

# a letter to our shareholders

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“In my first statement as your new Chairman, I wish to thank all our shareholders for your support. I am pleased to inform that Loh & Loh Corporation Berhad (‘LLCB’ or ‘the Group’) continued to maintain profitability in year 2008 despite the challenging business environment. This is credited to the strong showing from our construction and property development businesses as well as the Group’s prudent financial management.

2008 has been a momentous year on the global economic front as well as on the Group’s corporate front. The fallout from the United States sub-prime crisis has dominated global economic conditions with many economies still feeling the effects of the downturn. While the downturn spells a more challenging environment for us at LLCB, we have many reasons to look to the future with confidence.

This optimism is buoyed by the combination of our strong credentials and track record, and equally by the presence of our new main shareholder, UBG Berhad (‘UBG’).

The entry of UBG marks a new chapter for LLCB, which began as a family-run construction company. While the Group has over the years chalked up several achievements, the time is ripe to take a more aggressive growth path that will bring the Group to new heights of success. With globalisation and increasing competition, being complacent with our past successes is something we can ill-afford.

We can no longer rest on our laurels but must instead look towards expanding and growing our businesses.

With UBG in hand, we hope to venture into new markets and take advantage of arising opportunities in a timely and advantageous manner. We hope to adopt and embrace new ideas, the latest in technology as well as new management systems that will allow us to further add value in the things we do. This is indeed a milestone journey of transformation for the Group.

While there is no denying the challenges ahead, I am optimistic that with our inherent strengths and that of our new shareholder, we will be able to soar higher than ever before.

On behalf of the Group, my sincere appreciation goes out to our shareholders, the Board of Directors, the Management and our employees for your loyalty, dedication and perseverance in the face of the challenging business environment. I am grateful for the confidence you have placed on us and trust that you will stay with us on this ever-evolving journey.”

**Y.A.M. Tengku Dato’ Rahimah binti Almarhum Sultan Mahmud**

Non-Independent Non-Executive Chairman

23 April 2009