

SUSTAINING GROWTH

DIALOG

DIALOG GROUP BERHAD
(178694-V)



ANNUAL REPORT 2019

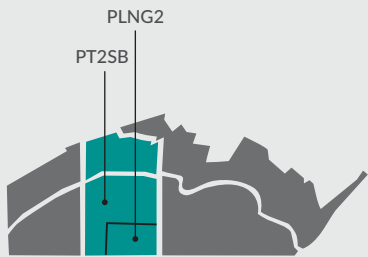


THE PENGERANG STORY

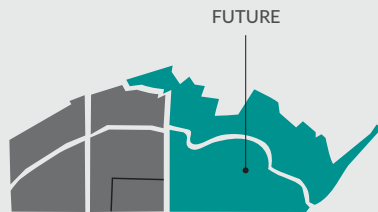
“BUILDING THE FUTURE TODAY”



PHASE ONE



PHASE TWO



PHASE THREE

OVERVIEW

In 2007, DIALOG identified Pengerang as a suitable location to develop a deepwater petroleum terminal capable of handling Very Large Crude Carriers (“VLCC”) to capture Asia Pacific demand growth in the next 30 years.

Why Pengerang was the perfect location:

- Next to international shipping lanes
- Deepwater (up to 24 metres) jetty facilities
- Naturally sheltered harbour
- All-weather port
- Proximity to Singapore – existing major refining and petrochemical hub

The development was launched in June 2009 when DIALOG signed the Memorandum of Understanding (“MOU”) with the State Government of Johor Darul Ta’zim.

Pengerang Deepwater Terminals (“PDT”) has attracted both domestic and international investors and catalysed the growth of the Pengerang Integrated Petroleum Complex (“PIPC”), with investments totalling over RM100 billion to date.

With continuous support from the Malaysian Government, what began as a dream in 2007 has now become reality for DIALOG and its partners. And the Pengerang Story is still unfolding.

PHASE ONE



Phase 1, an independent terminal with oil storage capacity of 1.3 million m³ complete with a dedicated deepwater jetty facility, commenced operations in April 2014 and is currently being expanded by another 430,000 m³.

PHASE 1: PETROLEUM TERMINAL

CURRENT STORAGE
CAPACITY

1.3 million m³

CAPACITY EXPANSION
IN PROGRESS

430,000 m³

COMMENCED
OPERATIONS

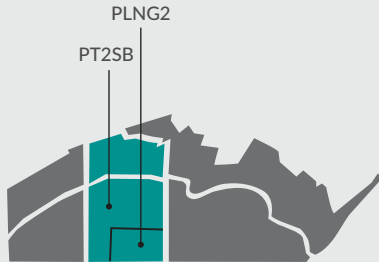
2014





THE PENERANG STORY

PHASE TWO



For Phase 2A, construction of the dedicated petroleum and petrochemicals terminal with an estimated storage capacity of 1.3 million m³ commenced in 2015. Partial commercial operations commenced in 2018 and construction has been fully completed this year. Phase 2A also crossed a key milestone on 22 September 2018 when it received its first VLCC, the MT Navarin, at Jetty 2 of PDT.

In Phase 2B, the Liquefied Natural Gas (“LNG”) regasification facilities with 2 LNG storage tank units of 200,000 m³ each commenced operations in November 2017.

PHASE 2A: PETROLEUM & PETROCHEMICALS TERMINAL

CURRENT STORAGE CAPACITY

1.3 million m³

COMMENCED OPERATIONS

2018/2019

PHASE 2B: LNG TERMINAL

STORAGE CAPACITY

400,000 m³

COMMENCED OPERATIONS

2017

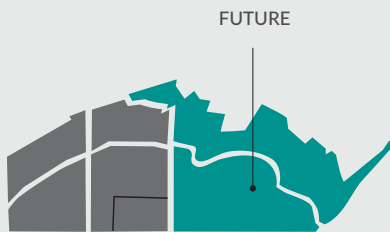


THE PENGERANG STORY

PHASE THREE

We have commenced construction for a storage terminal, common tankage facilities with shared infrastructure, and deepwater marine facilities at Jetty 3, for Phase 3. Alongside this, a Long Term Storage Agreement has also been secured with BP Singapore Pte. Limited with expected commissioning in mid-2021.

Land reclamation activities remain on track for completion at the end of 2019. The Group continues to actively pursue potential customers for Phase 3, which will consist of dedicated petroleum and petrochemical storage terminals for medium to long term clients, including refinery and petrochemical plants within the PIPC.



THE FUTURE OF PDT

The remaining 500 acres of land comprising reclaimable land and the buffer zone have already been earmarked for the further development of Phase 3 and future phases. Together with our partners, we are strongly committed to developing a vibrant petroleum downstream manufacturing centre and realise our collective vision of transforming Pengerang into an international petroleum and petrochemical hub of the future.

PHASE 3: LAND RECLAMATION

AREA

300 acresTARGET
COMPLETION**2019**

PHASE 3: CURRENT DEVELOPMENT

COMMON TANKAGE
FACILITIES WITH
SHARED
INFRASTRUCTURE
AND JETTY 3STORAGE
CAPACITY**430,000 m³**TARGET
COMPLETION**2021**



ABOUT OUR REPORTS

SCOPE

DIALOG GROUP BERHAD (“**DIALOG**”)’S ANNUAL REPORT IS THE MAIN REPORT COVERING ALL THE GROUP’S PRIMARY BUSINESS ACTIVITIES AND OUR BUSINESS SEGMENTS. WE SEEK TO PRESENT INFORMATION THAT IS RELEVANT TO STAKEHOLDERS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 AND UP TO THE LAST PRACTICABLE DATE OF 13 SEPTEMBER 2019. THIS REPORT PRESENTS INFORMATION THAT IS ACCURATE AND RELEVANT AT THE TIME OF PUBLICATION.

INTEGRATED REPORTING

We are embarking on our Integrated Reporting journey this year, starting with our 2019 Annual Report. We will continue to enhance our reporting and aim to better convey our Group’s performance and value creation story for all our stakeholders.

SUSTAINABILITY REPORTING

DIALOG believes in managing our business in a holistic, responsible and sustainable manner. In this regard, the material sustainability matters for DIALOG and its businesses have been presented in accordance with Bursa Malaysia’s Sustainability Reporting Guide.

REGULATIONS COMPLIED WITH

- Bursa Malaysia Main Market Listing Requirements
- Companies Act 2016
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards
- Bursa Malaysia’s Sustainability Reporting Guide



FEEDBACK

As we continue on our integrated reporting journey, we welcome feedback from our stakeholders. Should you have any comments or queries regarding this report, please contact us at www.dialogasia.com. This report is also available in CD format, which can be obtained from our Investor Relations team.

Front cover: Pengerang Deepwater Terminals, LNG Vessel at Jetty 2 Seri Bagawan – Photo courtesy of MISC Berhad

We create value from our 6 identified capitals through the implementation of 5 key strategies:

6 CAPITALS:

- | | |
|--------------|--------------|
| Financial | Social |
| Intellectual | Manufactured |
| Human | Natural |

5 STRATEGIES:

- Diversification** across the upstream, midstream and downstream sectors
- Growing long term **Recurring income**
- Active recruitment, development and retention of **Talent**
- Cultivating strong relationships with **Stakeholders**
- Development of proprietary **Technology** for use in our businesses

CROSS REFERENCES

- Tells you where you can find more information within the reports
- Tells you where you can find more information online at www.dialogasia.com

The icons above are used throughout this Integrated Report

FORWARD-LOOKING STATEMENTS

This report contains some forward-looking statements relating to the Group that are based on the Group’s management beliefs, and assumptions made by the Group’s management. Such statements are by their nature subject to uncertainties and risks. These forward-looking statements reflect the current views of the Group’s management with respect to future events and are not a guarantee of future performance or developments. Due to uncertainties and assumptions, forward-looking events and circumstances might not occur in the way the Group expects, or at all.

TABLE OF CONTENTS

31ST

ANNUAL GENERAL MEETING OF DIALOG GROUP BERHAD



Ballroom 1, 1st Floor,
Sime Darby Convention Centre,
1A, Jalan Bukit Kiara 1,
60000 Kuala Lumpur, Malaysia



13 November 2019
Wednesday



10.00 am



This Annual Report is available at

www.dialogasia.com

001 The Pengerang Story
004 About Our Reports
006 Who We Are
006 Vision/Mission/Values

SECTION 1

KEY MESSAGES

008 Business Highlights
009 DIALOG's 10-Year Financial
Highlights
010 Executive Chairman's Statement
016 Board of Directors
017 Board of Directors' Profile
021 Key Senior Management's Profile
022 Management's Profile (Malaysia)
027 Management's Profile
(International)
032 What We Do
034 Our Business Model for
Value Creation
036 Global Presence

SECTION 2

MANAGEMENT DISCUSSION AND ANALYSIS

038 Statement from The Group's
Chief Operating Officer
042 Financial Performance Review
044 Key Performance Indicators
045 5-Year Financial Summary
046 FY2019 Review of Operations
052 Awards and Achievements
054 Key Risks and Opportunities
058 Strategic Alliances

SECTION 3

SUSTAINABILITY REPORT

061 About This Report
062 Sustainability Governance
064 Economic Performance
066 Health, Safety and Environment
073 Our People
078 Learning & Development
081 Corporate Social Responsibility

SECTION 4

EVENTS & HIGHLIGHTS

088 Calendar of Events
090 Media Highlights

SECTION 5

CORPORATE GOVERNANCE

092 Corporate Information
093 Corporate Structure
094 Organisation Structure
095 Corporate Governance Overview
Statement
103 Audit Committee Report
105 Statement on Risk Management
and Internal Control

SECTION 6

ADDITIONAL INFORMATION

108 Share Performance
109 Enhancing Shareholder Value
110 Shareholdings Information
113 List of Top Ten Properties
115 Group Corporate Directory
117 Notice of The 31st Annual
General Meeting and Dividend
Entitlement
120 Statement Accompanying The
Notice of The 31st Annual
General Meeting of The Company

- Proxy Form



WHO WE ARE

DIALOG is a leading integrated technical service provider to the upstream, midstream and downstream sectors in the oil, gas and petrochemical industry. Established in 1984, DIALOG has grown both organically and through strategic alliances with internationally-renowned technology partners. We serve a diverse range of customers that include multinational oil majors, national oil companies as well as multinational engineering and service providers located throughout the world. Our comprehensive variety of services include Upstream Assets and Services, Logistics Assets and Services – Tank Terminals and Supply Base, Engineering, Procurement, Construction and Commissioning, Specialist Products and Services, Plant Maintenance and Catalyst Handling Services, Fabrication, Digital Technology and Solutions. DIALOG is listed on the Main Market of Securities Berhad with a market capitalisation of approximately RM20 billion (September 2019). DIALOG was included into the FBM KLCI in June 2018.

OUR VISION

To be the leading integrated technical service provider to the upstream, midstream and downstream sectors in the oil, gas and petrochemical industry in Malaysia and internationally.

OUR MISSION

- To continuously enhance competitiveness, competence and leadership in the provision of our services.
- We shall honour our commitment to quality and timely job completion as well as unfailing protection of health, safety and the environment.
- We shall, as responsible and caring corporate citizens, actively support the Nation's aspirations and serve the best interests of the communities in which we work and live.
- We shall continuously develop and retain a highly skilled, motivated and professional workforce to generate the dynamics that will propel our business into strategic growth areas with global reach and a diversified sustainable earnings base.

OUR VALUES



INTEGRITY



HSE



QUALITY



COMPETENCY



EXCELLENCE

KEY MESSAGES

- 008 Business Highlights
- 009 DIALOG's 10-Year Financial Highlights
- 010 Executive Chairman's Statement
- 016 Board of Directors
- 017 Board of Directors' Profile
- 021 Key Senior Management's Profile
- 022 Management's Profile (Malaysia)
- 027 Management's Profile (International)
- 032 What We Do
- 034 Our Business Model for Value Creation
- 036 Global Presence





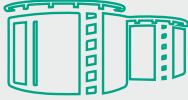
BUSINESS HIGHLIGHTS

EPCC COMPLETED

1.3 MILLION m³

STORAGE CAPACITY

PENGERANG DEEPWATER TERMINALS
PHASE 2A



MALAYSIA



1,439

VESSEL CALLS

HIGHEST VESSEL CALL
DIALOG JUBAIL SUPPLY BASE

MIDDLE EAST

1ST



ON SITE JOB COMPLETED
VINYL CHLORIDE
MONOMER SPHERE TANK

PHILIPPINES

AWARDED

5

YEAR

GROUPWIDE MASTER
SERVICE AGREEMENT
WITH PETRONAS

* With option to extend

MALAYSIA

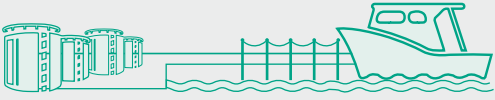
110,369

MAN-HOURS

PLANT TURNAROUND
WORK


NEW ZEALAND

COMMENCEMENT OF CONSTRUCTION



TANK TERMINALS AND JETTY 3

PENGERANG DEEPWATER TERMINALS
PHASE 3

LTSA SIGNED 

430,000 m³

LONG TERM STORAGE AGREEMENT
WITH
BP SINGAPORE PTE. LIMITED

PENGERANG DEEPWATER TERMINALS
PHASE 3A

MALAYSIA

1ST

PLANT
TURNAROUND
COMPLETED

FOR PERTAMINA
REFINERY

INDONESIA

1ST

EPCC

PLANT
REJUVENATION
WORKS

WITH PETRONAS
GAS BERHAD

Gas Processing Santong

MALAYSIA



TURNAROUND
COMPLETED

SHELL JURONG
ISLAND EOG PLANT

SINGAPORE



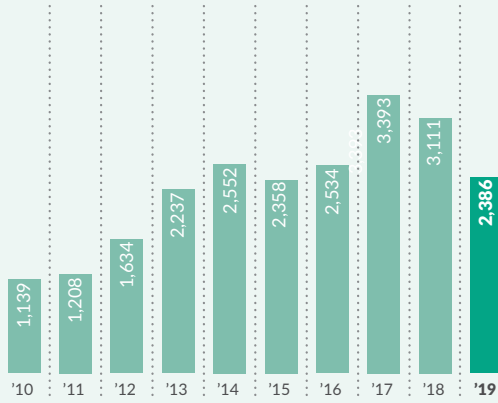
TERM CONTRACT
SECURED

SUPPLY OF OFFSHORE
DRILLING FLUID

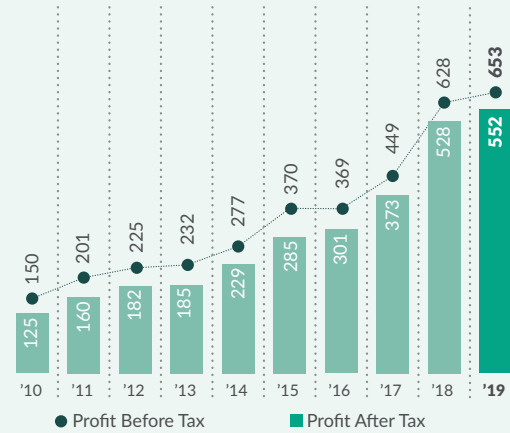
THAILAND

DIALOG'S 10-YEAR FINANCIAL HIGHLIGHTS

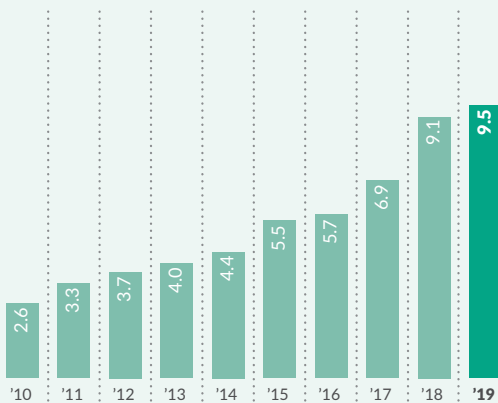
REVENUE (RM' million)



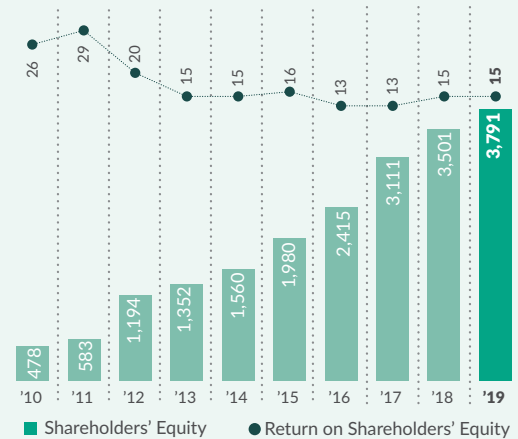
PROFIT BEFORE TAX
& PROFIT AFTER TAX (RM' million)



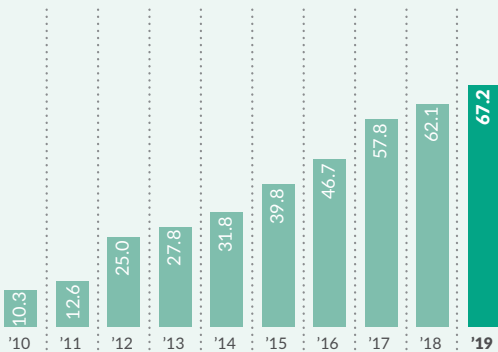
NET EARNINGS PER SHARE (sen)



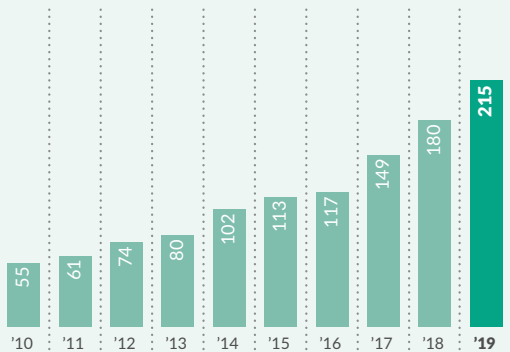
SHAREHOLDERS' EQUITY (RM' million)
& RETURN ON SHAREHOLDERS' EQUITY (%)



NET ASSETS PER SHARE (sen)



DIVIDEND PAYMENT (RM' million)



Included in the dividend payment above was:

1. Special share dividend of one treasury share for every one hundred and twenty-five ordinary shares held in respect of FY2014.



