

12 March 2020

Dear Investor

**THIS LETTER IS IMPORTANT - PLEASE READ**

**LF Equity Income Fund (formerly named LF Woodford Equity Income Fund) (the “Fund”), a sub-fund of LF Investment Fund (formerly named LF Woodford Investment Fund) (the “Company”)**

We, Link Fund Solutions Limited, are writing to inform you that we are now in a position to make a second capital distribution from the Fund and to confirm details of the scheduled income distributions by the Fund. Further details of these distributions are provided below.

We also want to inform you of our decision, following consultation with the Fund’s depository, Northern Trust Global Services SE UK Branch, and the Fund’s auditors, Grant Thornton LLP, to extend the Company’s accounting period from 31 December 2019 to 31 March 2020. Further details of this change are provided in the attached investor letter.

**Second capital distribution**

In previous letters, dated 15 October 2019 and 13 December 2019, we explained how the Fund’s assets were split into two portfolios (‘A’ and ‘B’) to enable the assets to be sold in the most effective way. BlackRock Advisors (UK) Limited is assisting us with the selling of the remaining assets in Portfolio A and PJT Partners (UK) Limited is assisting us to explore opportunities for the sale of assets within Portfolio B. A copy of the letters explaining the sale process, together with all other letters sent to investors, are available at [equityincome.linkfundsolutions.co.uk](http://equityincome.linkfundsolutions.co.uk).

As part of the ongoing liquidation of the Fund’s assets, on 31 January 2020 we made the first capital distribution to investors. Since that date we have continued to sell the Fund’s assets without prejudicing the interests of shareholders and, as a result, we are now able to make the second capital distribution to investors. In the period up to 10 March 2020, a further £141.7million has been generated by the Fund through the sale of assets. This is equivalent to 19.9% of the value of the assets of the Fund (as at 10 March 2020).

A further letter will be sent, on or around 20 March 2020, detailing the amount you will receive from this second capital distribution, and the amount distributed will include your share of the proceeds of any further asset sales between now and 17 March 2020. The amount you receive will be calculated on 18 March 2020 and paid to you on or around 25 March 2020.

This means that, based on an estimated second capital distribution of £141.7million, for the period up to 10 March 2020, £2,308,100,490 will have been distributed to investors.

This second capital distribution will be reflected in the net asset value of the Fund on 25 March 2020, being the date on which named investors on the register should receive their payment. This means that the number of shares that you hold in the Fund will remain the same but the net asset value of the Fund and the price per share will reduce, as it did following the first capital distribution, to reflect the value paid out by way of the capital distributions made to date.

It is intended that further capital distributions will be made as and when suitable amounts of cash have been raised from the sale of the remaining assets of the Fund. At this stage we are unable to advise you of the exact timing and amount of these future capital distributions as this is dependent upon the sale of the Fund's assets. Investors should be aware that the assets that remain to be sold are the less liquid assets of the Fund and disposing of these assets may take longer than was the case for the sales to date.

### Income Distributions

As explained in the attached letter, the Company's year-end accounting reference date has been extended from 31 December 2019 to 31 March 2020. This change will not affect the two scheduled income distributions by the Fund to investors which were explained in our letters of 13 December 2019 and 10 January 2020.

The first of these income distributions, relating to the period ending 31 December 2019, was made on 29 February 2020.

The second scheduled income distribution, for the period 1 January to 17 January 2020, will be calculated and paid on 17 March 2020, i.e. two months following the date of the final calculation of the value of the Fund's assets prior to it entering wind up.

### Summary of investor distributions timetable

The table below summarises recent and scheduled future distributions to investors.

Date	Description of payment to investors
29 February 2020	<b>Income distribution</b> for period to 31 December 2019 paid to investors ('first income distribution')
17 March 2020	Scheduled date for payment of the <b>income distribution</b> for period 1 January 2020 to 17 January 2020 ('second income distribution')
On or around 25 March 2020	Scheduled date for payment of the second <b>capital distribution</b>

Please note that if you invested through a platform then distribution payments may not reach your account on the same day, due to the time it takes for the platform provider to process your payment.

