Appendix A

Questions raised by shareholders and response from the Chairman during the Twenty-Eighth Annual General Meeting of the Company held at Topas Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 17th October 2017 at 9:30 a.m.

Q1. With reference to the Chairman's Statement in the Annual Report 2017, job wins for financial year 2017 were exceedingly low and unexpected, resulting in a very poor 4th quarter. Was the disappointment due to the Company being bottom-line driven? Kindly comment on the reasons and will the company be more aggressive on tendering and job wins?

A1. The Chairman informed that the Group is always bottom line driven. It was a very difficult time for the Group in the past 2 years as the company encountered difficulties on recruitment due to the nature of piling works. Students who venture their studies into the Geotechnical field are limited as it is a very specialized industry coupled with the tough nature of work. Chairman further opined that infrastructure project attracts many foreign players and that competition from new entrants not only compete against our business but also on talent pool. The Company will react according to market conditions but will also be mindful that it is not sensible to take up a project solely for revenue purposes. The Management is looking forward to the implementation of LRT 3 and other infra-projects as it expects to take up 20% to 25% of the piling capacity in the market. The availability of piling equipment in the market is getting scarce, so 2018 will be a good year for the Company with equipment and financial resources to select good jobs.

Q2. Will the Company adjust its strategy by reducing profit margin for few tenders in order to win projects?

A2. Chairman informed that the Management has considered all the aspects while preparing tender submission in order to be more competitive. The Company is trying hard to balance the profit margin against job wins. The Chairman commented that the Company was at almost full capacity during the time when the Company was executing 2 I-City projects simultaneously in January 2016. In addition, the pace required by the 2 projects was very fast. Chairman further informed that for that 9 months, the Company was unable to take up more jobs. As tendering process normally takes approximately 6 months, the Management then changed its tendering strategy towards the end of the 2 projects. However there were no jobs wins.

Q3. What are the chances of the Company wining more projects from I-Berhad since the Company has won 2 projects with I-Berhad?

A3. Chairman informed that the Company being 1 of the contractors of their projects is not assured of more jobs from I-Berhad as the Company will still have to compete with the rest in the market.

Q4. Will the company tender directly to the government for the LRT 3 project?

A4. The Chairman informed that the Company does not tender directly on infra-projects as it is not a main contractor for infrastructure projects.

Q5. Has the company considered operating in other states?

A5. Chairman commented that the Company mainly operates in the Klang Valley. However, if there are suitable jobs coupled with good profit margins, the Company will consider working out of the Klang Valley. Chairman further informed that the Company previously had operated in East Malaysia.

Q6. Current financial year order book stood at RM80 million which was quite low, what will be the target for order book for next year?

A6. The Chairman opined that the order book of RM80 million is indeed low for the financial year 2017 as the capacity of the Company is RM250 million to RM300 million. The Management, however, is very optimistic and expects the piling industry to perform well in 2018.

Q7. The Company is giving good dividends. Will the Company consider making the value of the shares smaller for young investors?

A7. The Chairman suggested that young investors should invest based on the personal financial capacity by acquiring smaller number of shares.

Q8. What is the realistic target of the Company for order book for financial year 2018?

A8. The Chairman opined that the Company's target for 2018 will be the full capacity of the Company as there is no point setting a target that is lower than the capacity. The Chairman further assured that the Management is confident that the Company can achieve this.

Q9. How does plastic containers affect the Company's business on manufacturing segment?

The Chairman informed that the conversion to plastic containers started 10 years ago. However, some of the customers converted back to metal containers after converting to plastic containers. Conversion to plastic containers is not an issue currently as it has been done.

Q10. Does the company have any capital expenditure planning or expansion on the factory?

Chairman opined that in terms of capital expenditure, the manufacturing segment requires more capital expenditure to purchase a printing machine line which will cost approximately RM10 million. Chairman informed that 3 years ago the Company bought an auto pail line. Chairman further commented that although the growth of this business is not strong, it is very steady with smooth cash flow and contributes decent profits. It is worthwhile to maintain but the growth prospect is not strong.

Q11. What is the amount of bad debt of the Company for financial year 2017?

A11. Chairman opined that many people have the misconception that piling industry will not suffer from payment issues. In fact the piling industry does suffer a lot of payment issues as most of the clients start their projects without bridging financing in place. The Chairman further informed that the Company's bad debt amount is not substantial due to careful selection of works which may result in foregoing the opportunity of getting some projects where there is possibility of difficulty in collection.

Q12. Will the Company be able to check whether the clients have their financing ready?

A12. Chairman commented that it is quite difficult to find out the financially capability of the clients. In some instances, the client might have the financial capability but might not have the intention to pay.

Q13. As mentioned the Company's order book is only RM80 million against a capacity of RM250 million, which means the Company is under utilising approximately more than 1 quarter of its capacity?

A13. Chairman commented that in terms of order book and capacity, shareholders have to look at the value of work per month and also the period of completion of the projects instead of looking at the order book alone. The Company is looking at a rate of RM15 mil to RM25 mil per month of work done which is the full capacity of the Company. Chairman further opined that for the I-City projects in 2016, total value of the projects was RM140 million with a completion period of 9 months. The run rate per month was approximately RM15 million which was considered quite high and hence the Company was unable to take up more projects during that period.

Q14. What is the percentage of jobs the Company has taken up as main contractor and sub-contractor?

A14. Chairman informed that all the jobs on hand are as main contractors. At the moment, the Company does not have any project as a sub-contractor. For the infrastructure projects, the Company will be always sub-contractor.

Q15. Despite having higher margins, the Company is still able to win jobs. What are the competitive advantages of the Company over its competitors?

A15. Chairman commented that the Company will still need to compete to win jobs, which means our rate is still market rate and is competitive with other competitors. The Company's financial resources is the main reason for the higher margin as the Company saves on borrowing costs and competitive purchases. Our financial capability attracts competitive suppliers as well as sub-contractors who will offer better rates. Our ability to complete jobs in a timely manner, work quality and safety are other comparative advantages.

The Management is trying very hard to balance cash reserves in the Company against pay back to shareholders as dividends. For the last few years the Company was able to maintain high cash position as well as paying reasonable dividends to shareholders.

Q16. Does the Management intend to increase the rate of dividend since the Company is having high cash retention in the company?

A16. Chairman informed that for the financial year 2017, the cash assets of the Company was approximately RM200 million. It is currently at approximately RM190 million, which is sufficient for working capital of the Company. The Management is always looking for a balance with having sufficient retained cash and earning good profits coupled with paying out good rate of dividend. However, if the Management is of the view that the cash is not efficiently utilised by the Company, then the best option is to pay back to shareholders. Chairman further assured that the Management will consider all factors on retaining the cash against returning to the shareholders.