further £35 million (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 the Companies and the Companies each accept responsibility for the information contained in this Supplementary Prospectus and the Prospectus. The Directors and the Companies believe that the information contained in this Supplementary Prospectus and the Prospectus is, to the best of the knowledge of the Directors and the Companies, in accordance with the facts and this Supplementary Prospectus and the Prospectus do not omit anything 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 £40 million, together with an Over-allotment Facility to raise up to a further £35 million

The distribution of this Supplementary Prospectus and the Prospectus in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of these restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. Accordingly, no person receiving a copy of this Supplementary Prospectus and the Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to him to subscribe for or purchase New Shares unless, in such territory, such offer or invitation could lawfully be made.

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 document (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 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 and recipients of this document 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 Financial Conduct Authority, is the sponsor to the Companies. Dickson Minto W.S. is not acting for any other person in connection with the Issues. Apart from the responsibilities and liabilities, if any, which may be imposed on Dickson Minto W.S. by the Financial Services and Markets Act 2000 or the regulatory regime established thereunder, Dickson Minto W.S. will not be responsible to anyone other than the Companies for providing the protections afforded to clients of Dickson Minto W.S. and is not advising any other person in relation to any transaction contemplated in or by this Supplementary Prospectus and/or the Prospectus.

Potential investors should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Companies. Potential investors should also consider the risk factors relating to the Companies set out in the Prospectus.

27 January 2021

Events arising since publication of the Prospectus

This Supplementary Prospectus is being published in relation to the Offers. This Supplementary Prospectus is a regulatory requirement under the UK Prospectus Regulation following the publication of the Companies' respective annual report and financial statements for the financial year ended 30 September 2020. This Supplementary Prospectus has been approved for publication by the FCA.

Significant new factor

On 3 December 2020, the Companies announced that they had published their audited annual report and financial statements for the year ended 30 September 2020 (each an "Annual Report" and together the "Annual Reports"). By virtue of this document, the relevant sections of the Annual Reports are incorporated into, and form part of, the Prospectus. The non-incorporated parts of the Annual Reports are either not relevant to investors or covered elsewhere in the Prospectus.

The Companies' auditor, KPMG LLP, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EG has made respective unqualified reports of the Annual Reports under Chapter 3 of Part 16 of the Companies Act 2006.

Supplements to the summary

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

What is the key financial information regarding the issuers?

BVT

Selected audited financial information relating to BVT which summarises the financial condition of BVT for the financial year ended 30 September 2020 is set out in the following table.

	<i>Annual financial report for the year ended 30 September 2020</i>
Net asset value (figures as at 30 September 2020)	
Number of Ordinary Shares in issue excluding treasury shares	231,016,950 (the company also held 21,668,855 shares in treasury)
Net assets (£'000)	164,834
Net asset value per Ordinary Share (p)	71.35
Ordinary Share price (p)	67.50
Income	
Total income before operating expenses (£'000)	3,679
Net profit/(loss) (£'000)	5,944
Performance fee (accrued/paid) (£'000)	-
Investment Manager's fee charged to revenue (accrued/paid) (£'000)	750

Any other material fees (accrued/paid) to service providers (£'000)	599
Revenue return per Ordinary Share (p)	0.90
Dividend per Ordinary Share (p)	6.50
Ongoing charges	
As a percentage of average total Shareholders' funds (%)	2.20
Portfolio summary	
Shareholders' funds (£'000)	164,834

BSVT

Selected audited financial information relating to BSVT which summarises the financial condition of BSVT for the financial year ended 30 September 2020 is set out in the following table.