### Further information

We will continue to write to you to keep you informed throughout the winding up process in relation to future capital distributions and other developments. In the meantime, if you require any further information, please refer to the frequently asked questions and answers document on our website: [equityincome.linkfundsolutions.co.uk](http://equityincome.linkfundsolutions.co.uk). If you have any questions regarding this letter, please contact us on 0333 300 0381 or alternatively email us at [equityincome@linkgroup.co.uk](mailto:equityincome@linkgroup.co.uk).

Yours faithfully



Karl Midl

**Managing Director, Link Fund Solutions Limited**

Dear Investor,

**THIS LETTER IS IMPORTANT - PLEASE READ**

**LF Equity Income Fund (formerly named LF Woodford Equity Income Fund) (the “Fund”), a sub-fund of LF Investment Fund (formerly named LF Woodford Investment Fund) (the “Company”)**

**Notification of change of Annual Accounting Date of the Fund**

We, Link Fund Solutions Limited (“LFS”), write to advise you that the annual accounting period of the Fund has been extended from 31 December 2019 to 31 March 2020, and will now therefore cover the period from 1 January 2019 to 31 March 2020. This letter provides further information regarding this change to the timeline and explains the reason for the extension.

**1. Reason for extending the accounting period**

Following our consultation with the Depositary to the Fund, Northern Trust Global Services SE UK Branch and, the Fund’s auditor, Grant Thornton LLP, we have agreed with those parties to extend the accounting period of the Fund to 31 March 2020. This will mean that the Fund’s annual report and financial statements will cover a fifteen-month period from 1 January 2019 until 31 March 2020 and will be published no later than 31 July 2020.

Grant Thornton LLP, the independent auditor of the Fund also acts as the independent auditor of the Schroder UK Public Private Trust PLC (formerly named the Woodford Patient Capital Trust PLC) (the “Trust”) which was previously managed by Woodford Investment Management Limited. In addition to acting as the authorised corporate director of the Fund, LFS also acts as the authorised investment fund manager of the Trust.

Whilst the Trust is an independent company with its own Board of Directors it is recognised that it has a number of assets within its portfolio which are common to the Fund. As we have previously advised investors, the Fund is now in formal wind-up and as such the audit of the Fund is being carried out on this basis. This means that the Fund’s financial statements will consider the imminent realisable value of certain assets and in particular the unquoted and less liquid assets. The Trust is not in this position and will prepare its financial statements on a going concern basis. The consequence of applying two different accounting bases is that this may lead to differences in the valuation of certain assets that are held both in the Fund and the Trust.

We have discussed this issue with GT and LFS has concluded that the audit of the Trust should be completed before the audit of the Fund commences. This is the reason that the accounting period has been extended.

**2. Revised Prospectus**

The Prospectus of the Fund has been updated to reflect the change to the accounting period and the consequential re-designation of the 31 December 2019 distribution as an interim distribution as opposed to a final distribution. The updated Prospectus can be found at [\[http://www.linkfundsolutions.co.uk/541.cshtml\]](http://www.linkfundsolutions.co.uk/541.cshtml)

### 3. Distribution

The change in annual accounting date does not impact the distribution of income calculated as at 31 December 2019 and paid on 28 February 2020. However, it is important to note that this distribution will now be classified as an interim distribution as opposed to a final distribution because it was made before the extended accounting period ends. You will have received a tax voucher that states that this is a final distribution however this will now be incorrect and the payment should be treated as an interim distribution.

Please note that this change does not impact the timing or value of the special income distribution declared on 17 January 2020 and due for payment on 17 March 2020. This will remain the Fund's last income distribution payment prior to the completion of the Fund winding up.

### 4. Costs in relation to the extension of the accounting period

The extension of the accounting period will not result in any additional cost to investors.