EXECUTIVE CHAIRMAN'S STATEMENT



TAN SRI DR NGAU BOON KEAT
Executive Chairman



Dear Valued Shareholders,

On behalf of the Board of Directors, it gives me great pleasure to present the Annual Report for Dialog Group Berhad (“DIALOG” or “the Group”) for the financial year ended 30 June 2019 (“FY2019”).

OUR PERFORMANCE

I am delighted to report that DIALOG delivered yet another commendable result for the financial year ended 30 June 2019. Net operating profit after tax including joint ventures and associates expanded 19.4% to RM552.3 million from RM462.7 million. The net operating profit after tax for FY2018 excluded a fair value gain on deemed disposal of a joint venture in September 2017 amounting to RM65.6 million.

The strong financial performance achieved in the current financial year was mainly contributed by the Malaysian operations which saw better performances delivered by midstream and the activities performed in the various projects. Furthermore, the Group’s joint ventures and associates had also contributed higher net profit during the financial year under review.

In line with the Group’s sustained growth, I am equally pleased to report that our balance sheet continued to strengthen with total assets expanding by 5.4% to RM6.71 billion from RM6.37 billion a year ago. Total shareholders’ equity as at 30 June 2019 stood at RM3.79 billion and return on shareholders’ equity for FY2019 was 14.7%.

The Board appreciates the support and trust of our shareholders, and it remains committed to increasing the value of the Company, ensuring its sustainability as well as rewarding shareholders with attractive returns on their investment.

For FY2019, the Board recommends a final cash dividend of 2.30 sen per ordinary share amounting to approximately RM130 million. The dividend is in addition to the payment of the interim cash dividend of 1.50 sen per ordinary share amounting to RM84.6 million in June 2019.

Upon obtaining shareholders’ approval for the final dividend, the Group will be paying a total cash dividend of approximately RM214.6 million for FY2019, compared to RM180.4 million in the previous financial year. This is in line with the Group’s dividend payout ratio policy of at least 40% of profits attributable to shareholders of RM535.8 million.





EXECUTIVE CHAIRMAN'S STATEMENT



Pengerang Deepwater Terminals, Pengerang (Eastern View) – Phase 3 Development in progress

OUR PROSPECTS

Just as the outlook for the petroleum industry was improving after a challenging few years, it is now facing headwinds from the impact of ongoing global trade disputes. This has led to weakening economic sentiments, which would have an impact on global oil demand growth. Nevertheless, based on the International Energy Agency's ("IEA") forecasts, emerging markets in Asia will likely continue to be the primary drivers for growth, and its continued growth in consumer demand will provide support for petroleum and petrochemicals in this region.

Throughout the years, DIALOG has continued to evolve and adopt several key strategies to help it weather different economic cycles. These include:

- Diversification across the upstream, midstream and downstream sectors of the oil, gas and petrochemical industry;
- Growing long term recurring income across all sectors;

- Active recruitment, development and retention of talent;
- Cultivating strong relationships with stakeholders including customers, suppliers, partners, bankers, regulators and government authorities; and
- Development of proprietary technology for use in our businesses.

In this regard, we remain confident that our business model is well structured to manage and sustain itself through periods of economic uncertainty, oil price volatility and currency movements.

Looking forward in the midstream sector, the ongoing development of Pengerang Deepwater Terminals ("PDT") will continue to take centre stage. For oil, gas and petrochemical players who are looking to capture Asia Pacific demand growth over the next 30 years, PDT offers a compelling value proposition for the establishment of strategic hub operations given its ideal location and one-stop integrated hub offering.

EXECUTIVE CHAIRMAN'S STATEMENT



Long Term Storage Agreement with BP Singapore Pte. Limited for Phase 3 of PDT is another significant milestone.

With Phase 1 and Phase 2 of PDT already in operations, the entry into the Long Term Storage Agreement with BP Singapore Pte. Limited for Phase 3 of PDT is another significant milestone in this direction, and is expected to catalyse the further development of PDT in the coming years.

With approximately another 500 acres available for development, we are still in the early stages of developing PDT into the largest petroleum and petrochemical hub for the Asia Pacific that we have envisioned it to be.

In the downstream sector, we will continue to leverage on our strengths and established track record in integrated technical services comprising Engineering, Procurement, Construction & Commissioning (“EPCC”), Plant Maintenance & Catalyst Handling Services, and Specialist Products & Services.

We will continue to build and strengthen our competencies by investing in multi-skilling our workforce, and developing proprietary technology to ensure we remain efficient and competitive. This will help us capture growth opportunities for our integrated technical services across the oil and gas value chain.

EXECUTIVE CHAIRMAN'S STATEMENT



Sail away of Deck Extension for Bayan Field

We are also truly appreciative of the Groupwide Master Service Agreement award by PETRONAS. This new long term plant maintenance and turnaround contract will enable DIALOG to reinforce the expansion of our plant maintenance and integrated technical services, in tandem with the long term growth in the region.

In August 2019, Halliburton Bayan Petroleum Sdn. Bhd. ("HBP") became a 75% owned subsidiary when we acquired an additional 25% equity interest from our joint venture partner, Haliburton International, Inc. This was the right opportunity for us to expand and deepen our upstream investments, in line with our diversified business model strategy. Increased upstream activities also

provide added opportunities for us to participate in other parts of the value chain in the field redevelopment cycle, particularly in the provision of engineering and specialist technical services.

Moving forward, we will continue to build our knowledge and experience in the upstream sector, and actively look for opportunities to increase our development and production services and assets.

Barring any unforeseen circumstances, the Group is optimistic that its performance will remain strong for the financial year ending 30 June 2020.

EXECUTIVE CHAIRMAN'S STATEMENT



The Group is optimistic that its performance will remain strong for the financial year ending 30 June 2020.



Marine Loading Arms at Jetty-2, Pengerang

SUSTAINABILITY

The Board and Management recognise that the sustainability of the Group's performance can only be possible with a strong foundation that promotes accountability, transparency, integrity and ethical behaviour at all times. Hence, the Board and Management will continue DIALOG's long-standing commitment in upholding these principles through the implementation of good corporate governance practices as advocated by the Malaysian Code on Corporate Governance ("MCCG").

In line with the above, the Group introduced and implemented a Whistleblowing Policy during the year to provide a safe and trusted channel for our employees to escalate issues and any wrong doing.

Combined with a clear focus on our core values of Integrity, Health, Safety and the Environment ("HSE"), Quality, Competency and Excellence, the Group remains steadfast in creating value for all our stakeholders and positively impacting the communities in which we operate. Further details on our sustainability journey are in the enclosed Sustainability Report.

Sustainability Report: pages 60 to 86

ACKNOWLEDGEMENTS

The Board of Directors and I would like to thank all our esteemed customers, principals as well as technology and business partners and their associates, for their continuous support to the Group. I would also like to thank our shareholders for their unwavering support and confidence in the Group.

I am fortunate to have on the Board a group of exceptional individuals. To all our Board members, I wish to express my sincere appreciation for your invaluable insights and counsel, which has seen the Group grow from strength to strength over the years. Last but not least, I thank the Management and the entire DIALOG family for their dedication and commitment to the Group.

Tan Sri Dr Ngau Boon Keat
Executive Chairman

BOARD OF DIRECTORS



STANDING FROM LEFT TO RIGHT:

CHEW ENG KAR, SITI KHAIRON BINTI SHARIFF, KAMARIYAH BINTI HAMDAN, DATUK OH CHONG PENG, TAN SRI DR NGAU BOON KEAT, CHAN YEW KAI, TUNKU ALIZAKRI BIN RAJA MUHAMMAD ALIAS (Alternate: MOHAMAD HAFIZ BIN KASSIM, not in photo), ZAINAB BINTI MOHD SALLEH, DATO' ISMAIL BIN KARIM

BOARD OF DIRECTORS' PROFILE



TAN SRI DR NGAU BOON KEAT

Executive Chairman

Number of Board Meetings Attended Malaysian
6/6
Aged 71



CHAN YEW KAI

Executive Deputy Chairman

Number of Board Meetings Attended Malaysian
6/6
Aged 65

TAN SRI DR NGAU BOON KEAT is the co-founder and major shareholder of DIALOG and has been with the Group since 1984. He was appointed to the DIALOG Board on 2 January 1990 and is currently the Executive Chairman of DIALOG and Chairman of the Remuneration Committee and ESOS Committee. He is the Chairman of Pengerang Independent Terminals Sdn. Bhd., the Founder and Trustee of MyKasih Foundation and Director of International Conference & Exhibition Professionals. He is a Board member of Johor Petroleum Development Corporation Berhad since 2012 and a Council member of the East Coast Economic Region Development Council since 2014.

He holds a Bachelor's Degree (Hons.) in Mechanical Engineering and an Honorary Doctorate in Engineering from the University of Canterbury, New Zealand. He is a member of the Institution of Engineers, Malaysia and the Institution of Engineers, Singapore. He is also a Registered Professional Engineer with the Board of Engineers Malaysia.

He began his career in 1972 as a Refinery Engineer with Mobil Singapore Pte Ltd. He worked at PETRONAS from 1975 to 1980 where he held various positions from Production Engineer to Engineering Manager. He has more than 47 years of working experience in the oil, gas and petrochemical industry.

Tan Sri Dr Ngau Boon Keat is deemed a major shareholder of DIALOG.

CHAN YEW KAI was appointed to DIALOG Board on 23 September 2005 and is currently the Executive Deputy Chairman of DIALOG.

He holds a first class Honours Degree in Chemical Engineering from the University of Malaya. He is a member of the Institution of Engineers, Malaysia and is a Professional Engineer registered with the Board of Engineers Malaysia. He is also a Fellow of the Institution of Chemical Engineers, United Kingdom.

He joined DIALOG in 1993 as General Manager and was later promoted as Director and Chief Executive Officer of Dialog Systems (Asia) Pte Ltd, overseeing the operations of the Group's Business Development, Marketing, Technical Services and Petroleum Retail. He was later appointed as Deputy Group Managing Director and President & Chief Operating Officer of DIALOG prior to his current position. He is currently also an alternate board member of Johor Petroleum Development Corporation Berhad. He has over 41 years of experience in the oil, gas and petrochemical industry encompassing plant operations, project engineering and management, marketing and business development. He was formerly with ICI for 9 years and PETRONAS for 5 years.

BOARD OF DIRECTORS' PROFILE



DATUK OH CHONG PENG

Independent Non-Executive Director

Number of Board Meetings Attended	Malaysian
6/6
	Aged 75

DATUK OH CHONG PENG was appointed as an Independent Non-Executive Director of DIALOG on 9 January 2009. He is the Chairman of the Audit Committee, Risk Management Committee, Nomination Committee and a member of the Remuneration Committee. He is also the Senior Independent Non-Executive Director (email : ocp@dialogasia.com).

He is a qualified Chartered Accountant and is a Fellow of the Institute of Chartered Accountants in England and Wales. He is also a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

He was a senior partner of Coopers & Lybrand (now known as PricewaterhouseCoopers), Malaysia (1974-1997). He was a Committee Member of the Kuala Lumpur Stock Exchange (1990-1996) and also a past President (1994-1996), Council Member (1981-2002) of the MICPA and was also a member of the Malaysian Accounting Standards Board (2003-2009).

His directorships in other public companies include WCE Holdings Berhad, Malayan Flour Mills Berhad, PUC Berhad and Saujana Resort (M) Berhad. He is the Chairman of the Labuan Offshore Financial Services Authority. He is also a Council Member of Universiti Tunku Abdul Rahman ("UTAR") and a trustee of the UTAR Education Foundation.



KAMARIYAH BINTI HAMDAN

Independent Non-Executive Director

Number of Board Meetings Attended	Malaysian
6/6
	Aged 68

KAMARIYAH BINTI HAMDAN was appointed as an Independent Non-Executive Director of DIALOG on 27 July 2010. She is a member of the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee and ESOS Committee.

She holds a Bachelor and a Master of Laws degree from the University of London, and a Barrister-at-Law degree from the Honourable Society of Lincoln's Inn.

She joined PETRONAS in 1979 as one of its pioneer legal advisors and her last posting was as Legal Advisor and Company Secretary to PETRONAS Gas Sdn. Bhd. (now PETRONAS Gas Berhad) in 1988. She left PETRONAS to be a Partner of Mah-Kamariyah & Partners from 1989 to 2005 where she continued to be actively involved in the oil and gas business.

She has over 34 years of working experience in various aspects of legal matters in relation to oil and gas, general corporate advisory, corporate finance, banking, real and personal property transactions, joint ventures, privatisation, engineering, procurement and construction contracts, technology transfers, etc.

BOARD OF DIRECTORS' PROFILE

**SITI KHAIRON BINTI SHARIFF**

Independent Non-Executive Director

Number of Board Meetings Attended	Malaysian
6/6

Aged 65
---------	-------

SITI KHAIRON BINTI SHARIFF was appointed as an Independent Non-Executive Director of the DIALOG Board on 1 April 2013. She is also a member of the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee and ESOS Committee. She was previously on the DIALOG Board between 2005 and 2010 as the appointed representative of Employees Provident Fund Board ("EPF"), which is a substantial shareholder of DIALOG.

She holds a Bachelor of Economics (Hons.) Degree from University Malaya and Master of Arts (Econs) Degree from University of Philippines. She retired from EPF as the General Manager, Fund Investment Department after having served EPF for 12 years until 2008. She was a lecturer at University Putra Malaysia for 16 years prior to joining the EPF. She is currently also a Trustee of MyKasih Foundation.

**DATO' ISMAIL BIN KARIM**

Independent Non-Executive Director

Number of Board Meetings Attended	Malaysian
6/6

Aged 64
---------	-------

DATO' ISMAIL BIN KARIM was appointed as an Independent Non-Executive Director of the DIALOG Board on 24 November 2017. He is also a member of the Audit Committee and Risk Management Committee.

He holds a Bachelor of Arts (History) with Honours and a Diploma in Education from Universiti Kebangsaan Malaysia.

Dato' Ismail served the Johor Civil Service for over 35 years prior to his retirement as Johor State Secretary in 2016. Dato' Ismail held various positions during his tenure in the Johor Civil Service. He started his career as an Assistant Land Revenue Collector at the Johor Bahru Land Office in 1982 and was promoted to several positions in the land offices in Johor until 1992. He went on to take up senior positions in the Segamat District Office, Johor Bahru City Council, Johor State Economic Planning Unit, Johor Bahru District Office, Johor State Secretary Office and Johor State Islamic Religious Department before taking on the role of Yang DiPertua (Head) of Kulai Municipal Council in 2006. Dato' Ismail became the District Officer of Kota Tinggi in 2009 and was later promoted as Mayor of Johor Bahru in 2013 and Johor State Secretary in 2014.

Dato' Ismail is a director of Paragon Globe Berhad and a Trustee of Tunku Laksamana Johor Cancer Foundation, Zarith Sofia Foundation State of Johor and Johor Darul Ta'zim Foundation. He is also President of the Johor State Football Association and Treasurer of the Football Association of Malaysia.

BOARD OF DIRECTORS' PROFILE



TUNKU ALIZAKRI BIN RAJA MUHAMMAD ALIAS
Non-Independent Non-Executive Director

Number of Board Meetings Attended	Malaysian
5/6
	Aged 49

TUNKU ALIZAKRI BIN RAJA MUHAMMAD ALIAS was appointed as a Non-Independent Non-Executive Director of the DIALOG Board on 1 February 2018, representing Employees Provident Fund Board ("EPF"), which is a substantial shareholder of DIALOG.

He holds a Master of Business Administration (MBA) from Cornell University and a Bachelor of Laws (LLB) from King's College, University of London. He has practised as an advocate and solicitor in the courts of Malaysia and is qualified as a Barrister (Lincoln's Inn) in the courts of England and Wales.

He was appointed as the Chief Executive Officer of EPF on 20 August 2018, a promotion from his previous position as Deputy Chief Executive Officer (Strategy) of EPF which he held from January 2014 until August 2018. He is also a Director in Astro Malaysia Holdings Berhad.

He has broad experience in policy development, strategic planning, communications, human resources and marketing. Prior to joining EPF in 2014, he was the Chief Marketing Officer and Chief Operating Officer of the Iclif Leadership and Governance Centre. He has also held the positions of Director of Strategic Management at Bank Negara Malaysia, Director and Head of Strategy and Corporate Affairs at DiGi Telecommunications, and Vice-President and Head of Group Strategic Planning at Malayan Banking Berhad.



CHEW ENG KAR
Director, Corporate Services

Number of Board Meetings Attended	Malaysian
6/6
	Aged 60

CHEW ENG KAR is the Director, Corporate Services of DIALOG. He was appointed to the DIALOG Board on 24 February 1998.

He holds a professional qualification with the Association of Chartered Certified Accountants, United Kingdom and is also a Chartered Accountant with the Malaysian Institute of Accountants.

He has been with DIALOG since 1992, where he joined as the Group Finance Manager and was later promoted to General Manager, Group Finance before his appointment to the Board. He has more than 35 years of working experience in corporate and financial management.

MOHAMAD HAFIZ BIN KASSIM
Alternate Director to Tunku Alizakri Bin Raja Muhammad Alias

Mohamad Hafiz Bin Kassim was appointed as Alternate Director to Tunku Alizakri Bin Raja Muhammad Alias on 24 September 2019. He is a Malaysian aged 44 and holds a B.Sc (Econs) Accounting and Finance from London School of Economics and Political Science. He is also a Fellow of the Chartered Certified Accountant and a CFA Charterholder.

He joined the Employees Provident Fund Board ("EPF") in 2008 and is the Head of Capital Market Department since April 2017. The Capital Market Department manages the EPF's Fixed Income portfolios and Corporate Finance activities. Prior to his current role, Encik Mohamad Hafiz headed the Private Markets and Private Equity Departments. He has more than 20 years' experience in investment analysis, private equity investing, accounting and auditing. Prior to joining the EPF, he worked at Daiwa Capital, PwC and TM Berhad. He is also a director of PLUS Malaysia Berhad and QSR Brands (M) Holdings Bhd.

BOARD OF DIRECTORS' PROFILE

**ZAINAB BINTI MOHD SALLEH**

Group Chief Financial Officer and Joint Company Secretary

Number of Board Meetings Attended	Malaysian
5/6

Aged 53
---------	-------

ZAINAB BINTI MOHD SALLEH is the Group Chief Financial Officer and Joint Company Secretary of DIALOG. She was appointed to the DIALOG Board on 15 May 2007. She is the Secretary of the Nomination Committee and Remuneration Committee.

