

29 November 2021

Dear Investor

**THIS LETTER IS IMPORTANT BUT IS FOR INFORMATION  
ONLY AND NO ACTION IS REQUIRED**

**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 (“ACD”) of the Fund, we are writing to provide you with an update on the progress of the Fund’s wind up and to inform you that the Company’s interim accounts will be published on 30 November 2021.

A copy of this letter and all previous letters to investors since the Fund’s suspension can be found on our website at <https://equityincome.linkfundsolutions.co.uk/investor-communications/>. Our website also has a Frequently Asked Questions section and these include a reminder of the reasons for the Fund’s suspension and wind up.

**Publication of the Company’s interim accounts**

A copy of the Company’s interim accounts, which cover the period 1 April 2021 to 30 September 2021, will be available on our website from 30 November 2021 at <https://equityincome.linkfundsolutions.co.uk/investor-documentation/>

Due to the winding up of the Company and the Fund, which commenced on 18 January 2020, the Company’s interim accounts for the period to 30 September 2021 have been prepared on a break-up basis (i.e. recognising that the Fund’s assets are being sold as part of the process of it being wound up). This means that all known current and future liabilities payable by the Fund in completing the winding up of the Fund are captured.

**Distributions to date and the remaining portfolio**

To date we have made four capital distributions to investors which amount to a total of £2.54 billion from the sale of the Fund’s assets.

As of 31 October 2021, the value of the Fund’s remaining assets is £124.3 million and comprises shareholdings in the following companies: Atom Bank, Benevolent AI, Cambridge Innovation Capital, Drayson, Mafic, Nexxon, Origin, RM2, Rutherford Healthcare and Sabina Estates.

Cash held by the fund prior to further capital distributions being made to investors is held in the BlackRock ICS Sterling Liquidity Fund.

The total value of these remaining assets may change and, therefore, the amount to be distributed to investors may be higher or lower than the Fund’s current valuation.

As part of the ACD’s objective of seeking to preserve capital value, the Fund has, along with other investors, made a limited number of follow-on investments. In our previous letter to you, dated 2 August 2021, we informed you about further investment in Mafic, a producer of basalt fibre in the United States. Since that letter the Fund has made a further investment of £360,000 (alongside investments by other shareholders). We did not anticipate making further investment in Mafic at the time of our previous letter to investors, but we believe that this further investment was in investors’ best interests as the company seeks to move to increased production.

We would like to reassure you that we continue to take all possible steps to act in investors' best interests and to return cash to you at the earliest opportunity, whilst seeking to maximise value from the sale of those assets.

### **Fees**

Although there have been no fees payable by the Fund to us for our services as the Fund's ACD since it went into wind up on 18 January 2020, some costs have continued to be payable by the Fund as advised in our letters dated 15 October 2019 and 29 January 2020.

The fees that the Fund continues to incur relate primarily to the costs associated with the sale of the Fund's assets. Further details can be found in the Company's interim accounts.

### **Further updates**

You are reminded that we have now sold the majority of the Fund's assets and the sale of the remaining assets, and future capital distributions to investors, will continue. However, at this stage we are unable to provide a specific date for the fifth capital distribution or for the completion of the winding up of the Fund. We anticipate that the sale of all remaining assets will be completed in 2022.

We will continue to keep you updated on the progress of asset sales and we will write to you again on or around 15 March 2022 or when the Fund is in a position to make the fifth capital distribution, whichever is earlier.

In the meantime, the Fund's Net Asset Value ("NAV") will continue to be calculated and published on a monthly basis on our website at <https://equityincome.linkfundsolutions.co.uk>.

If you require any further information, please refer to the frequently asked questions and answers document on our website: <https://equityincome.linkfundsolutions.co.uk>. If you have any other questions, please contact us on 0333 300 0381 or alternatively email us at [ifsinvestors@ntrs.com](mailto:ifsinvestors@ntrs.com).

Yours sincerely



Karl Midl

Managing Director, for and on behalf of Link Fund Solutions Limited