

Link Fund Solutions Limited (“LFS”) Questions & Answers in relation to; the second capital distribution and the extension of the accounting period of the LF Equity Income Fund (the “Fund”)

1. What proportion of the fund can investors expect to have returned as cash in the second capital repayment? (Updated 20 March 2020)

In the period up to 16 March 2020, a further £143.2 million has been generated by the Fund through the sale of assets. When added to the amount paid in first capital distribution of £2.124 billion, we have now returned £2.267 billion to investors.

2. What can investors expect to get back and when? (Updated 20 March 2020)

A letter was sent to investors, on 20 March 2020, detailing the amount they will receive from this second capital distribution, the amount distributed will include their share £143.2 million generated through the sale of assets up to 16 March 2020. The amount investors will receive was calculated on 18 March 2020 and paid to you on or around 25 March 2020.

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.

3. What is the distribution rate for each share class? (Added 20 March 2020)

The table below details the distribution rate in pence per share for each share class of the Fund. Our letter to investors dated 20 March details the amount individual investors will receive in cash terms on or around 25 March 2020.

Share Class Name	ISIN Code	Pence per Share Rate
LF Equity Income Fund (A Sterling Inc Shares)	GB00BLRZQ406	3.2077
LF Equity Income Fund (A Sterling Acc Shares)	GB00BLRZQ513	3.9037
LF Equity Income Fund (C Sterling Inc Shares)	GB00BLRZQ620	3.2518
LF Equity Income Fund (C Sterling Acc Shares)	GB00BLRZQ737	3.9542
LF Equity Income Fund (X Sterling Inc Shares)	GB00BLRZQ844	3.1294
LF Equity Income Fund (X Sterling Acc Shares)	GB00BLRZQ950	3.8054
LF Equity Income Fund (Z Sterling Inc Shares)	GB00BLRZQB71	3.2687
LF Equity Income Fund (Z Sterling Acc Shares)	GB00BLRZQC88	3.9765
LF Equity Income Fund (F Sterling Acc Shares)	GB00BZ01L372	3.1251

4. How will capital distributions from the Fund be taxed?

The receipt of proceeds from the wind-up will be deemed a disposal of your shares in the Fund for capital gains tax purposes and may give rise to a capital gains tax liability. This will, of course, depend upon your individual circumstances. If you are in any doubt as to the taxation consequences of this action you should contact your professional adviser.

5. How are the managers balancing the need to return investors' money with the potential to wait longer to get a better price for the assets?

One of the objectives of the orderly realisation process is to maximise returns for investors. This means that it is important for the assets to be realised at a time when the sale will achieve an appropriate level of return. Selling the shares in the less liquid assets, on a "fire sale" basis would significantly reduce the value of these assets.

During the winding up of the Fund, any remaining less liquid assets of the Fund (including the unlisted assets) will continue to be sold over time in an orderly manner.

6. How long will the winding up process take?

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.

7. How often will the Funds Net Asset Value be calculated and where can I find the relevant information

Until the winding up of the Fund is completed we will calculate and publish the Net Asset Value per share on a regular basis for information purposes only. This will be calculated each Wednesday until notified otherwise.

This information, which allows investors to track the performance of their investment, can be found at www.linkfundsolutions.co.uk by clicking on 'Fund Information' and then selecting 'LF Investment Fund'.

8. Why is the accounting period being extended?

Due to the fact that the Fund is in 'wind-up', the valuation basis used will be different to that used for the Schroder UK Public Private Trust PLC (formerly named the Woodford Patient Capital Trust PLC). This means that there is likely to be a difference in the auditors view on the valuation of certain assets that are held both in the Fund and the Trust. Extending the accounting period means that the audit of the Trust should be completed before the audit of the Fund commences, reducing confusion for investors and any conflict for the auditor.

9. Has the FCA been informed of the decision?

The decision to extend the accounting period was taken following discussion with the Depositary, the auditor, as well the FCA.

10. What does the accounting extension mean for investors and the distribution of income?

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. Furthermore, 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.

11. Will the accounting extension mean an additional cost for investors?

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

12. Does the extension mean that the fund is close to being fully wound up?

That is not the reason for the accounting extension. Link will continue to keep investors informed of developments throughout the winding up process.