She holds a Bachelor of Commerce in Accountancy from University of New South Wales, Australia and is a Chartered Accountant with the Malaysian Institute of Accountants.

She joined DIALOG in 1995 as Accountant and was later promoted to Group Chief Financial Officer and Joint Company Secretary. She has over 31 years of working experience in auditing and financial management. She was formerly with Price Waterhouse (now known as PricewaterhouseCoopers) and other companies responsible for financial and cost management accounting.

Other than disclosed, none of the Directors and Key Senior Management have:

1. any family relationship with any director and/or major shareholder of DIALOG;
2. any conflict of interest with DIALOG;
3. any conviction for offences within the past 5 years other than traffic offences; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT'S PROFILE

**MUSTAFFA KAMAL BIN ABU BAKAR**

Chief Operating Officer

Malaysian
-----------	-------

Aged 55
---------	-------

MUSTAFFA KAMAL BIN ABU BAKAR was appointed Chief Operating Officer of DIALOG on 10 October 2014. He joined the Group in 2001 as Director, Business Development (Plant Services Division) and was later the Chief Executive Officer of Dialog E & C Sdn. Bhd. and Dialog Plant Services Sdn. Bhd. He was subsequently promoted to Group Managing Director for Malaysia Business Operations on 1 November 2009. He holds a Bachelor of Science Degree in Mechanical Engineering from the Nevada-Reno University, USA. He has more than 32 years of working experience in the oil, gas and petrochemical industry. He was formerly with PETRONAS Carigali Sdn. Bhd. for 5 years and with other oil and gas related companies in design consultancy, construction and fabrication, and maintenance and specialised services. He is also currently an alternate board member of International Conference & Exhibition Professionals and a Council Member of the Malaysian Gas Association.

MANAGEMENT'S PROFILE

MALAYSIA



CHONG CHONG WOUI

Managing Director, Engineering Construction and Maintenance
Executive Director, Major Projects

Malaysian, 61

CHONG CHONG WOUI was appointed Executive Director, Major Projects in January 2011. In November 2018, he was appointed as the Managing Director, Engineering, Construction & Maintenance ("ECM") where he leads and manages three business units. He holds a Bachelor of Science Degree in Civil Engineering from the University of Aston, Birmingham, United Kingdom. He is also responsible for the development of the Pengerang project which involves land reclamation, dredging, and the construction of storage tanks and jetties. He has over 36 years of working experience in engineering, construction and project management in the oil, gas and petrochemical industry.

EFFENDY CHENG BIN ABDULLAH

Director, Upstream Oil and Gas

Malaysian, 67

EFFENDY CHENG BIN ABDULLAH joined DIALOG in 2018 as Director, Upstream Oil and Gas. He holds a first class Honours Degree in Geology from the University of Malaya. He is a registered professional geologist with the Board of Geologists Malaysia. Effendy has more than 40 years of global oil and gas industry experience across a wide range of functions including exploration management, business development, operations management and strategy development. He was formerly with PETRONAS and prior to his retirement, he was the Vice President & CEO of PETRONAS Exploration.



JOHN HENRY THORNTON

Director of Operations Excellence
Head of Risk Management and Internal Audit

British, 61

JOHN HENRY THORNTON was appointed Director of Operations Excellence in June 2015, and Head of Risk Management and Internal Audit for the Group in September 2015. He joined DIALOG in 2015 as Director of Downstream. He holds a Bachelor of Science Degree in Chemical Engineering from the University of Birmingham, United Kingdom. He is a Fellow of the Institution of Chemical Engineers, United Kingdom, and has 37 years of working experience in the downstream oil and gas industry with ConocoPhillips and Phillips 66, including 3 years as Refinery Manager in the United Kingdom and 6 years as President, Malaysia Downstream. During his career he has gained extensive experience in refining and petrochemicals engineering, projects, strategy, planning, management, and operations and maintenance.

MANAGEMENT'S PROFILE

MALAYSIA

**AHMAD BIN ABDUL TALIP**

Senior General Manager, Terminals Business

Malaysian, 51

AHMAD BIN ABDUL TALIP was appointed Senior General Manager of Terminals Business in July 2018. He joined Dialog Terminals Sdn. Bhd. in April 2010. He holds a Bachelor of Science (Hons) in Business Management from the University of Hartford, Connecticut, USA and a Diploma in Logistics Operations from the University of East London (Malaysia Campus). He has 27 years of working experience in the oil, gas and petrochemical industry.

SHAHRUDDIN BIN AHMAD

Head of Government Relations

Malaysian, 55

SHAHRUDDIN BIN AHMAD was appointed Head of Government Relations in July 2016. He joined DIALOG in 2012. He holds a Bachelor's Degree in Business Administration from University of Arkansas and Master of Business Administration Degree from Mississippi State University, USA. He has more than 31 years of working experience, including more than 3 years with a leading local banking institution and about 20 years with Shell Malaysia Trading Sdn. Bhd. where he held various senior positions. Prior to joining DIALOG, he was the General Manager of the Tank Terminal Division at MISC Berhad for 2 years.

**JESSIE KU**

Head of Group Human Resources

Malaysian, 61

JESSIE KU is the Head of Group Human Resources. She joined DIALOG in 2007. She holds a Diploma in Personnel Management and is an ICF-ACSTH Certified Associate Coach. She leads and manages HR strategic plans, working with management on talent pipelining, leadership development, and learning programmes to drive performance and staff morale. She has over 36 years of working experience in several multinational companies within the manufacturing, consultancy and professional services sector.

MANAGEMENT'S PROFILE

MALAYSIA

**JENNY CHOK**

Head of Group Legal

Malaysian, 52

JENNY CHOK is the Head of Group Legal. She joined DIALOG in 2012. She obtained her Bachelor of Laws Degree from the University of London, United Kingdom. She completed the English Bar examinations and is a member of Gray's Inn, United Kingdom. She commenced her career in the legal education line as an academician, teaching various law courses, as well as managing a counselling office for legal education. She then practised as an Advocate and Solicitor with the law firm Messrs Shearn Delamore & Co, focusing on corporate and commercial law work. Prior to joining DIALOG, she was Head of Group Legal for an oil and gas service provider with other diversified activities, listed on the Main Market of Bursa Malaysia. She has over 26 years of working experience.

TAN LIP LEONG

Head of Engineering and Construction Projects, and Fabrication

Malaysian, 56

TAN LIP LEONG was appointed Head of Engineering and Construction Projects, and Fabrication in December 2015. He joined DIALOG in 2007. He holds a Bachelor of Engineering Degree in Mechanical Engineering from University of Malaya and is a Professional Engineer registered with the Board of Engineers. Prior to joining DIALOG, he was a partner in an engineering consultant firm heading the Oil and Gas Department. He has more than 32 years of working experience in engineering and design for oil and gas, and power generation facilities. He has actively participated in the engineering and construction of oil refineries, gas processing plants, ethylene/polyethylene plants, butanol plants and LNG plant facilities.

**HENG SOON LIP**

Head of Plant Services

Malaysian, 56

HENG SOON LIP was appointed Head of Plant Services in July 2015. He joined DIALOG in 2002. He holds a Bachelor of Engineering Degree in Civil and Structural Engineering from National University of Singapore and is a Professional Engineer registered with the Board of Engineers Malaysia. He leads and oversees the business development and operations of Plant Maintenance and Catalyst Handling Services. He has over 31 years of working experience in engineering design, project management and specialist services in the oil, gas and petrochemical industry. He was formerly with the Sembawang Group and Brown & Root for 6 years and 3 years respectively in Singapore.

MANAGEMENT'S PROFILE

MALAYSIA

**SHAHIMI BIN ZAKARIA**

Director of Plant Maintenance and Fabrication
Malaysian, 49

SHAHIMI BIN ZAKARIA was appointed Director of Plant Maintenance and Fabrication in April 2015. He joined DIALOG in 2008. He has over 25 years of working experience in the oil, gas, petrochemical, refinery, combined cycle gas turbine power plant and offshore industry, working in various functions including fabrication, maintenance, commissioning and operations, both internationally and locally.

BRYAN TAN

Head, Group Business Development
Acting Head Group Engineering and Construction Services
Malaysian, 43

BRYAN TAN was appointed Head of Business Development for the Group in 2017. He leads and oversees the business development activities of the various business units for DIALOG. In January 2018, he was appointed Acting Head of Group Engineering and Construction ("E&C") Services where he manages the E&C Services and provides support to the relevant business divisions. He joined DIALOG in 2007 as an Electrical and Instrumentation Manager. Previous appointments include Deputy Design Engineering Manager and Deputy Head of Engineering and Construction. In 2013, he was appointed Deputy Director – Major Projects. He holds a Bachelor's Degree in Electrical, Engineering and Computing from Monash University, Australia. He has 22 years of working experience in the oil, gas and petrochemical industry. Prior to joining DIALOG, he was with BASF-PETRONAS Chemicals and Siemens Malaysia in a technical and management role.

**ANDY SOO SENG ONN**

Acting Head of Specialist Products and Services
Malaysian, 51

ANDY SOO SENG ONN was appointed as Acting Head of Specialist Products and Services in July 2019. He joined DIALOG in December 2015 as Head of Upstream Services. He holds a Bachelor of Electrical Engineering from the University of Technology Malaysia. He has more than 29 years of industry experience in field operations, technical support, operations, sales, project management, business development and marketing, and general management with International Oilfield Service Companies such as Halliburton, Western Atlas, Roxar, Weatherford and Baker Hughes. His 8-year stint overseas included Indonesia, Australia, New Zealand and Bangladesh.



MANAGEMENT'S PROFILE

MALAYSIA

**ABDUL RASHID BIN MOHD YUSOFF**

Senior Manager of Finance, Upstream

Malaysian, 54

ABDUL RASHID BIN MOHD YUSOFF is the Senior Manager of Finance – Upstream. He joined DIALOG in September 2012. He holds a Bachelor of Arts Degree in Accountancy from the University of South Australia, Adelaide. He has over 27 years of working experience in the oil and gas industry. He was formerly with Shell Malaysia, Petrofield and MMC prior to joining DIALOG.

JEFFREY GERARD PERERA

Managing Director of DIALOG Innovation Ventures Group of Companies

Malaysian, 65

JEFFREY GERARD PERERA is the Managing Director of DIALOG Innovation Ventures Group of Companies. He joined DIALOG in 2008. He oversees the development and commercialisation of integrated payment technology, systems, services and solutions, especially those related to MyKad use. He holds a Diploma in Banking Studies from the Institute of Bankers, London and has 29 years of working experience with HSBC Malaysia, where his last posting was as Head of Card Business. Prior to joining DIALOG, he ran his own consulting practice after serving as Visa International's Country Manager for Malaysia, Brunei and Guam for 4 years.

**HO KAM YONG, EVELYN**

Chief Executive Officer of DIALOG Digital Ventures

Head of Digital Technology

Acting Head of Group Corporate Communications

Malaysian, 55

HO KAM YONG, EVELYN is the Chief Executive Officer of DIALOG Digital Ventures, Head of Digital Technology, as well as Acting Head of Group Corporate Communications. She joined DIALOG in 2000 as Chief Planning Officer. Previous appointments include Head of Retail Petroleum and Director of Corporate Development in January 2004 and August 2007 respectively. She holds a Master of Business Administration and a Bachelor's Degree in Corporate Finance from University of North Texas, USA. She has more than 27 years of working experience in the development of macro strategies and risk management.

MANAGEMENT'S PROFILE

INTERNATIONAL

**TAN LEK LEK**

Executive Director, Technical
Malaysian, 67

TAN LEK LEK was appointed Executive Director - Technical in February 2016. He joined DIALOG in 1995. He holds a Bachelor's Degree with Honours in Mechanical Engineering from the University of Malaya. He is a member of the Institution of Engineers, Malaysia and the Institution of Engineers, Singapore and is a Registered Professional Engineer in Malaysia and Singapore. He has more than 42 years of multi-disciplinary working experience in construction, commissioning and maintenance of onshore and offshore oil and gas facilities, petrochemical plants, water and waste water treatment plants, both locally and overseas.

LOY AH WEI

Director of Special Functions for Singapore
Singaporean, 73

LOY AH WEI was appointed Director of Special Functions for Singapore operations in September 2012. He joined DIALOG in 1986. He holds a Master of Science Degree from the University of Manchester, United Kingdom. He is a Chartered Engineer and is also registered with the Singapore Professional Engineers Board. He has over 47 years of working experience in the oil, gas and petrochemical industry and was formerly with Mobil and Western Geophysical for 3 years and 5 years, respectively.

**TEO SEOW LING**

Chief Executive Officer, Terminals Business
Singaporean, 49

TEO SEOW LING is the Chief Executive Officer of the Terminals Business. He joined DIALOG in 2017. He holds a Bachelor of Engineering Degree in Mechanical Engineering and a Master of Science Degree in Industrial Engineering from the National University of Singapore. He has more than 21 years of extensive experience in both operations and general management of bulk liquid terminals of which he spent close to 17 years with Vopak where he held a variety of operational and senior management positions. Prior to joining DIALOG, he was the Vice-President of Operations at Singapore LNG Corporation Pte. Ltd. for 2 years.



MANAGEMENT'S PROFILE

INTERNATIONAL

**YOSHIYUKI HIRAOKA**

Managing Director of Dialog OTEC

Japanese, 74

YOSHIYUKI HIRAOKA is the Managing Director of Dialog OTEC since April 2006 through the acquisition of OTEC Holdings Pte Ltd. He holds a Bachelor's Degree in Chemical Engineering from Kogakuin University, Tokyo, Japan. He has over 50 years of working experience in engineering design of petrochemical storage facilities which include LPG, VCM and Butadiene distribution facilities including project management and shop fabrication of vessels and tanks in the oil, gas and petrochemical industry.

RICHARD ELLIS

Managing Director of DIALOG Fitzroy

New Zealander, 46

RICHARD ELLIS is the Managing Director of Dialog Fitzroy, in New Zealand since April 2011 through the acquisition of Dialog Fitzroy Limited (formerly known as Fitzroy Engineering Group Limited). He holds a Bachelor of Technology Degree in Engineering and Automation. He has over 24 years of working experience, 11 years of which were in the automated technology industry assisting the company to establish itself as an international leader in the field. He has extensive experience in project management, contract negotiation and global markets.

**ANDREW LAI**Executive Director of Pacific Advance Composites
Country Manager, Malaysia

Malaysian, 61

ANDREW LAI was appointed Director PT. Dialog Sistemindo in 2000 and Director of Pacific Advance Composites Sdn. Bhd. in 2012. He joined DIALOG in 1986. He is responsible for the business strategy and development of our locally-manufactured FIBERBOND® FRP Piping system as well as specialty products and services covering Asia. In 2017, he was appointed to head the Drilling Fluid Marketing team and subsequently in January 2018, he assumed the portfolio of Country Manager, Malaysia. He has 37 years of working experience in the oil, gas and petrochemical industry.

MANAGEMENT'S PROFILE

INTERNATIONAL

**MIKE NEWMAN**

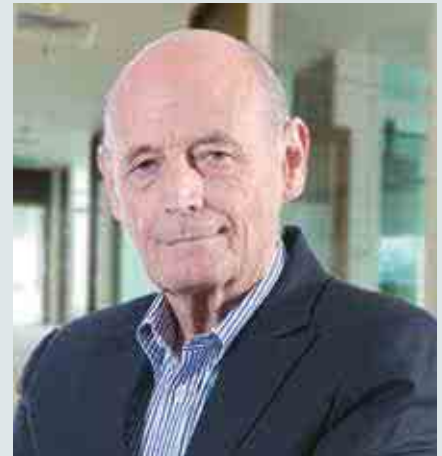
Director of Petroleum Engineering, Upstream Oil and Gas
British, 71

MIKE NEWMAN is the Director of Petroleum Engineering in Upstream Oil and Gas. He joined DIALOG in March 2013. He holds a Bachelor of Science Degree in Chemical Engineering & Fuel Technology from Sheffield University, United Kingdom. He has more than 46 years of experience in the oil and gas industry and has acquired extensive reservoir engineering, field development and project management skills during his lengthy career with Shell International where he held a variety of technical and senior management positions. His global experience spans Europe, Africa, South America, Middle East and South East Asia, and includes some 8 years working for Shell in East Malaysia.

GEORGE BELL

Director of Engineering, Upstream Oil and Gas
British, 75

GEORGE BELL is the Director of Engineering in Upstream Oil and Gas. He joined DIALOG in November 2012. He holds a Bachelor of Science Degree in Mechanical Engineering from Heriot-Watt University, Edinburgh, United Kingdom. He has more than 46 years of experience, of which he was with Shell International for 25 years where he worked on major projects worldwide, holding a variety of technical, project and senior management positions.

**NIGEL JONES**

Director of Geoscience, Upstream Oil and Gas
Australian, 64

NIGEL JONES is the Director of Geoscience in Upstream Oil and Gas. He joined DIALOG in May 2015. He holds a Bachelor of Science Degree in Exploration Sciences from Nottingham University, United Kingdom. He has 38 years of experience, working mostly with independent Australian oil and gas companies in technical and management positions. He has been involved in projects spanning from exploration through development across Australasia, Africa and South East Asia, and most recently, in appraising and developing marginal fields in offshore Malaysia.



MANAGEMENT'S PROFILE

INTERNATIONAL

**STEVEN TEOW YEE**

Country Manager for Singapore
Singaporean, 45

STEVEN TEOW YEE was appointed Country Manager for Singapore in October 2014. He joined DIALOG in 2004. He is also responsible for specialty products and services covering other international locations since 2015. He holds an Honours Degree in Chemical Engineering from the National University of Singapore and a Diploma in Marketing from the Chartered Institute of Marketing, United Kingdom. He has 21 years of working experience in the sales and marketing of specialist products and services.

TAN NGEE MENG

Country Manager for Saudi Arabia
Malaysian, 48

TAN NGEE MENG was appointed Country Manager for Saudi Arabia in June 2013. He joined DIALOG in 2007. He oversees the business operations in that region which consist of specialised industrial services, minor projects, equipment support services and trading services as well as logistics services of a supply base located in the Jubail Commercial Port that serves the offshore oil and gas industry in the Arabian Gulf Region. He has 26 years of working experience in the oil, gas and petrochemical industry in Saudi Arabia.