### 5. Summary information

The FCA rules require that, when the accounting period of a fund is extended, shareholders are provided with a summary of the investment activities that have taken place in the Fund during that period. We have also set out below a timeline of key events since 1 January 2019.

#### Timeline of key events

The below table sets out the key events for the Fund since 1 January 2019, and also summarises the investor communications (all available at <https://equityincome.linkfundsolutions.co.uk/>):

Date	Events
1 January to 2 June 2019	Fund operating under normal circumstances
3 June 2019	Dealing in the Fund suspended (investors notified in letter dated 4 June 2019)
1 July 2019	Investor letter updating on continuation of suspension
29 July 2019	Investor letter updating on continuation of suspension
23 August 2019	Investor letter updating on continuation of suspension
23 September 2019	Investor letter updating on continuation of suspension

15 October 2019	Investor letter advising of – <ul style="list-style-type: none"> <li>i. our decision to wind up the Fund;</li> <li>ii. the immediate cessation of Woodford Investment Management Limited (WIM”) as delegated investment manager;</li> <li>iii. the appointment with immediate effect of BlackRock Advisors (UK) Limited (“BlackRock”) as transition manager; and</li> <li>iv. the appointment in July of PJT Partners (UK) Limited (“PJT”) as specialist broker to sell unlisted and certain highly illiquid listed assets</li> </ul>
13 December 2019	Investor letter advising: of the change of name of the Fund with immediate effect, that the winding up of the Fund would commence on 18 January 2020, of progress in realising the Fund’s assets, and of expected distributions to investors (including that the first capital distribution was targeted for late January 2020).
10 January 2020	Investor letter advising that winding up of the Fund would begin on 18 January 2020, and updating on the timetable for the first capital distribution and payment dates for the income distributions.
29 January 2020	Investor letter regarding the first capital distribution to investors, including advising that this would be paid on or around 30 January 2020.

**The below sets out the key investment activity undertaken since 1 January 2019**

Period	Investment Activity
1 January to 2 June 2019	WIM was managing the Fund in accordance with the investment objective and policy of the Fund. The investment activity in that period was summarised by WIM at page 7 of the Fund’s 2019 interim report. <a href="http://www.linkfundsolutions.co.uk/541.cshtml">[http://www.linkfundsolutions.co.uk/541.cshtml]</a> .
3 June to 14 October 2019	During this period WIM was focussed on restructuring the portfolio to achieve sufficient liquidity to meet known and potential future investor redemptions, whilst continuing to meet the Fund’s investment objective and policy.  PJT appointed from mid-July 2019 to seek potential buyers for the unquoted assets and certain highly illiquid listed assets.

<p>15 October to 31 December 2019</p>	<p>From the 15 October 2019 the Fund was split into two portfolios (“A” and “B”).</p> <p>BlackRock was appointed transition manager for Portfolio A. From their date of appointment BlackRock have sold assets in a way that safeguarded the value in those assets (rather than through a ‘fire sale’). To maintain compliance with the Fund’s investment objective, cash received from the realisation of these assets was re-invested in FTSE 100 index instruments, money market funds, government securities and commercial paper with short maturity dates.</p> <p>PJT continued to seek buyers for the unquoted assets and certain highly illiquid listed assets held in Portfolio B.</p>
<p>1 January 2020 onwards</p>	<p>BlackRock and PJT continue to progress with the orderly realisation of assets.</p>

**6. Further information**

We will write to you to keep you informed of developments throughout the winding up process.

In the meantime, if you do require any further information, please refer to the frequently asked questions and answers document on our website: [equityincome.linkfundsolutions.co.uk](http://equityincome.linkfundsolutions.co.uk). You may also contact our Customer Services Department on 0333 300 0381 between 9:00 am and 5:00 pm. (Monday to Friday) or alternatively e-mail [equityincome@linkgroup.co.uk](mailto:equityincome@linkgroup.co.uk)

Yours faithfully



Karl Midl

**Managing Director - Link Fund Solutions Limited**