**Annual financial report for
the year ended
30 September 2020**

Net asset value (figures as at 30 September 2020)

Number of Ordinary Shares in issue excluding treasury shares	247,251,570 (the company also held 24,215,084 shares in treasury)
Net assets (£'000)	182,317
Net asset value per Ordinary Share (p)	73.74
Ordinary Share price (p)	69.50
Income	
Total income before operating expenses (£'000)	4,008
Net profit/(loss) (£'000)	7,701
Performance fee (accrued/paid) (£'000)	-
Investment Manager's fee charged to revenue (accrued/paid) (£'000)	1,078
Any other material fees (accrued/paid) to service providers (£'000)	674
Revenue return per Ordinary Share (p)	0.82
Dividend per Ordinary Share (p)	6.50
Ongoing charges	
As a percentage of average total Shareholders' funds (%)	2.7
Portfolio summary	
Shareholders' funds (£'000)	182,317

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

As a result of the publication of the Annual Reports, 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 Annual Report of BVT for the financial year ended 30 September 2020 as set out in the table below

and is expressly incorporated by reference into the Prospectus. The non-incorporated parts of the Annual Report are either not relevant to investors or covered elsewhere in the Prospectus.

**Annual report and accounts for
the year ended
30 September 2020**

Nature of Information	<i>Page No.</i>
Financial Highlights	2
KPMG Independent Auditor's Report	53-58
Income Statement	59
Statement of Changes in Equity	60
Balance Sheet	61
Statement of Cash Flows	62
Notes to the financial statements	63-75

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 2020 is set out in the following table:

**Annual financial report for
the year ended
30 September 2020**

Net asset value (figures as at 30 September 2020)

Number of Ordinary Shares in issue excluding treasury shares	231,016,950 (the company also held 21,668,855 shares in treasury)
Net assets (£'000)	164,834
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Ordinary Share price (p)	67.50
Income	
Total income before operating expenses (£'000)	3,679
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Performance fee (accrued/paid) (£'000)	-
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Any other material fees (accrued/paid) to service providers (£'000)	599
Revenue return per Ordinary Share (p)	0.90
Dividend per Ordinary Share (p)	6.50
Ongoing charges	
As a percentage of average total Shareholders' funds (%)	2.20

Portfolio summary

Shareholders' funds (£'000)

164,834

B. Operating 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 Annual Report as follows:

**Annual report and accounts
for the year ended
30 September 2020**

Nature of Information	<i>Page No.</i>
Performance Summary	3
Chairman's Statement	4-7
Manager's Review	8-11
Full Investment Portfolio	79-80

Significant change

As at the date of this Supplementary Prospectus, there has been no significant change in the financial or trading position of the Company since 30 September 2020 (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 Annual Report of BSVT for the financial year ended 30 September 2020 as set out in the table below and is expressly incorporated by reference into the Prospectus. The non-incorporated parts of the Annual Report are either not relevant to investors or covered elsewhere in the Prospectus.

**Annual report and accounts for
the year ended
30 September 2020**

Nature of Information	<i>Page No.</i>
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Statement of Cash Flows	62
Notes to the financial statements	63-75

A. 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 2020 is set out in the following table:

	<i>Annual financial report for the year ended 30 September 2020</i>
Net asset value (figures as at 30 September 2020)	
Number of Ordinary Shares in issue excluding treasury shares	247,251,570 (the company also held 24,215,084 shares in treasury)
Net assets (£'000)	182,317
Net asset value per Ordinary Share (p)	73.74
Ordinary Share price (p)	69.50
Income	
Total income before operating expenses (£'000)	4,008
Net profit/(loss) (£'000)	7,701
Performance fee (accrued/paid) (£'000)	-
Investment Manager's fee charged to revenue (accrued/paid) (£'000)	1,078
Any other material fees (accrued/paid) to service providers (£'000)	674
Revenue return per Ordinary Share (p)	0.82
Dividend per Ordinary Share (p)	6.50
Ongoing charges	
As a percentage of average total Shareholders' funds (%)	2.7
Portfolio summary	
Shareholders' funds (£'000)	182,317

B. Operating 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 Annual Report as follows:

	<i>Annual report and accounts for the year ended 30 September 2020</i>
Nature of Information	<i>Page No.</i>
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Significant change

As at the date of this Supplementary Prospectus, there has been no significant change in the financial or trading position of the Company since 30 September 2020 (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 30 January 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 Computershare Investor Services PLC, Corporate Actions 3, Bridgwater Road, Bristol, BS99 6AR (baronsmeadOFS@computershare.co.uk).

Documents available for inspection

Copies of the Annual Reports 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 document and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this document will prevail.

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.

27 January 2021