**VIJAYASEKHARAN N**

Country Manager for U.A.E
Indian, 48

VIJAYASEKHARAN N was appointed Country Manager for U.A.E. in July 2015. He joined DIALOG in 2012. He holds a Diploma in Mechanical Engineering. He has over 30 years of working experience in the fields of engineering fabrication, construction, logistics and supply chain, and sales and marketing of specialist products for the oil and gas sector.

MANAGEMENT'S PROFILE

INTERNATIONAL

**ANDREW COPLAND**

General Manager, DIALOG Services, Australia
New Zealander, 60

ANDREW COPLAND is the General Manager of DIALOG Services in Australia. He joined DIALOG in 1995. He holds extensive inspection qualifications, a Certificate of Quality Assurance from New Zealand and is a Lead Quality Systems Auditor. He has over 33 years of worldwide working experience in a variety of roles in the oil, gas and petrochemical industry.

TIRIN TONGPATANAKUL

Country Manager for Thailand
Thailand, 42

TIRIN TONGPATANAKUL was appointed Country Manager for Thailand in July 2015. He joined DIALOG in 2009. He holds a Bachelor of Engineering (Honours) in Mechanical Engineering from University College London, University of London and has more than 19 years working experience. He currently oversees business operations in Thailand.

**ROKMANHILI BIN ZAKARIA**

Country Manager for Indonesia
Malaysian, 47

ROKMANHILI BIN ZAKARIA was appointed Country Manager for Indonesia in 2017. He joined DIALOG in 1998. Past appointments include Senior Manager, Business Development/Client Representative for business development activities for DIALOG's centralised tankage facility services business. He holds a Bachelor of Science in Chemical Engineering from Purdue University, USA. He has more than 23 years of working experience in the oil, gas and petrochemical industry.





WHAT WE DO

DIALOG's diversified business model is well structured to manage and sustain itself through oil price volatility and currency movements.

UPSTREAM



MIDSTREAM

UPSTREAM ASSETS & SERVICES

DIALOG's involvement in upstream is via investment and the provision of services comprising the following:

- i) 20% participating interest in a Production Sharing Contract ("PSC") for three fields, D35, D21 and J4, located offshore Sarawak, Malaysia up to 2034; and
- ii) The provision of independent technical contractor services to PETRONAS Carigali Sdn. Bhd. via an Oilfield Services Contract ("OSC") up to 2036, to enhance recoverable reserves from the Bayan Field, located offshore Sarawak, Malaysia – through its joint venture, Halliburton Bayan Petroleum Sdn. Bhd. ("HBP").

In August 2019, DIALOG acquired an additional 25% equity stake in HBP, and HBP is now a 75% owned indirect subsidiary of DIALOG.

This is in line with DIALOG's strategy since 2011, to develop its upstream capabilities through the rejuvenation and redevelopment of producing and mature oilfields only. Our upstream activities provide long term recurring income, and added opportunities for DIALOG to participate in other parts of the value chain in the field redevelopment cycle, particularly in the provision of engineering and specialist technical services.

MIDSTREAM ASSETS & SERVICES

DIALOG designs, builds, owns and operates both independent storage and industrial terminals – storing and handling a variety of crude oil, petroleum, Liquefied Natural Gas ("LNG") and petrochemical products. DIALOG's terminal assets comprise the following:

- 2000 – Kertih Terminals Sdn. Bhd.
- 2009 – Dialog Terminals Langsung (1) Sdn. Bhd. and Dialog Terminals Langsung (2) Sdn. Bhd.
- 2014 – Pengerang Independent Terminals Sdn. Bhd.
- 2017 – Pengerang LNG (Two) Sdn. Bhd.
- 2018 – Pengerang Terminals (Two) Sdn. Bhd.
- 2019 – Dialog Terminals Langsung (3) Sdn. Bhd.
- 2021 – Pengerang Terminals (Five) Sdn. Bhd.



WHAT WE DO

D R T S TECH

I H S M N

DOWNSTREAM

I H S M N

As a trusted terminals service provider for the last 20 years, our clients and partners comprise multinational oil majors, national oil companies and international market players.

In addition to petroleum storage terminals, DIALOG also owns a supply base in Jubail, Saudi Arabia, which serves as a one-stop logistics hub and resource centre for oilfield services, equipment and supplies.

Overall, our continued investment in our Midstream operating assets is in line with the Group's long term strategy to increase earnings stability and grow recurring income for the Group.

INTEGRATED TECHNICAL SERVICES

The foundation of DIALOG's business is based upon its extensive experience and solid reputation as a provider of a wide range of integrated technical services across the oil, gas and petrochemical value chain, serving customers locally and the world over. These integrated technical services comprise:

- **Engineering, Procurement, Construction and Commissioning** for oil, gas and petrochemical projects
- **Specialist Products & Services** in collaboration with reputable technology partners
- **Plant Maintenance & Catalyst Handling Services** to refineries and plant operators around the world
- **Fabrication** of machinery and process equipment for plants and upstream production facilities
- **Digital Technology & Solutions** using our proprietary technology to modernise processes and improve efficiency

Our integrated technical services provide the Group with the ability to offer services and solutions across the upstream, midstream and downstream sectors of the oil, gas and petrochemical industry.



OUR BUSINESS MODEL FOR VALUE CREATION

INPUTS

PERFORMANCE	FINANCIAL CAPITAL			
	TOTAL EQUITY FY2018	TOTAL BORROWINGS FY2018	CASH & CASH EQUIVALENTS FY2018	TOTAL ASSETS FY2018
	RM3.6 bil	RM1.6 bil	RM1.3 bil	RM6.4 bil
PEOPLE	INTELLECTUAL CAPITAL	<ul style="list-style-type: none"> >30 years experience servicing the oil, gas & petrochemical industry Established delivery and execution track record Proprietary technology solutions 		
	HUMAN CAPITAL	<ul style="list-style-type: none"> Workforce of >2,900 employees across 9 countries Investing in active recruitment, development and retention of talent 		
	SOCIAL CAPITAL	<ul style="list-style-type: none"> Active engagement with all stakeholders - customers, suppliers, partners, bankers, regulators and government authorities Corporate Social Responsibility initiatives Emphasis on local hiring 		
	MANUFACTURED CAPITAL	<ul style="list-style-type: none"> 10 offices across 9 countries 27 worksites (including fabrication yards) in 7 countries 5 terminals with total capacity of 4.2 million m³ in Malaysia Supply Base in Saudi Arabia 		
	NATURAL CAPITAL AND ENVIRONMENTAL MANAGEMENT	<ul style="list-style-type: none"> Green practices in water and energy use ~1,200 acres of land in Pengerang Deepwater Terminals 		
PLANET				



OUR BUSINESS MODEL FOR VALUE CREATION


D R T S TECH

OIL, GAS & PETROCHEMICAL INDUSTRY

OUTPUTS

ENHANCING SHAREHOLDER VALUE

RETURN ON EQUITY FY2019	NET OPERATING PROFIT FY2019	TOTAL EQUITY FY2019	TOTAL DIVIDEND FY2019
14.7%	RM552.3 mil	RM3.9 bil	RM215 mil

 DIALOG Financial Statements 2019, Management Discussion and Analysis: pages 38 to 58
Economic Performance, Sustainability Report: pages 64 to 65

MARKET LEADERSHIP

- ➔ Leading integrated technical service provider to the oil, gas & petrochemical industry
- ➔ Able to provide services across the oil & gas value chain
- ➔ Competitive advantage

 What We Do: pages 32-33


DIVERSE & MULTI-SKILLED WORKFORCE

- ➔ Talent Development across all levels of the organisation
- ➔ Talent & gender diversity in the workforce
- ➔ Talent retention

 Our People, Sustainability Report: pages 73 to 77
Learning & Development, Sustainability Report: pages 78 to 80

STRONG CONNECTED COMMUNITIES

- ➔ Long established relationships with stakeholders
- ➔ Economic development in our locations of operations
- ➔ Positive social impact in the communities where we operate

 Management Discussion and Analysis: pages 38 to 58, Strategic Alliances: page 58
Corporate Social Responsibility, Sustainability Report: pages 81 to 86

GLOBAL PRESENCE & NETWORK


- ➔ International network of customers and partners
- ➔ Cross-functional and geographical workforce mobility
- ➔ Geographical diversification for the Group

 Global Presence: page 36, Group Corporate Directory: pages 115 to 116

 www.dialogasia.com/worldwide-locations

ENVIRONMENTAL PROTECTION

- ➔ Detailed Environmental Impact Assessments
- ➔ Environmental Management Plans & Environment Monitoring Management Plans
- ➔ SIRIM QAS/IQNET ISO14001 Certifications

 Health, Safety and Environment, Sustainability Report: pages 66 to 72





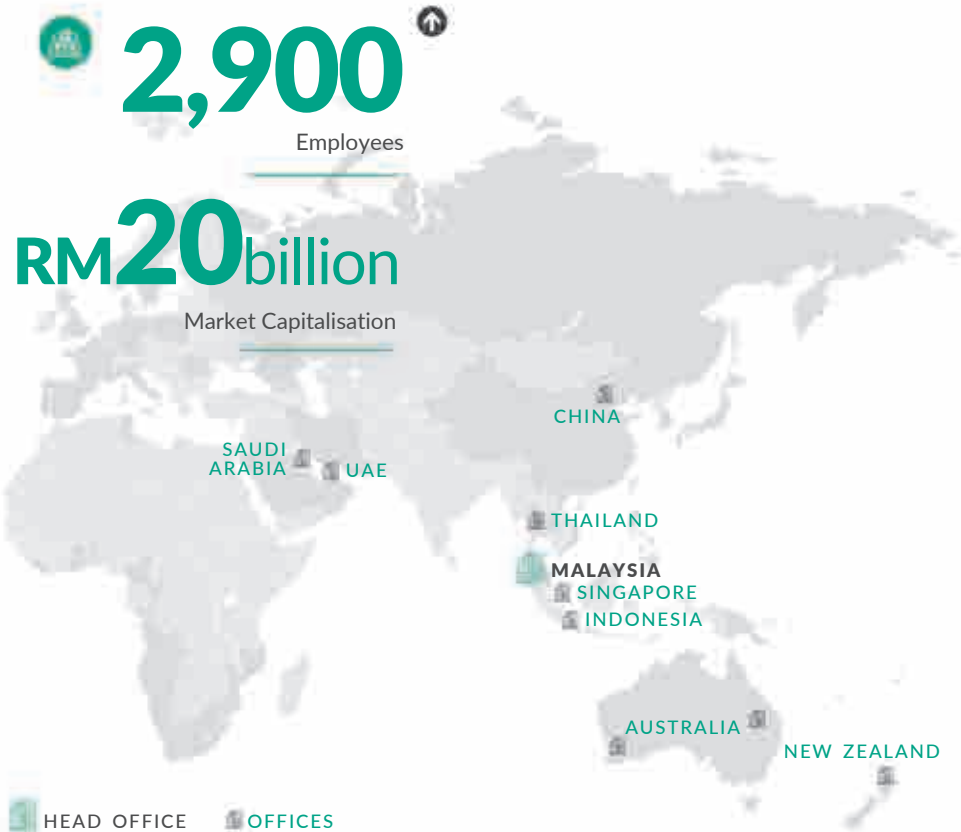
GLOBAL PRESENCE



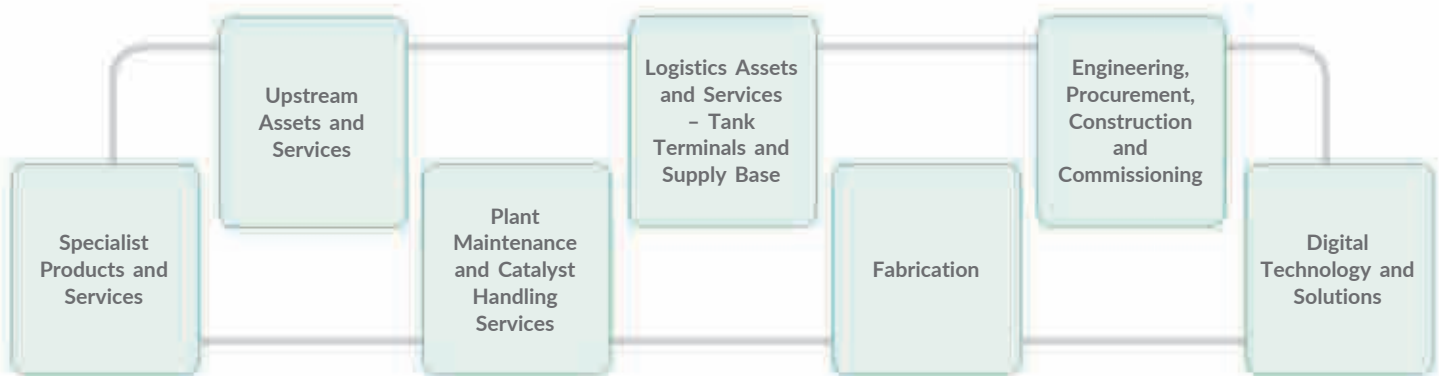
ESTABLISHED IN 1984, DIALOG IS A LEADING INTEGRATED TECHNICAL SERVICE PROVIDER TO THE UPSTREAM, MIDSTREAM AND DOWNSTREAM SECTORS OF THE OIL, GAS AND PETROCHEMICAL INDUSTRY. OVER THE YEARS, DIALOG HAS GROWN FROM STRENGTH TO STRENGTH IN THE INDUSTRY, BOTH ORGANICALLY AND THROUGH STRATEGIC ALLIANCES WITH INTERNATIONALLY RENOWNED TECHNOLOGY PARTNERS.

Headquartered in Kuala Lumpur, DIALOG is truly a global player given the Group's strong and growing presence across nine countries with a staff strength of more than 2,900. DIALOG has offices and facilities in Malaysia, Singapore, Thailand, Indonesia, China, Australia, New Zealand, Saudi Arabia and United Arab Emirates. Such strategic locations bode well for DIALOG as the Group is able to operate from a position of strength in tapping synergistic benefits in readily serving a diverse range of customers that include multinational oil majors, national oil companies as well as multinational engineering and service providers located throughout the world.

DIALOG is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and has a market capitalisation of about RM20 billion as at September 2019. DIALOG was included into the FTSE Bursa Malaysia KLCI on 18 June 2018.



Throughout the industry, the Group is highly regarded and respected as a trusted and dependable provider of comprehensive services that encompass:



Group Corporate Directory: pages 115 to 116
www.dialogasia.com/worldwide-locations

MANAGEMENT DISCUSSION AND ANALYSIS

038	Statement from The Group's Chief Operating Officer
042	Financial Performance Review
044	Key Performance Indicators
045	5-Year Financial Summary
046	FY2019 Review of Operations
052	Awards and Achievements
054	Key Risks and Opportunities
058	Strategic Alliances

*Berth at Jetty-2
Pengerang Deepwater Terminals Phase 2*




MANAGEMENT DISCUSSION AND ANALYSIS

STATEMENT FROM THE GROUP'S CHIEF OPERATING OFFICER



Despite market volatility, FY2019 has been another good year for DIALOG. The Group witnessed several significant business highlights such as delivery of key projects, securement of term contracts and some outstanding achievements, details of which are in the 'Review of Operations' section.

Unfortunately, this year has also witnessed a lowlight in our Operations. We regret to report that a fatality was recorded this year in the Pengerang Deepwater Terminals ("PDT") Phase 1E expansion project. Following a thorough investigation of the incident, we have further strengthened and enhanced our Health, Safety and Environment ("HSE") practices to avoid a recurrence (please refer to the Sustainability Report for details on our HSE exercises). We continue to reinforce our commitment to Our People's safety via rigorous campaigns, and leveraging on technology and digitisation aids in managing operational risks. HSE is a paramount consideration in all we do and remains our top priority.

 Health, Safety and Environment, Sustainability Report: pages 66 to 72

Ongoing operations at Pengerang Independent Terminals Sdn. Bhd. ("PITSB") is currently being expanded by 430,000 m³ of storage capacity and is expected to be fully operational in Q1 FY2020.

This year, we have successfully completed the Engineering, Procurement, Construction and Commissioning ("EPCC") works with a total of 24.2 million safe man-hours, without any Loss Time Injury nor Fatality and commenced operations at PDT Phase 2A ("PDT2A"). PDT2A is a dedicated Industrial Terminal for the Refinery and Petrochemical Integrated Development ("RAPID") Complex. It handles, stores and distributes petroleum and petrochemical products, with a storage capacity of 1.3 million m³. The Terminal provides deepwater jetty facilities with 12 berths capable of handling Very Large Crude Carriers ("VLCC") and Liquid Natural Gas ("LNG") vessels up to Q-Max size.



MANAGEMENT DISCUSSION AND ANALYSIS



**MUSTAFFA KAMAL
BIN ABU BAKAR**
Chief Operating Officer



MANAGEMENT DISCUSSION AND ANALYSIS

DIALOG HAS BEEN ACTIVELY PURSUING PLANT MAINTENANCE AND SERVICES OPPORTUNITIES

PDT Phase 3 (“PDT3”), a 300-acre development of common tankage facilities including shared infrastructure and deepwater marine facilities, will support and augment petroleum and petrochemicals storage and handling in the tank terminal business. During the financial year under review, the Group entered into a Long-Term Storage Agreement (“LTSA”) with BP Singapore Pte. Limited (“BPS”). The Group will develop, build and operate storage tanks with a capacity of 430,000 m³ for clean petroleum products and provide long term storage services to BPS, with the commissioning date expected in mid-2021.

With the completion of PDT Phase 2 and near completion of the RAPID complex, DIALOG has been actively pursuing plant maintenance and services opportunities. The Group has been awarded a 5-year Groupwide Master Service Agreement (with the option to extend) by PETRONAS for Integrated Turnaround Main Mechanical & Maintenance Mechanical Static. This long-term contract enables us to continue to develop and enhance the competency of our workforce and maintain our competitiveness in the industry, while driving towards our mission of sustaining growth for the Group. In FY2019, the division has completed sizeable plant turnaround works in Malaysia, Indonesia and Singapore.

