

21 December 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”)

As authorised corporate director of the Fund, we are writing to provide you with an update on the winding up of the Fund.

Payment of fourth capital distribution and completion of Acacia transaction

In our letter dated 30 November 2020, we advised you that we were working to complete the transfer of the remaining assets that were sold to Acacia Research Corporation (“Acacia”) in time to be included in the fourth capital distribution which was to be paid to you on 11 December 2020.

We can confirm that the remaining healthcare assets from the Acacia transaction were transferred to Acacia by 3 December 2020 which enabled us to make a fourth capital distribution of £98.48 million. This means that the Fund received a total of £223.9 million as a result of the transaction through which we sold a portfolio of the Fund’s shareholdings in healthcare companies to Acacia.

Please note that if you invested in the Fund through a platform then it is possible that your fourth capital distribution payment is still being processed by them and you will receive your money shortly.

Further information on the transaction with Acacia can be found in previous investor letters, including the one dated 5 June 2020, and in the frequently asked questions page of our website. These and all other previous investor letters can be found at <https://equityincome.linkfundsolutions.co.uk/>

Future capital distributions

We are continuing to work on the sale of the Fund’s remaining assets and further capital distributions will be made as and when suitable amounts of cash have been raised from these sales. At this stage we are unable to advise you of the exact timings and amounts of future capital distributions as these are dependent upon the sale of the Fund’s assets. You are reminded that the assets that remain to be sold are the less liquid assets of the Fund and, as previously notified, it is expected that some of these assets will not be sold until mid to late 2021.

Publication of the Fund’s Net Asset Value (“NAV”)

The Fund has now distributed a total of £2.54 billion since the commencement of the winding up and, as at 11 December 2020, following the recent capital distribution the Fund’s remaining assets are valued at £192.57 million. You are reminded that the value of the remaining assets and, therefore, the amount you will receive as your share of future distributions, may increase or decrease as a result of market conditions.

We will continue to calculate and publish the Fund’s NAV on the final business day of each month and you will be able to find the Fund’s current NAV and future updates on our website at <https://equityincome.linkfundsolutions.co.uk>.

Further information

Although it is not possible to confirm when we will be in a position to make a fifth capital distribution we will continue to keep you informed of developments throughout the winding up process and will write to you no later than 31 March 2021 with a further update on the winding up of the Fund. 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. If you have any questions regarding this letter, please contact us on 0333 300 0381 or alternatively email us at lfsinvestors@ntrs.com.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Karl Midl', with a stylized flourish at the end.

Karl Midl

Managing Director, Link Fund Solutions Limited