

## **Pyrrho Management Ltd.**

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LCD Global Investments Ltd  
14 Kung Chong Road  
#06-01 Lum Chang Building  
Singapore 159150

Attention : Board of Directors

9<sup>th</sup> October 2014

Dear Sirs,

### **Appointment of New Independent Non-Executive Director to LCD Global Investments Ltd (“LCD” or the “Company”)**

Pyrrho Investments Ltd (“Pyrrho”) is a significant shareholder in LCD owning millions of shares which were purchased well in advance of J Trust Asia’s involvement with LCD.

By way of introduction, Pyrrho is an activist investment fund with a track record of investing in small-cap and mid-cap listed companies. We are a member of the Hong Kong based Bonds Group of Companies which has a long history of involvement in the investment, acquisition and development of real estate in Hong Kong, Taiwan, China and North America, including a number of significant hospitality properties.

We note that there is at present a vacancy for the post of independent non-executive director, following the resignation of Mr. Phua Tin How in August. As a result the Company currently does not meet the minimum requirement of three independent directors serving as members for the Remuneration Committee. We believe that for good corporate governance it is important that a suitably qualified candidate be appointed as soon as possible.

We also note the resignation of Mr. David Lum from the Company’s board and the loss of his expertise. He was described in the Company’s 2013 Annual Report as playing “a pivotal role in developing and growing the Group’s hotel and serviced residence business.” His son, Kelvin Lum who has been an executive director with LCD for many years has announced that he will step down within the next six months. LCD may now be left with insufficient experienced senior management to manage several of its key businesses and projects. For example the Knight Frank Singapore business requires active management, as does the 55% owned Xuzhou residential and commercial development which is located in a third tier city in China. As is widely reported, second and third tier cities in China are experiencing a slowdown in their property sector. Also the InterContinental resort development (formerly the Evason Resort) at Rawai Beach in Phuket does not seem to have progressed very far since it was purchased two years ago and seems unlikely to open in 2015 as indicated in the 2013 Annual Report. Indeed we note the statement in the Company’s Q3 2014 results that “Owing to the unstable

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political situation in Thailand, the Group is reviewing the full concept plan of the InterContinental Phuket Rawai Beach Resort so as to better manage the overall redevelopment costs.”

We note from a recent interview with the Business Times published on 6<sup>th</sup> October 2014, the newly appointed executive director of the Company, Mr. Nobuyoshi Fujisawa said that he has a new vision for LCD which includes borrowing from Nihon Hoshou, which is an entity related to J Trust Asia, and the possibility of investing in the Japanese gaming industry if that market should open up. These are both important changes and require the highest level of corporate governance to ensure the 70% of shareholders that are independent of J Trust are properly consulted and their rights protected.

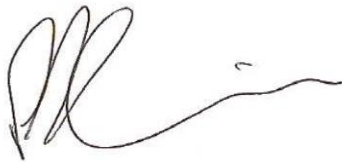
In order to help protect the rights of independent shareholders, we call on the Board to nominate a truly independent non-executive director with the appropriate experience and competence to represent the interests of independent shareholders.

Pyrrho wishes to put forward its Investment Director, Mr. Paul Cummins, as a candidate for nomination as an independent non-executive director, to be voted on by all shareholders at the forthcoming annual general meeting of the Company on 30 October 2014.

Mr. Cummins is a UK qualified chartered accountant with over 25 years business experience, 13 of which have been in Asia. He first came to Asia in 1998 with KPMG and advised a number of boards of listed companies on navigating through the Asian Financial Crisis. He then spent five years at Nomura, the leading Japanese investment bank, on the proprietary investment desk investing in a wide variety of special situations in both London and Hong Kong. Prior to joining Pyrrho, he spent a couple of years as CFO of a Hong Kong based alternative energy business. Since Pyrrho's inception six years ago, Mr. Cummins has been Investment Director and has been involved in a number of companies listed on the London Stock Exchange and Aim market..

I look forward to the Board's response on this matter and hope Pyrrho's nomination will be tabled for consideration at the forthcoming AGM at the end of this month.

Yours faithfully,



For and on behalf of Pyrrho Investments Ltd  
Paul Cummins  
Investment Director