Meanwhile, in the Upstream sector, the Group is focused on Production Enhancement and Redevelopment activities at both the Bayan and D35/J4/D21 Fields, in fulfilment of the Oilfield Services Contract (“OSC”) and Production Sharing Contract (“PSC”) respectively. In line with the Group’s strategy of generating long term recurring income, the OSC and PSC have remaining terms of 17 and 15 years respectively. Moving forward, the Group will continue to assess and evaluate potential producing and mature assets.

On the technology front, our DIALOG Innovation Ventures (“DIV”) pro-actively collaborates with other Business Units on new digital applications to enhance existing systems and work procedures, with the aim of managing our operations in a safe, efficient and reliable manner.

Moving forward, we remain committed to continuous improvements and initiatives focusing on Integrity, HSE, Quality, Competency and Excellence. We are confident that these will provide a solid foundation for the Group to be recognised as a leading integrated technical service provider for the oil, gas and petrochemical industry.

The Group will develop, build and operate storage tanks with a capacity of

430,000 m³

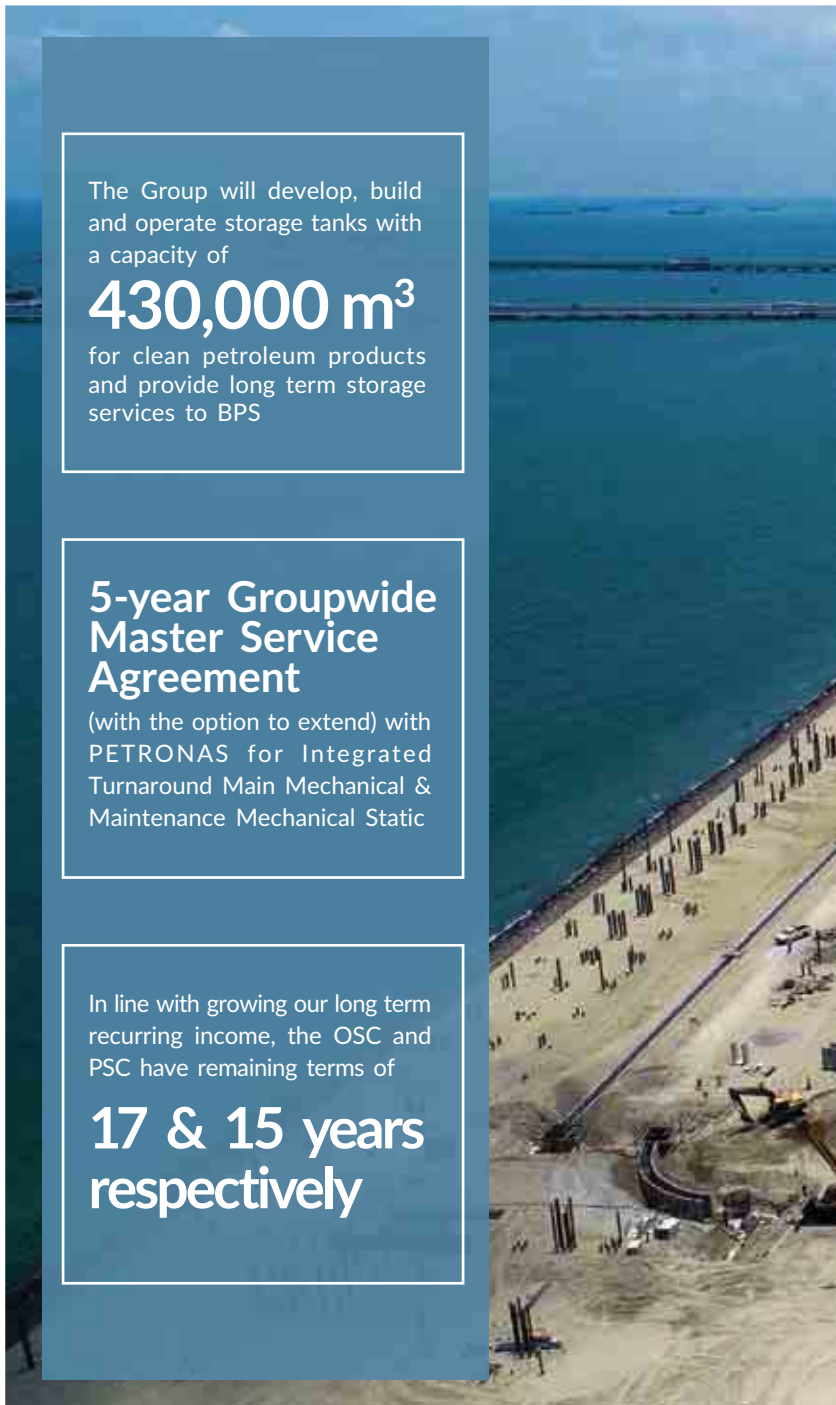
for clean petroleum products and provide long term storage services to BPS

5-year Groupwide Master Service Agreement

(with the option to extend) with PETRONAS for Integrated Turnaround Main Mechanical & Maintenance Mechanical Static

In line with growing our long term recurring income, the OSC and PSC have remaining terms of

17 & 15 years respectively



 Health Safety and Environment, Sustainability Report: pages 66 to 72
Learning & Development, Sustainability Report: pages 78 to 80

MANAGEMENT DISCUSSION AND ANALYSIS



Pengerang Deepwater Terminals Phase 3



FINANCIAL PERFORMANCE REVIEW



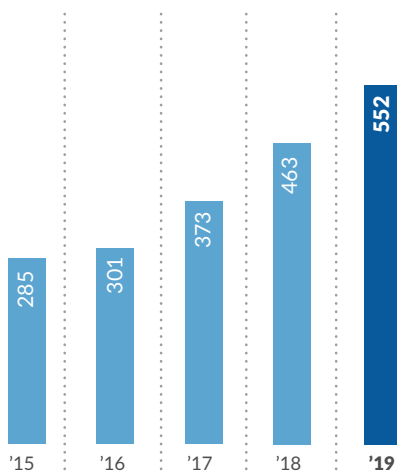
For the financial year ended 30 June 2019, the Group delivered another strong financial performance with Profit After Tax (“PAT”) rising by 19.4% to RM552.3 million from RM462.7 million. The PAT for FY2018 excluded a fair value gain on deemed disposal of a joint venture in September 2017 that amounted to RM65.6 million.

The strong financial performance achieved in the current financial year was mainly contributed by the Malaysian operations which saw better performances delivered by the midstream and downstream activities in particular from the engineering, construction and plant maintenance activities undertaken in various projects.

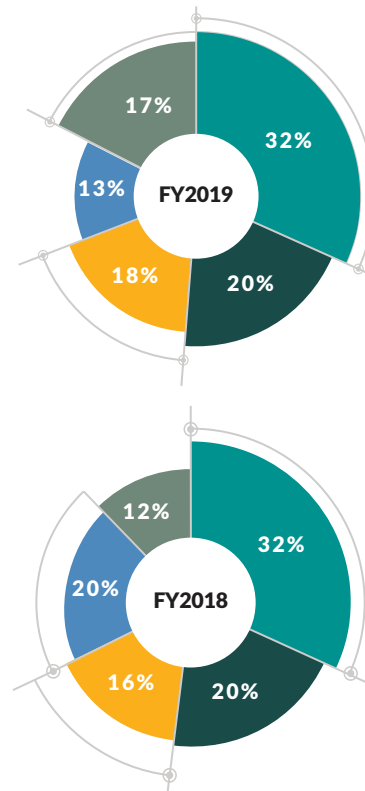
On the International front, the net profit contribution for the current financial year was slightly lower generally due to reduced margins as a result of the challenging market and intense competition.

The Group’s joint ventures and associates contributed higher net profit by 39.5% during the financial year under review. This was mainly contributed by Pengerang Terminals (Two) Sdn. Bhd., a joint venture of the Group, which began its commercial operations during the year. In addition, Pengerang LNG (Two) Sdn. Bhd., an associate of the Group, contributed a full year of operations in FY2019 versus eight months’ operations in FY2018.

Profit After Tax (RM'million)



TOTAL ASSETS



- Investments in Joint Ventures and Associates
- Property, Plant and Equipment
- Trade and Other Receivables
- Cash and Bank Balances
- Other Assets

The Group’s total assets stood at RM6.71 billion as at 30 June 2019, representing an increase of RM344.5 million (5.4%) from RM6.37 billion last year.

Investment in Joint Ventures and Associates

The Group’s investments in joint ventures and associates as at 30 June 2019 increased by RM94.3 million or 4.6% to RM2.14 billion. During the financial year, the Group increased its investment in Pengerang Independent Terminals Sdn. Bhd. (“PITSB”) by RM146.0 million. This additional investment in PITSB was for its 430,000 m³ Phase 1E expansion.

This increase was however offset by partial redemption of redeemable preference shares in Pengerang LNG (Two) Sdn. Bhd. amounting to RM73.3 million.

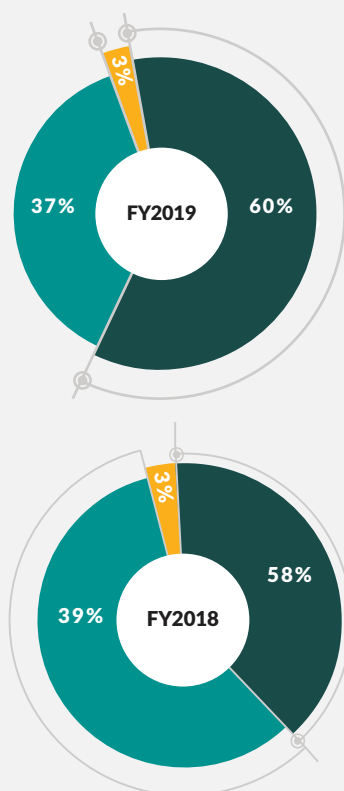
FINANCIAL PERFORMANCE REVIEW

Cash and Bank Balances

During the year, the Group spent RM326.0 million on its continual investments in Pengerang Deepwater Terminals, specifically Phase 1E expansion and Phase 3 new development projects. In addition, we also spent RM114.0 million on our upstream developments for the Production Sharing Contract at D35, D21 and J4 Oil Fields at Bintulu, Sarawak. Total dividend paid during the year amounted to RM186.1 million.

With the cash outflows above, the Group's cash and bank balances as at 30 June 2019 was lower by 30.1% at RM884.4 million, compared with RM1.26 billion a year ago.

TOTAL LIABILITIES



- Borrowings
- Trade and Other Payables
- Other Liabilities

The Group's total liabilities as at 30 June 2019 was RM2.80 billion or 1.3% higher against RM2.77 billion a year ago.

Capital Management

The primary objective of the Group's capital management strategies is to maintain a strong capital base, a good credit rating and healthy capital ratios to support its businesses and maximise its shareholders' value. The Group does this by using various methods including new share issuances, share buybacks, cash and share dividends, and debt financing. DIALOG's stated dividend policy is a payout ratio of at least 40% of profit attributable to owners of the parent for each financial year.

The Group monitors capital utilisation on the basis of its net debt to equity ratio. The net debt to equity ratio as at 30 June 2019 and 30 June 2018 are as follows:

	2018 RM'000	2019 RM'000
Borrowings	(1,610,294)	(1,674,363)
Less: Cash and bank balances	1,264,966	884,403
Net borrowings	(345,328)	(789,960)
Total equity attributable to shareholders	3,500,941	3,791,232
Net debt to equity ratio	0.10	0.21

Total equity attributable to shareholders rose by RM290.3 million primarily contributed by profits for the financial year, offset by dividend payments made during the financial year.

Capital Commitments

As at 30 June 2019, the Group's total capital commitments approved for property, plant and equipment was RM27.0 million, of which RM17.5 million has been contracted but not provided for.

In addition, the Group had capital commitments approved for its tank terminal business amounting to RM1.4 billion. This commitment mainly relates to the Group's investments in the Pengerang Deepwater Terminals Phase 3 development.

In the upstream sector, the capital commitments as at 30 June 2019 was RM74.3 million, mainly for the Field Development Plan activities under the D35/J4/D21 Production Sharing Contract.



DIALOG Financial Statements 2019



Investors Segment, www.dialogasia.com



KEY PERFORMANCE INDICATORS

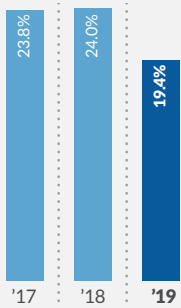


DIALOG'S Key Performance Indicators ("KPIs") measure the Group's success in maintaining value through sustainable earnings growth, driving business excellence as well as its ability to operate safely and effectively. The Group continually monitors and, when necessary, revises these targets to take into account refinements in the Group's strategy.

FINANCIAL KPIs

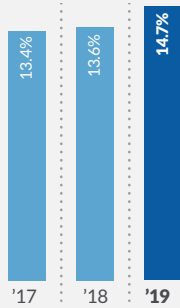
Earnings Growth

Double digit growth*



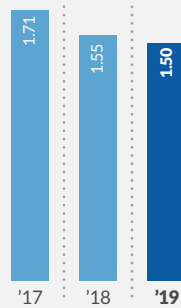
Return on Equity

A minimum of 12% returns*



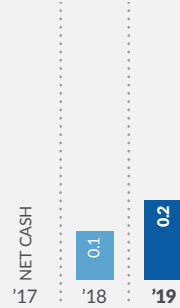
Current Ratio

Maintain 1.50 and above



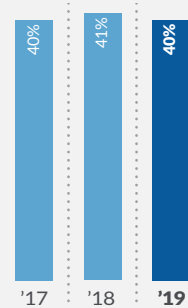
Net Gearing

Maintain at 0.5 and below



Dividend Payout

Minimum 40% payout ratio*



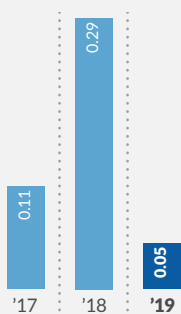
* The computation for FY2018 KPIs excluded RM65.6 million fair value gain recorded on a deemed disposal of a jointly controlled entity.

DIALOG Financial Statements 2019

NON-FINANCIAL KPIs

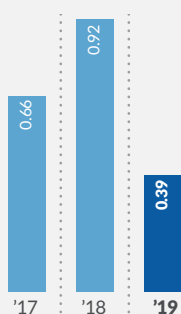
Health & Safety- Lost Time Injury Rate

Not exceeding 0.15**



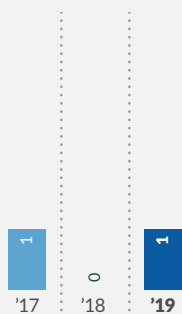
Health & Safety- Total Recordable Injury Rate

Not exceeding 0.58**



Health & Safety- Fatality

Zero fatality**



Quality Assurance/ Quality Control

Zero non-conformance



** The details are set out in the Sustainability Report.

Sustainability Report: pages 60 to 86
Quality Assurance and Quality Control: pages 52 to 53

5-YEAR FINANCIAL SUMMARY

KEY FINANCIAL RESULTS (RM' million)	2015	2016	2017	2018	2019
Revenue	2,358	2,534	3,393	3,111	2,386
Profit before tax	370	369	449	628	653
Profit after tax	285	301	373	528	552
Non-controlling interest	(10)	(6)	(2)	(18)	(16)
Profit attributable to shareholders of the Company	275	295	371	510	536
ASSETS (RM' million)					
Non-Current assets					
Property, plant and equipment	583	583	584	1,297	1,304
Investments in joint ventures and associates	933	1,291	1,962	2,043	2,138
Others	225	472	512	658	1,053
Total Non-Current Assets	1,741	2,346	3,058	3,998	4,495
Current assets					
Trade and other receivables	876	705	770	768	927
Cash and bank balances	866	944	1,425	1,265	884
Others	150	141	564	334	404
Total Current Assets	1,892	1,790	2,759	2,367	2,215
TOTAL ASSETS	3,633	4,136	5,817	6,365	6,710
EQUITY AND LIABILITIES (RM' million)					
Equity attributable to shareholders of the Company					
Share capital	509	527	1,601	1,684	1,684
Treasury shares	(4)	(4)	(4)	(4)	(4)
Reserves	1,475	1,891	1,514	1,820	2,111
	1,980	2,414	3,111	3,500	3,791
Non-controlling interests	67	69	81	99	117
TOTAL EQUITY	2,047	2,483	3,192	3,599	3,908
Liabilities					
Non-Current Liabilities					
Borrowings	594	713	1,009	1,233	1,318
Others	4	5	6	6	5
Total Non-Current Liabilities	598	718	1,015	1,239	1,323
Current liabilities					
Trade and other payables	672	740	1,146	1,075	1,050
Borrowings	265	162	415	378	356
Others	51	33	49	74	73
Total Current Liabilities	988	935	1,610	1,527	1,479
TOTAL LIABILITIES	1,586	1,653	2,625	2,766	2,802
TOTAL EQUITY AND LIABILITIES	3,633	4,136	5,817	6,365	6,710
Financial Ratios					
Earnings Growth (%)	24.7	5.6	23.8	24.0	19.4
Return on Equity (%)	15.5	13.4	13.4	13.6	14.7
Current Ratio	1.91	1.92	1.71	1.55	1.50
Net Gearing Ratio	NET CASH	NET CASH	NET CASH	0.1	0.2
Dividend Payout (%)	41	40	40	41	40
Share Information					
Earnings per share (sen)	5.54	5.70	6.88	9.06	9.50
Dividend per share (sen)	2.20	2.20	2.65	3.20	3.80
Net assets per share (sen)	39.8	46.7	57.8	62.1	67.2
Number of ordinary shares ('million)	5,083	5,269	5,592	5,642	5,642

FY2019 REVIEW OF OPERATIONS

I H S M N D R T S TECH

MALAYSIA

All three upstream, midstream and downstream sectors contributed strongly to our Malaysian operations in FY2019.

With 1.3 million m³ storage capacity, Pengerang Independent Terminals Sdn. Bhd. ("PITSB") blends and distributes crude and petroleum products for oil majors and traders in the region. Phase 1E, an expansion of 430,000 m³ capacity which will be ready by Q1 FY2020, remains a top priority in our commercial efforts within a competitive market.

