

# **Pyrrho Management Ltd.**

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Pyrrho Investments Ltd (“Pyrrho”) is a shareholder in LCD Global Investments Ltd (“LCD Global”) calls on the new incoming directors of LCD Global to clarify their intentions in relation to LCD Global.

In particular Pyrrho notes the following points: -

- A 29.5% stake in LCD Global was acquired by JTrust Asia Pte Ltd, a wholly-owned subsidiary of JTrust Co Ltd (“JTrust”), a Japanese listed company from the controlling Lum Family, the sale of which was completed on 25 September 2014 at \$0.30 a share
- LCD Global is a hotel and property group with property assets in South East Asia and London while JTrust is a financial services business focussed on Japan and Korea, businesses which are totally different from those of LCD Global
- As part of the deal, Mr Nobuyoshi Fujisawa, President of JTrust, and Mr Shigeyoshi Asano, General Manager of Corporate Strategy department of JTrust, have been appointed as Executive directors of LCD Global
- Neither appear to have any experience in property or hospitality and Mr Fujisawa seems to already have a full time job running the Japanese business. No details of directors remuneration or contracts have been published
- We note that JTrust set up a Singpaore subsidiary in October last year and has since purchased a stake in one Indonesian Bank and had an offer on another Indonesian bank accepted
- Is it JTrust’s intention to change the business of LCD Global to Financial Services? If so what will they do with the assets currently owned by LCD Global?
- We note the company name is to be changed to J Trust International Ltd, which is strange as JTrust is only a minority shareholder (albeit the largest one) and is associated with financial services not property and hospitality
- Shareholders are clearly concerned with these changes and the uncertainty that has arisen as a result of not knowing the future direction of LCD Global.
- LCD Global shares are currently trading at 15% below the price paid by JTrust (and the lowest for 3 months). This is both a concern to shareholders such as ourselves but must also be a concern to JTrust as they paid S\$93m for their acquisition of LCD Global shares and the price decrease represents a marked to market loss of approximately S\$14 million, within a few days of acquisition.
- Last year JTrust had a net income of Yen11,145m (approx S\$120m) - so a S\$14m loss in a short time is significant

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- We call on the board of LCD Global to make clear their future strategy and intentions for the company so that shareholders can understand their intentions and will be in a better position to make an informed decision as regards their investment in LCD Global.
- We hope to have some clarity ahead of LCD Global's announcement of its annual results and forthcoming Annual General Meeting.