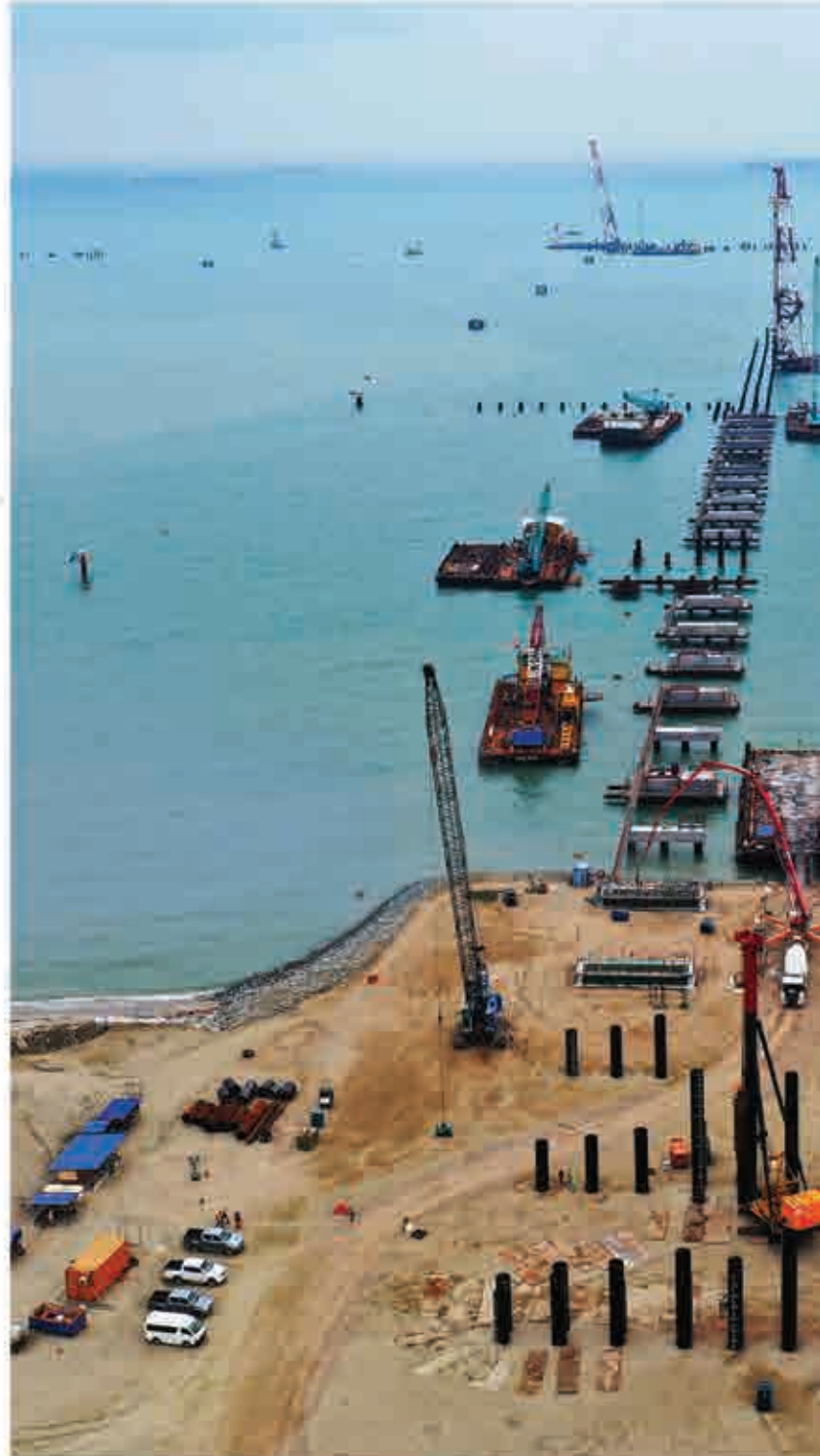
Pengerang Terminals (Two) Sdn. Bhd. ("PT2SB") which is a dedicated industrial terminal handling petroleum and petrochemical products for RAPID complex, with long term 25-year contracts, started operations progressively from September 2018.

Pengerang LNG (Two) Sdn. Bhd. ("PLNG2"), introduced new services for LNG vessels, such as Gas Up Cool Down ("GUCD") services during the financial year. The first GUCD service was carried out in April 2019.

Phase 3 of Pengerang Deepwater Terminals ("PDT3") is an ongoing development of dedicated petroleum and petrochemical storage terminals. Upon completion, PDT3 will be a one-stop integrated terminal that offers Port and Marine Operations, Storage Tank Terminals and Common Facilities including deepwater jetty facilities, integrated berth planning, cargo handling, interconnecting pipelines across PDT, multi product storage, integrated infrastructure solutions and shared third party utilities and services. In summary, PDT3 offers a 'plug and play' concept to our clients, facilitating easy set up for customers and investors. Furthermore, PDT3 will support downstream operations within the Pengerang Integrated Petroleum Complex.

In line with DIALOG's development plans for Phase 3, Pengerang Terminals (Five) Sdn. Bhd. ("PT5"), an indirect wholly-owned subsidiary company, has entered into a Long Term Storage Agreement ("LTSA") with BP Singapore Pte. Limited ("BPS"). Pengerang CTF Sdn. Bhd. ("PCTF"), another indirect wholly-owned subsidiary of DIALOG, will undertake the development of common tankage facilities including shared infrastructure and Jetty 3. Construction of the Phase 3 tankage facility commenced in May 2019.

PT5 will develop, build and operate storage tanks of 430,000 m³ capacity for clean petroleum products, and provide storage services to BPS as the long-term customer, with commissioning date expected in mid-2021.





Piling work for Jetty 3, Pengerang Deepwater Terminals Phase 3



We have successfully secured a new customer for **171,000 m³** of MOGAS tanks commencing end-July 2019.

All marine services within PDT are managed by Pengerang Marine Operations Sdn. Bhd. ("PMOSB"). For FY2019, PMOSB handled 532 vessels in PDT with total throughput of 15.7 million metric tonnes ("MT"). In its almost 6 years of operations, PMOSB has received more than 2,100 vessels with throughput of more than 60 million MT, inclusive of 26 Very Large Crude Carriers ("VLCC") and 38 LNG vessels.

To safeguard our marine operations, PMOSB has established a Marine Auxiliary Police team providing round-the-clock marine security coverage and protection for all stakeholders in PDT.

Meanwhile, in our DIALOG Terminals Langsat ("DTL") we successfully secured a new customer for 171,000 m³ of MOGAS tanks commencing end-July 2019. In addition to this, the refurbishment of DIALOG Terminals Langsat (3) ("DTL3") is progressing well, with 58,000 m³ commissioned in Q1 FY2020 and a further 60,000 m³ in Q2 FY2020.

As part of our operational improvement initiatives, we also developed and introduced the Terminals Operability, Reliability, Environmental, Safety ("TORES") audit system to regularly assess the level of our terminal operations performance. The inaugural TORES audit was conducted for DTL earlier this year and scored 92.2% on the back of its excellent operations.

Meanwhile in our Downstream sector, Engineering & Construction ("E&C") division remained busy with the major projects in PDT, Terminal Refurbishment and Modification Works for DTL3 and Structural, Mechanical, Piping, Electrical and Instrumentation works for the Arkema KR2 Expansion Project.

The Fabrication division recorded lower activity this year owing to completion of major projects and a reduction of activities in the wider market. Apart from external projects, the Fabrication division supports other divisions such as Plant Maintenance and E&C.



FY2019 REVIEW OF OPERATIONS



Pengerang Deepwater Terminals Phase 2

The business environment for the Fiberglass Reinforced Plastic (“FRP”) division is getting progressively more challenging, with stiffer competition from commodity products. Nonetheless, the division continues to develop trade skills, improve competency and enhance understanding of customer needs. During FY2019, the division secured jobs from new clients such as Sembcorp Marine Singapore and Arkema Chemical Plant.

Specialist Products and Services (“SPS”) Malaysia is the Group’s trading arm for specialty products and services for oil and gas, petrochemical and refinery markets. In FY2019, SPS Malaysia recorded growth in revenue compared to the previous year, contributed mainly by higher sales in digital and automation solutions. In line with Industry 4.0 initiatives, SPS Malaysia is targeting to expand market share in the Upstream, Downstream and Power Plant sectors, focusing on Digitalisation and Automated Control Systems in partnership with Honeywell. The division also continues to supply drilling fluid, catalysts, valves and compressor blowers to major oil and gas companies in Malaysia.

It was a busy year for our Plant Services division, which provides a wide range of maintenance, shutdown, plant turnaround and specialist services for refineries, petrochemical, gas and chemical industries. These include routine and non-routine maintenance, emergency repairs, plant revamp and rejuvenation.

Besides ongoing Long Term Service Agreements (“LTSA”) with PETRONAS, Malaysia Refining Company (“MRC SB”), BASF PETRONAS Chemicals (“BPC”) and PETRONAS Chemicals Group Berhad (“PCGB”), the division successfully secured six new LTSA from various clients, including a 5-year Groupwide Master Service Agreement for Integrated Turnaround Main Mechanical & Maintenance Mechanical Static from PETRONAS. In FY2019, it executed turnaround works for PETRONAS Chemical Fertiliser Kedah (“PCFK”), PETRONAS Chemical Aromatics Sdn. Bhd. (“PCASB”) and BPC Aroma Complex.

The division recorded another achievement by securing its first EPCC job from PETRONAS Gas Berhad (“PGB”) for Plant Rejuvenation works in Gas Processing Santong, which will be completed in Q1 2021. With the promising business outlook, Plant Services is diligently building up its resources, including growing its core team with multidisciplinary capabilities, while continuing to invest in machinery, facilities and technologies to meet market demand.

On top of plant maintenance expertise, the division also provides services for commissioning and maintenance of catalytic reactors, vessels and columns. Our Catalyst Handling Services team has completed 3 loading projects at RAPID. We are currently expanding to cater for work that is expected to be generated from the RAPID project.

FY2019 REVIEW OF OPERATIONS

Catalyst Handling Services continues to leverage on its strength and experience to grow throughout the region including Indonesia and Australia. In Australia, we moved beyond our core business of Catalyst Handling to include flushing and pigging of pipelines.

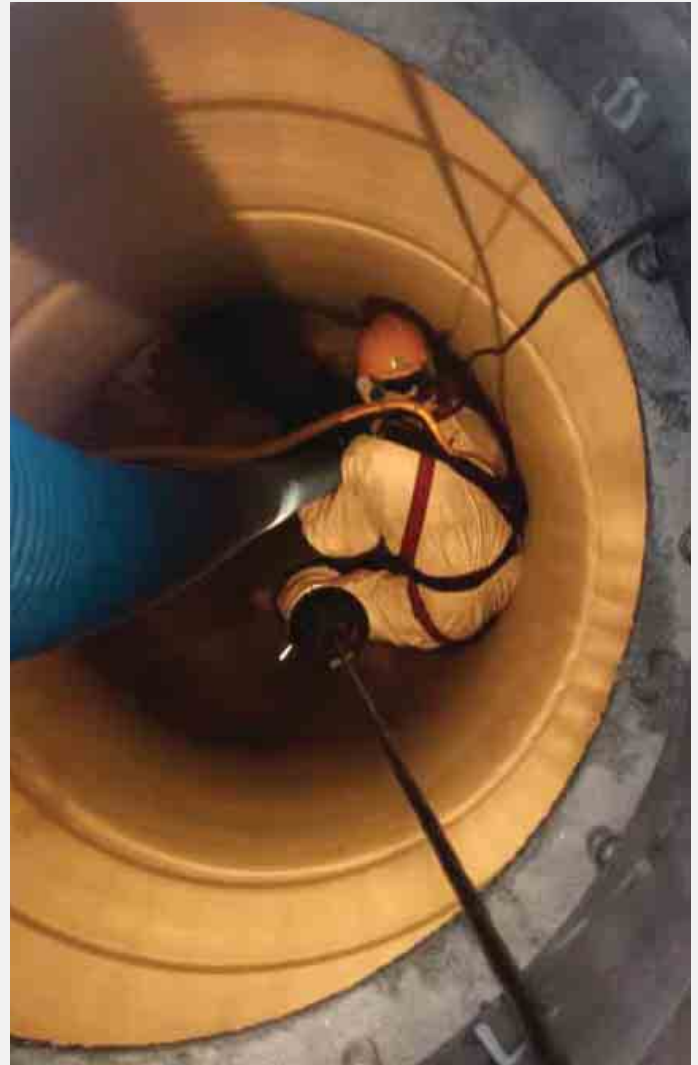
Meantime in the Upstream sector, DIALOG's Upstream Ventures division recorded higher revenue compared to the previous year, contributed from higher oil prices and increased activities in upstream services. FY2019 saw rigorous Production Enhancement and Development initiatives for both the Bayan Oilfield Services Contract ("OSC") and D35/J4/D21 Production Sharing Contract ("PSC").

Preparation works for Bayan Oil Redevelopment Projects and Bayan Redevelopment Project Gas Phase 2 are progressing as scheduled which will enhance the production of oil and gas in the near future.

For D35/D21/J4 PSC, the ongoing development campaign of infilled wells have begun to show favourable results and is expected to steadily increase average annual production in FY2020.

DIV Services ("DIV"), the digital arm of the Group, sees bright prospects given the growing trend in digitalisation. It continues to nurture in-house expertise in the development of new technologies and automation solutions that modernise processes and improve the Group's efficiency and productivity. Examples of these solutions include various software applications and tools that are used across DIALOG's operations, such as:

- Asset Management Systems ("AMS") – to capture data and manage the Group's assets;
- DIALOG Intelligent Planning Systems ("DIPS") – tools used to manage Turnaround and Maintenance planning and execution;
- Welding Control Systems ("WCS") – tools for welding tracking works;
- Oil & Stock Information System ("OASIS") – to manage the inventory of tank terminals; and
- Corporate & Productivity Solutions – Enterprise Resource Planning ("ERP"), Human Resource Management System ("HRMS"), Integrated Document Management System ("iDocs"), Facilities Management System ("FMS") and others.



A DIALOG technician loading catalyst under confined space conditions

Besides supporting the Group, DIV continues to provide cashless payment solutions to support its fintech services, with focus in the areas of welfare, education and waste recycling. Following Bank Negara Malaysia's approval of DIV's e-Money licence in October 2016, DIV has expanded its e-money programme by offering consumers an e-wallet account for payments of goods and services. Moving forward, DIV plans to introduce more innovative mobile payment and financial services to tap into an increasingly affluent and technology-savvy segment of consumers.



FY2019 REVIEW OF OPERATIONS

INTERNATIONAL

Singapore-based OTEC is an established Engineering Procurement & Construction (“EPC”) Contractor that provides infrastructure and maintenance services in Singapore and the Southeast Asian region. Despite the very competitive business climate in FY2019, OTEC successfully secured significant projects through competitive pricing and an impeccable track record.

In FY2019, OTEC secured several projects in Singapore including its largest External Floating Roof Tank to date of 102 m diameter for ExxonMobil, a large piping module fabrication on Vopak Sebarok Island, and our first tank upgrading contract from Oiltanking Singapore. The company also clinched a significant Large Cooling Water Pipe Intake fabrication project for Mitsui E&S Engineering Co. Ltd., in Central Java, Indonesia.



Pigging and cleaning activities, Gas flow lines, Moomba, South Australia

OTEC has a Philippines Contractors Accreditation Board licence to engage in construction activities and has completed a Vinyl Chloride Monomer Sphere Tank for JNC Engineering Co. Ltd. in the Philippines.

Apart from Engineering & Construction (“E&C”) services, other business activities in Singapore are plant maintenance and sales of specialty products such as catalyst and chemicals to international oil and gas companies. This year saw the execution and completion of turnaround in Singapore for the Shell Jurong Island Ethylene Oxide Glycol (“EOG”) Plant.

DIALOG’s Indonesia team continues to focus on marketing of Specialist Products and Services (“SPS”) such as the supply of drilling base oils, catalysts and production chemicals to upstream operators in Indonesia. Clients we have served to date include Pertamina, Exxon-Mobil, Medco Group, Conoco-Phillips and ENI. The team also provides plant maintenance and catalyst handling services to oil, gas and petrochemical plants in Indonesia. We successfully completed our first turnaround services in Pertamina Refinery Unit VI at Balongan, Indramayu in August 2018.

Similarly, in Thailand, our local trading arm is actively supplying SPS to the oil, gas and petrochemical industry there. During the year under review, the team secured a Long Term Supply contract with PTTEP for supply of offshore drilling fluid. They also sealed a Long Term Supply Agreement with Chevron Thailand & PTTEP Offshore for catalyst supply, which will provide long term recurring income to the Group.

Our Fabrication division in New Zealand and Australia under Dialog Fitzroy Limited (“DFL”) (formerly known as Fitzroy Engineering Group Limited) had a successful year, highlighted by the business growth in Australia. Dialog Fitzroy Australia Pty Ltd (formerly known as Fitzroy Engineering Australia Pty Ltd) (“DFA”) focused on growth of recurring income opportunities in tower maintenance to the power transmission sector. DFA also had a breakthrough opportunity with successful provision of “fast turnaround” heat exchanger refurbishment services to a major Australian energy provider.

DFL was involved in a sizeable number of successful plant shutdown and turnaround projects during the financial year under review. It is also involved in non-oil and gas sectors such as the pharmaceuticals industry through provision of E&C services. The division is continuously exploring viable opportunities and ensuring sustainability of the business.

FY2019 REVIEW OF OPERATIONS



Headquarters Audit team visit to DJSB

Separately in the Australia SPS business, we saw increased sales of drilling base fluid as a response to the increase in drilling activities. Our catalyst handling services team has widened their portfolio by offering flow line cleaning alongside ongoing catalyst handling activities around Australia.

Similarly, in New Zealand, the SPS division also performed well. A revival of both onshore and offshore drilling activities in existing permits has resulted in sales of drilling fluid used in fields operated by Todd Energy, Greymouth Petroleum and Tamarind.

The Middle East and South Asia SPS teams continued to hold on to its key market for the year under review specifically for base oil supply in Oman and India.

As for Saudi operations, Dialog Jubail Supply Base Co. Ltd. ("DJSB") continues to support international oil and gas companies in the Arabian Gulf such as Subsea7, McDermott, Dynamic Industries and COOEC. These clients are currently serving a Saudi Aramco Long Term Agreement ("LTA") for upgrade of various offshore projects in the Arabian Gulf specifically for Hasbah, Safaniyah and Berri Oil Fields.

In FY2019, DJSB recorded 1,439 vessel calls, the highest since operations began. To meet higher market demand, DJSB has secured an additional 20,000 m² of open yard storage within Jubail Commercial Port.

DIALOG Services Saudi Arabia Co. Ltd. ("DSSA") continues to focus on specialised plant services to major plants in Saudi Arabia such as SABIC, Saudi Aramco, Total-Aramco, Dow Chemicals and Saudi Chevron.



AWARDS AND ACHIEVEMENTS



QUALITY ASSURANCE AND QUALITY CONTROL

DIALOG takes pride in meeting customer needs by delivering products and services of the highest quality, utilising the latest inspection techniques and technologies.

Our quality standards are continually updated and improved through uncompromising compliance with regulatory and statutory standards.

The Group is committed to consistently maintaining its Quality Management System (“QMS”) to ISO 9001:2015 by identifying lessons learned and ensuring that risks that could affect product and service quality are identified and addressed.

DIALOG also diligently maintains the quality certifications of its subsidiaries. All ISO9001 certified organisations have successfully completed transition audits to the latest QMS and are ISO 9001:2015 compliant.

The previously established Quality Steering Committee supports and strengthens DIALOG Group Management and Quality Assurance and Quality Control (“QAQC”) in ensuring the effectiveness of the quality management system by sharing and analysing critical data related to quality performance indicators that are relevant to the Group. This dovetails with our commitment to the highest standards of quality throughout Group operations.

Currently, DIALOG through its subsidiaries is certified with the following:

- a) ISO 9001:2015 Certification
- b) ISO/TS 29001:2010 Certification
- c) American Society of Mechanical Engineers Certificates of Authorisation for “U”, “U2”, & “S”
- d) National Board Certificate of Authorisation for “NB” and “R”
- e) Certificate of Manufacturing Assessment for Fibreglass Reinforced Plastic products (Product Type Approval)

AWARDS AND ACHIEVEMENTS

**THE TOP 3 KEY ACTIVITIES IN FY2019:**

Group QAQC successfully issued and approved an Integrated Quality Manual and Quality Policy to replace individual QMS for our Malaysian business units. The next step is to standardise the QMS including form sheets, while maintaining the Standard Operating Procedures (“SOPs”) for individual business units.

The Group has established a standardised monthly reporting and document control system in SharePoint. It is in the process of being rolled out for all new projects. Power BI is used to extract data from site registers for ease of reporting.

The Quality Team in Pengerang received a Focused Recognition award from PETRONAS for our excellent quality performance in Pengerang Deepwater Terminals Phase 2.

Key activities targeted for FY2020:

The vision for FY2020 is to transform the Group QAQC structure to ensure smooth and consistent support to all subsidiaries through manpower and technical and IT support. Merging the ISO certifications of the Malaysian businesses is the Group’s next step in establishing a uniform and standardised QMS.

Two areas were identified for expansion and improvement, namely, painting and welding support. The intention is to acquire specialist support to:

- Review current DIALOG paint systems and make recommendations for improvements; and
- Consolidate current Welding Procedure Specifications (“WPS”) and Procedure Qualification Record (“PQR”) databases among the different business units and establish a corporate database.

Gaps will be identified by means of audits and trend analysis, and required training conducted to improve competency of personnel both at headquarters and at the respective project sites.



KEY RISKS AND OPPORTUNITIES

BUSINESS RISKS, MITIGATING CONTROLS AND OPPORTUNITIES ARISING

DIALOG's strong risk culture and effective risk management strategies enable the Group to effectively manage our risk exposure during operations. Key operational risks and their mitigating controls, together with the opportunities arising that form the basis of our core strategies are summarised in the following table. The Group's capital and financial risks are reported in the Notes to DIALOG's Financial Statements.

Capital and Financial Risk Management, DIALOG Financial Statements 2019: pages 81 to 85

KEY RISKS	DESCRIPTION	IMPACT
<div data-bbox="282 740 365 825"></div> <p data-bbox="211 836 436 889">HEALTH, SAFETY AND ENVIRONMENT</p> <p data-bbox="142 923 464 1021"> Health, Safety and Environment, Sustainability Report: pages 66 to 72 Learning & Development, Sustainability Report: pages 78 to 80</p>	<ul data-bbox="550 740 1020 925" style="list-style-type: none"> • The Group places strong emphasis on Health, Safety and Environment (“HSE”) practices to ensure the safety of our employees and assets, as well as the surrounding environment in which we operate. 	<ul data-bbox="1067 740 1500 829" style="list-style-type: none"> • Non-compliance or a major HSE incident would affect the Group's business and damage its reputation.
<div data-bbox="282 1217 365 1302"></div> <p data-bbox="199 1312 447 1366">MARKET AND BUSINESS ENVIRONMENT</p> <p data-bbox="142 1400 460 1451"> Economic Performance, Sustainability Report: pages 64 to 65</p> <p data-bbox="142 1481 389 1508"> Strategic Alliances: page 58</p>	<ul data-bbox="550 1217 1020 1485" style="list-style-type: none"> • The global market's economic, political and social factors remain beyond the Group's control. • The oil and gas industry continues to experience market uncertainty resulting from geopolitical conflicts and fears of a global growth slowdown which may impact the supply and demand equilibrium. 	<ul data-bbox="1067 1217 1500 1340" style="list-style-type: none"> • Oil price and currency volatility could adversely impact the Group's business performance and affect the sustainability of the Group.

KEY RISKS AND OPPORTUNITIES

MITIGATING CONTROLS

- Established policies and procedures are communicated to employees and contractors, and implemented by business units.
 - Audits and inspections are conducted periodically to ensure effective implementation and compliance.
 - Continuous enhancement, training and awareness of regulations, requirements and incident learnings are conducted to promote a strong HSE culture.
 - Target expectations and KPIs are set to create greater awareness and accountability for HSE performance.
 - Compliance to relevant statutory and regulatory requirements, as well as internationally recognised certifications, which govern the safeguarding of both the work place and natural surrounding environment.
-
- The Group's business diversification in upstream, midstream and downstream sectors of the oil, gas and petrochemical industry enables it to manage through periods of volatility in the market environment.
 - Continuous strategic reviews of Group business strategies and tactics to ensure operational sustainability.
 - Ongoing engagement with existing and new clients/business partners to identify new markets and business opportunities.
 - Prudent financial management to ensure the Group has the financial strength to withstand periods of uncertainty.

CAPITALS






STRATEGIES





KEY RISKS AND OPPORTUNITIES

KEY RISKS	DESCRIPTION	IMPACT
 <p>OPERATIONS</p> <p><i>Management Discussion and Analysis: pages 38 to 58</i></p>	<ul style="list-style-type: none"> The Group is renowned for excellence in its delivery and execution of projects and services in the oil, gas and petrochemical industry. 	<ul style="list-style-type: none"> Any significant failure of internal processes, people and systems, or arising from external events, would impact the Group's ability to meet its deliverables.
 <p>SECURITY</p> <p><i>Management Discussions and Analysis: page 47</i></p>	<ul style="list-style-type: none"> The security of the Group's employees, operating assets, facilities and information systems are of paramount importance. 	<ul style="list-style-type: none"> Security breaches or incidents can cause operational disruptions to the Group.
 <p>LEGAL</p> <p><i>Quality Assurance and Quality Control: pages 52 to 53</i></p>	<ul style="list-style-type: none"> The Group's business could be exposed to litigation risks by our clients, vendors and other parties. 	<ul style="list-style-type: none"> Such actions may have a material effect on our financial status and operational results.

OPPORTUNITIES

Strategic Opportunities

The diversification of the Group's businesses, combined with its financial strength and strong relationships with stakeholders, would provide strategic opportunities for the Group to expand its businesses during different phases of the market cycle.







Multi-skilled Workforce Synergies

The Group's diversified business model also provides opportunities for us to attract, develop and retain a multi-skilled workforce, which can then be mobilised across the Group's different sectors during different phases of the market cycle.

Competitive Advantages Through Technology

In addition to the above, the Group has the opportunity to enhance its competitive advantage through the adoption and/or development of new technology to increase operational efficiencies, and maintain its delivery track record.

KEY RISKS AND OPPORTUNITIES

🔍 MITIGATING CONTROLS	CAPITALS	STRATEGIES
<ul style="list-style-type: none"> Leveraging on the Group's core competencies, processes and network of facilities which enable us to achieve cost savings, improve efficiency and productivity. Ongoing project and operations monitoring at various levels, including engagements with clients and relevant stakeholders, to ensure timely completion within budget while meeting required HSE and quality standards. Enhancement of the Group's operational processes by way of continuous improvement, lessons learnt, and adoption of technology and best practices. 		
<ul style="list-style-type: none"> The Group has established close working relationships with relevant local enforcement authorities for security patrols at our operating facilities. The Group has security systems in place at all its work locations, covering physical and IT systems. They are regularly reviewed to ensure effectiveness. Continuous initiatives, inclusive of awareness sessions, are carried out to enhance the Group's IT security system capabilities against latest IT and cyber threats. 		
<ul style="list-style-type: none"> Group has in place contracts and agreements to govern contractual agreements with its customers and vendors. Continuous review and management of contractual terms and conditions by the business units to ensure compliance at all times. The Group has robust systems in place to manage the quality and accuracy of all its project activities. 		



STRATEGIC ALLIANCES



SUSTAINABILITY REPORT

- 061 About This Report
- 062 Sustainability Governance
- 064 Economic Performance
- 066 Health, Safety and Environment
- 073 Our People
- 078 Learning & Development
- 081 Corporate Social Responsibility



SK Tasik Cini student beneficiaries checking out their MyKasih smartcards



DEAR STAKEHOLDERS,

We are pleased to share with you DIALOG's Sustainability Report for the financial year ended 30 June 2019. This report provides updates on our sustainability journey, as we strive towards our vision of becoming a sustainable leading integrated technical service provider.

Our five key matters of Economic Performance, Health, Safety and Environment, Our People, Learning and Development, and Corporate Social Responsibility remain the top material priorities on our sustainability agenda. Since our last report, we have continued our commitment to manage DIALOG's business in a responsible and holistic manner. This is to ensure that our business model supports business continuity and competitiveness over the longer term, whilst making progress in minimising our impact on the environment, and effecting positive changes in the communities where we operate and serve.

As we move forward in our sustainability journey, we will embed sustainability even more deeply in our strategy and operations, while enhancing our disclosure processes along the way. We value the support of all our stakeholders and it is our sincere hope that we will continue to forge ahead towards a more sustainable future, together.

DIALOG TOWER and Wisma MyKasih

ABOUT THIS REPORT

This report has been prepared in accordance with Bursa Malaysia's Sustainability Reporting Guide and hence, focuses on material sustainability matters for DIALOG and its business.

SCOPE & COMPLETENESS

A. BASIS OF SCOPE & CONSOLIDATION

For the purposes of this report, DIALOG consolidates data from its headquarters and divisional offices. The criteria for consolidation is where DIALOG has operational control and the status of operations is active.

B. INCLUSIONS

This report covers our global operations, which include operations outlined in the Corporate Profile section of this Annual Report for the financial year ended 30 June 2019.

In the previous financial year ended 30 June 2018, DIALOG acquired the remaining interests in Dialog Terminals Langsat (1) Sdn. Bhd. (formerly known as Langsat Terminal (One) Sdn. Bhd.) and Dialog Terminals Langsat (2) Sdn. Bhd. (formerly known as Langsat Terminal (Two) Sdn. Bhd.), (collectively "Dialog Terminals Langsat" or "DTL"), which resulted in the DTL becoming subsidiaries of the Group with effect from September 2017. Due to this acquisition, only DTL data from October 2017 onwards have been included in this report.

The collective data in this report are for the financial years ended 30 June 2017, 2018 and 2019.

C. EXCLUSIONS

In line with the basis of scope and consolidation above, this report does not include the operations of our Joint Venture & Associate companies as listed in Note 9 to the Financial Statements for the financial year ended 30 June 2019.

REPORTING PERIOD

This report is produced annually, and the current report covers the period from 1 July 2018 to 30 June 2019.

CONTEXT

In this report, DIALOG Group Berhad is referred to as DIALOG or the Group. The content prioritises economic, environmental and social ("EES") matters deemed material to a Malaysian-based integrated technical service provider in the oil, gas and petrochemical industry.

A detailed description of how we identify material EES matters for reporting and monitoring can be found in the Sustainability Governance section, together with a description of our key stakeholders and stakeholder engagement process.

ASSURANCE

All financial data disclosed in this report has been independently assured as part of the Group's annual financial audit and is identical to that of the Group's Annual Report 2019. While we have not undertaken third party assurance for all other data in this report, we are actively working towards improving our sustainability reporting processes. The information provided in this report is presented on a best-effort basis and is subject to further improvement in future reporting cycles.





SUSTAINABILITY GOVERNANCE

At DIALOG, our approach to sustainability is supported by sound decision making, policies and systems including effective internal controls to manage risk as disclosed in our Statement of Risk Management and Internal Controls.

DIALOG's sustainability governance is supported by key policies, systems, processes, standard operating procedures and best practices.

GOVERNANCE STRUCTURE



BOARD OF DIRECTORS



- Ultimate responsibility
- Ensures business strategy contains sustainability
- Approves sustainability strategies



RISK MANAGEMENT COMMITTEE



- Evaluates overall risks & opportunities



EXECUTIVE CHAIRMAN



- Approves target and market disclosures
- Develops sustainability strategies and recommends revisions to the Board
- Oversees implementation of sustainability strategies
- Provides leadership over implementation



CHIEF OPERATING OFFICER



- Implements strategies
- Reports on performance of processes & controls
- Reports management targets



CORPORATE



- Oversees business functions in ensuring robustness of system of sustainability management
- Considers input of all business functions in sustainability process

STAKEHOLDER ENGAGEMENT

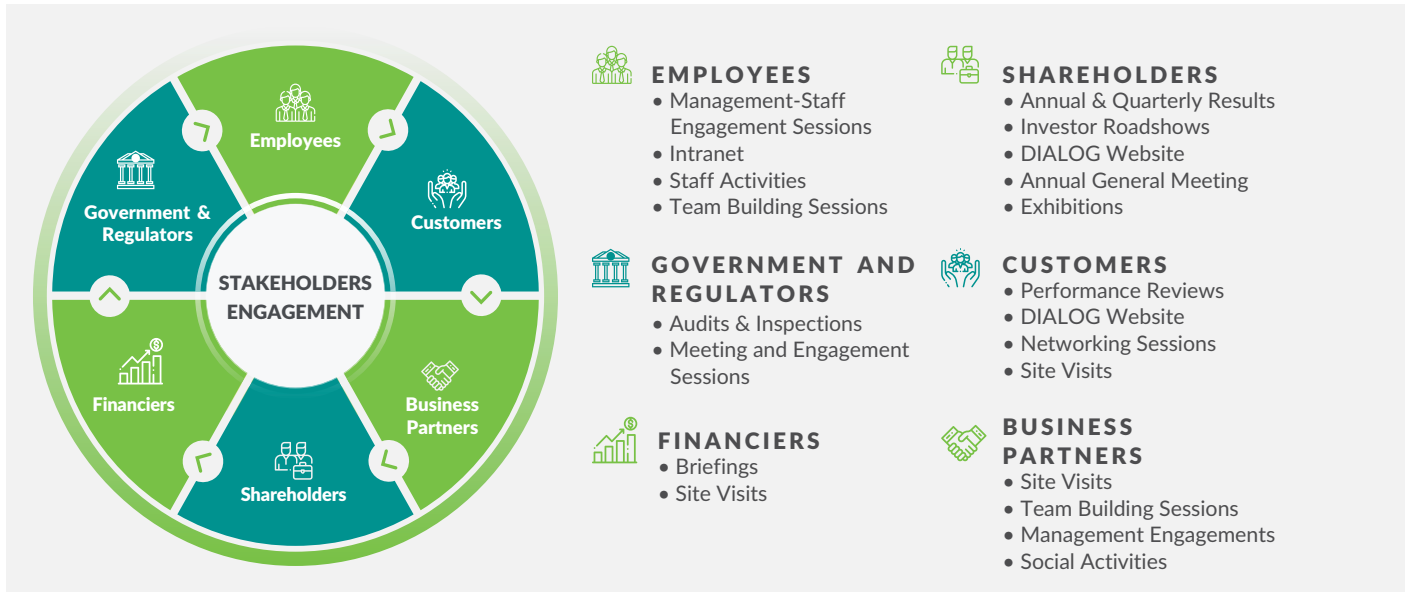
An integral part of our sustainability management approach is listening and responding to our priority stakeholders. Stakeholders are people who impact our business or are affected by our operations.

Feedback from stakeholders helps us understand their expectations, needs and concerns, allowing us to prioritise issues more effectively and address them in a timely manner. This feedback contributes to our overall business strategy and helps us meet our combined sustainability goals.

We reach out to stakeholders through a variety of formal and informal communication channels. These valuable platforms allow us to share knowledge and best practices while networking more effectively with other market players and industry experts.



SUSTAINABILITY GOVERNANCE



MATERIAL SUSTAINABILITY MATTERS

Our definition of 'material' is consistent with the Bursa Malaysia Sustainability Reporting Guide in which a matter is material if it reflects DIALOG's significant economic, environmental and social impacts or if it substantively influences the assessments and decisions of stakeholders.

We developed a structured process to identify, prioritise and validate material economic, environmental and social matters ("sustainability matters") with a clear focus on key impacts, risks and opportunities.



Based on our materiality assessment process, the 5 material key sustainability matters are as follows:



Economic Performance



Health, Safety & Environment



Our People



Learning & Development



Corporate Social Responsibility



ECONOMIC PERFORMANCE



Economic Performance is material and important to DIALOG because it ensures the sustainability of the Group and our operations, which have considerable impact on our stakeholders as we are a provider of local employment and economic value creation. This is linked to and reflected in the Group's Financial KPIs which are discussed in the Management Discussion and Analysis section of the Annual Report.



Key Performance Indicators: page 44
Key Risks and Opportunities: pages 54 to 57

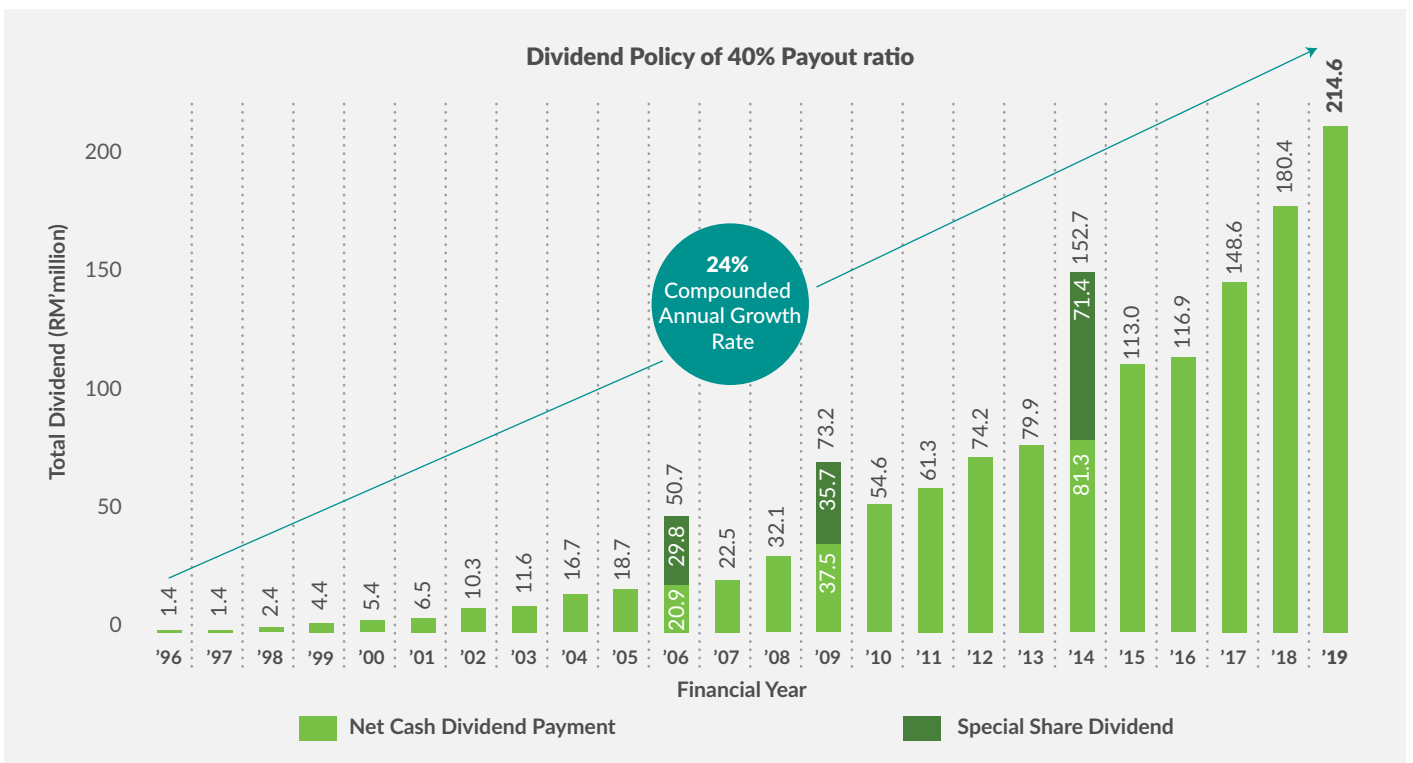
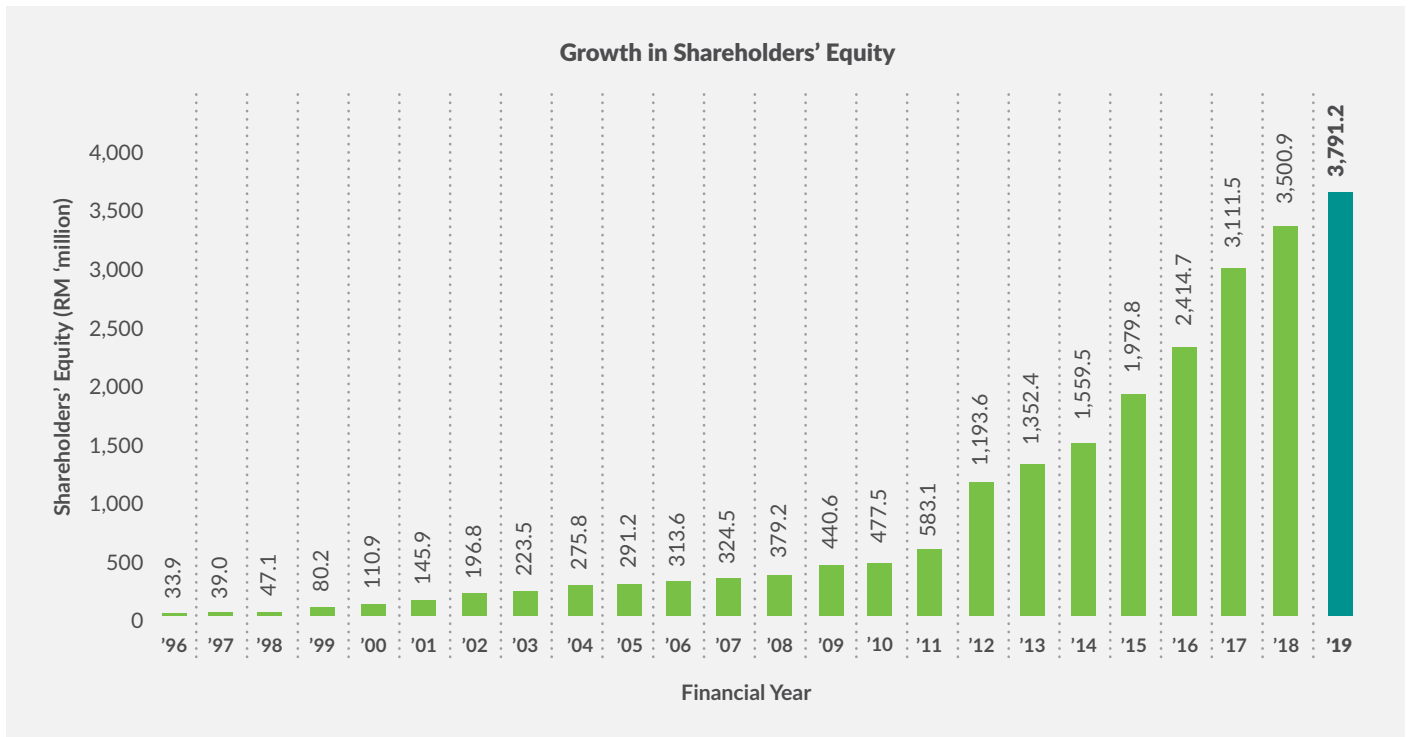
As an integrated technical service provider to the oil, gas and petrochemical industry, DIALOG's business model is well structured to address the volatility risks posed by oil prices and currency movements to the sustainability of the Group. The Group has proactively adopted various strategies in its business, including:

- Diversification across the upstream, midstream and downstream sectors of the oil, gas and petrochemical industry;
- Growing long term recurring income across all sectors;
- Active recruitment, development and retention of talent;
- Cultivating strong relationships with stakeholders including customers, suppliers, partners, bankers, regulators and government authorities; and
- Development of proprietary technology for use in our businesses.

The strategy above has resulted in DIALOG's steady growth since its listing on the stock exchange in 1996. Our strong economic performance is a testament to our unwavering commitment to run our business sustainably and efficiently, capture opportunities and mitigate risk through a robust risk management strategy.

For FY2019, the Group's net operating profit after tax expanded 19.4% to RM552.3 million from the previous financial year, despite the 23.3% decline in revenue to RM2.4 billion. Net profit attributable to shareholders after non-controlling interests also grew to RM535.8 million, an increase of 5.0% against the last financial year. Overall, shareholders' equity increased by 8.3% to RM3.79 billion from RM3.50 billion a year ago. A detailed analysis of our key operational risks and mitigating controls is disclosed in the Management Discussion and Analysis section of this Annual Report.

ECONOMIC PERFORMANCE





HEALTH, SAFETY AND ENVIRONMENT



DIALOG is committed to protecting the health and safety of the people we work with and driving the company towards a culture of environmental excellence. Health, Safety and Environment (“HSE”) is materially important to DIALOG as it impacts our productivity and reputation, and consequently, the long term viability of our business. This is linked to and reflected in the Group’s Non-Financial KPIs which emphasise on HSE metrics.

*Key Performance Indicators: page 44
Learning & Development, Sustainability Report: pages 78 to 80
Key Risks and Opportunities: pages 54 to 57*

HSE POLICY AND GUIDELINES

DIALOG’s Health, Safety and Environment Policy drives our commitment to our stakeholders with respect to HSE. The Group’s HSE policies and procedures outline the roles and responsibilities of the various departments and business units across the Group.

Our aim is to set and maintain standards of health, safety and environmental management, to ensure the well-being of our staff and others who may be affected by our activities. This minimises the losses to our business from ill health, injury and adverse environmental effects. DIALOG has expressed its commitment towards Health, Safety and Environment in its HSE Policy.

HSE management and compliance are embedded in work processes applicable to all phases of DIALOG’s businesses. We strive to continuously improve our HSE performance, and apply an integrated management approach in accordance with the Plan-Do-Check-Act methodology. This ensures that the HSE policies and procedures are regularly updated and enhanced as a result of our on-going monitoring and review of operations and activities.

In order to effectively implement the HSE policy and pursue a ZERO HARM working environment, all business units under the management and operational control of DIALOG must comply with the requirements set out in the HSE Management System (“HSEMS”), and monitor performance and compliance through periodic inspection and HSE audits.

HEALTH, SAFETY AND ENVIRONMENT

**HSE RISKS**

To ensure that HSE specific risks are properly identified and actively managed on an on-going basis, it is the Group's practice to undertake HSE risk assessments at various stages of the project lifecycle, for the following purposes:

1. Planning for Potential/New Projects

- To identify HSE risks which need to be addressed and incorporated into the project plan and design.

2. Project Implementation

- To ensure HSE risks and solutions identified during the planning stage are implemented according to plan.
- To identify new HSE risks arising during the project implementation phase and the corresponding mitigating actions required.

3. Existing Projects/Operations

- To ensure pro-active and on-going identification and monitoring of HSE risks, for the continuous enhancement of our HSE policies and procedures.

More information on our HSE Policy, HSEMS and certifications achieved is available at www.dialogasia.com

www.dialogasia.com/hse

OCCUPATIONAL SAFETY

Ensuring workplace safety is key in DIALOG. It is our policy to place the health and safety of our employees, contractors and visitors as one of our top priorities.

As one of the leading service providers to the oil, gas and petrochemical industry, we continue to adopt best practices in HSE aspects, in compliance with local and international standards and guidelines as well as requirements set by our clients.

We continuously strive to improve our HSE performance through the implementation of various DIALOG HSEMS programmes. We provide adequate and relevant training to ensure that people responsible for tasks involving significant safety hazards have the necessary training and skills. In addition, rigorous HSE inspections and audits are carried out at workshops and project sites to ensure HSEMS programmes are effectively implemented.

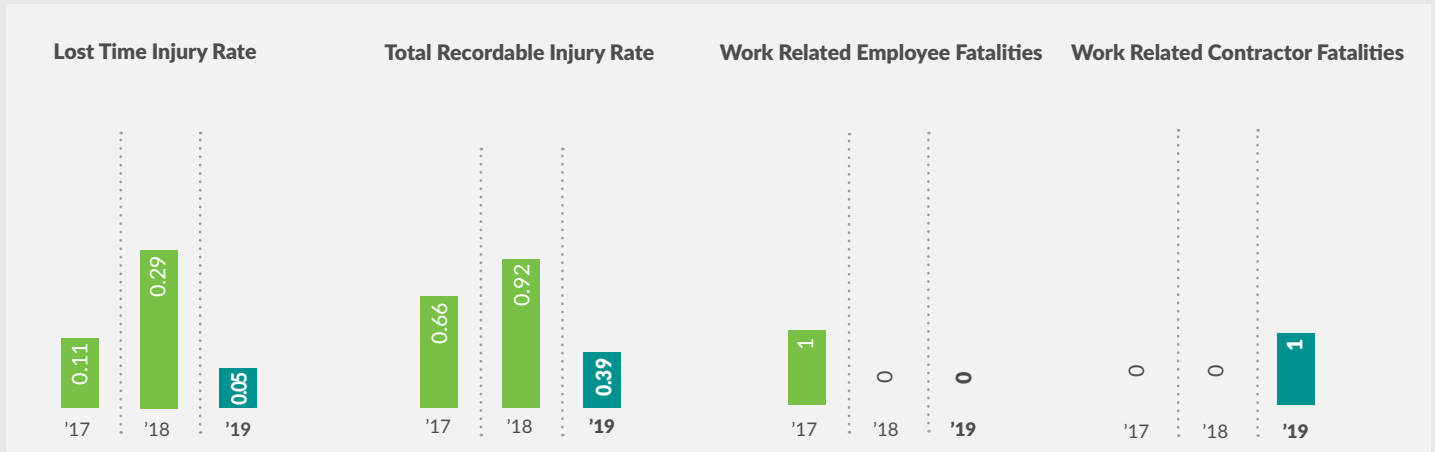
Our Key Performance Indicator Target for Health & Safety is as disclosed in the Management Discussion and Analysis Section of this year's Annual Report. Our Total Recordable Incident Rate ("TRIR") has decreased to 0.39 incidents per million man-hours worked, and our Lost Time Injury Rate ("LTIR")* decreased to 0.05. However, unfortunately there was one fatal accident to a DIALOG sub-contractor in one of our projects during the year due to a 'fall from height' incident. A full and thorough investigation was performed to determine immediate and underlying causes, and a robust intervention plan has been implemented across the Group to prevent recurrence.

Key Performance Indicators: page 44
Learning & Development, Sustainability Report: pages 78 to 80

HEALTH, SAFETY AND ENVIRONMENT

*Loss Time Injury Rate is defined as the number of Lost Time Injuries per million man-hours worked. Lost Time Injuries is further defined as a work related injury or illness which renders the injured person unable to perform his/her normal duties on any day immediately following the day of the incident. It includes fatality, permanent total disability, permanent partial disability and loss of workday case. The Lost Time Injury Rate is based on aggregated Employee and Contractor man-hours.

LTIR, TRIR and the number of work-related employee and contractor fatalities over the last 3 years are as follows:



The data above covers 100% of our sites.

We continuously strive to improve our HSE performance through the implementation of various DIALOG HSEMS programmes. We provide adequate and relevant training to ensure that people responsible for tasks involving significant safety hazards have the necessary training and skills.



“Working at Height Awareness” Training

HEALTH, SAFETY AND ENVIRONMENT

We are honoured to have been accorded the following awards and milestone recognitions by our clients for our various HSE achievements for the last three years.



RECIPIENTS	ACHIEVEMENTS	AWARDING COMPANY/PARTIES
Dialog Plant Services Sdn. Bhd.	Best Contractor Of The Month (27 March 2019)	TechnipFMC
Dialog Plant Services Sdn. Bhd.	3rd Milestone Achievement of 1,000,000 Man-hours Without Lost Time Injury (27 March 2019)	TechnipFMC
Dialog Plant Services Sdn. Bhd.	2nd Milestone Achievement in Recognition of 500,000 Safe Man-hours Without Lost Time Injury (21 November 2018)	TechnipFMC
Dialog Terminals Langsat (1) Sdn. Bhd. (formerly known as Langsat Terminal (One) Sdn. Bhd.)	2nd ASEAN OSHNET Excellence Award 2018	ASEAN OSHNET
Pacific Advance Composites Sdn. Bhd.	Mega Osh Tool Box (2 May 2018)	Malaysian Society for Occupational, Safety and Health ("MSOSH")
Dialog Plant Services Sdn. Bhd.	Best HSE Performance - 2017	PETRONAS Penapisan (Melaka) Sdn. Bhd.
Dialog Plant Services Sdn. Bhd.	Best HSE Performance (23 January 2017)	PETRONAS Penapisan (Terengganu) Sdn. Bhd.
Dialog Fabricators Sdn. Bhd.	RGT - 2 Terminal Project HSES Award (2 February 2017)	Samsung C & T Sdn. Bhd.



HEALTH, SAFETY AND ENVIRONMENT

ENVIRONMENT PROTECTION

DIALOG recognises that climate change poses a significant long term risk to the environment and the business – hence, the Group is committed to operating responsibly to ensure we minimise our impact to the environment, taking into consideration our energy usage, fresh water consumption, greenhouse gas emissions, the protection of biodiversity and waste management.

DIALOG demonstrates and communicates its commitment to mitigating climate change through its HSE Policy, where we have stated that we will strive to

- protect the environment by prevention of pollution, reduce waste and minimise consumption of resources; and
- seek to achieve our goals and objectives through the prevention or mitigation of adverse environmental impacts.

Across different parts of the business, we have taken steps towards minimising our climate change and environmental impact.

Detailed Environment Impact Assessments (“DEIAs”) are carried out at the beginning of new projects (such as in Pengerang, Johor). The scope of the DEIAs include impact assessments on biodiversity, water pollution, air quality, noise pollution and waste management. These are then used to derive site specific Environmental Management Plans and ongoing Environment Monitoring Management Plans for the duration of the project. As an added monitoring measure, state-of-the-art monitoring devices are also being used to enable live monitoring of environmental statistics such as Total Suspended Solids (“TSS”) and turbidity.

Our Catalyst Handling Services team stays committed to operating in a dust-free environment. All catalyst handling equipment is designed with a ‘closed-loop’ function which prevents the emission of harmful or toxic dust from polluting the atmosphere. This commitment to protect the environment is in compliance with our SIRIM QAS/IQNET ISO 14001:2015 certifications which guide all works performed.

We also use Life Cycle Analysis (“LCA”) to assess the environmental impacts in our Fibreglass Reinforced Plastic (“FRP”) division where we manufacture composite pipes and systems. The LCA resulted in the recycling and reuse of acetone for the cleaning process, which consequently reduced the quantity of acetone waste generated.

We continue to practise the 3Rs (Reduce, Reuse, Recycle) approach to manage scheduled wastes generated by our operations. All scheduled wastes are managed by our own Certified Scheduled Waste Competent Person registered and recognised by the Department of Environment.

The Group is committed to operating responsibly to ensure we minimise our impact to the environment

For our operations in Saudi Arabia, water issues have been identified as an operational risk as it is a water-stressed location. To mitigate this risk, we have undertaken various initiatives to manage our water use/water issue risk in Saudi Arabia – such as prohibiting the cleaning of vehicles and equipment in the base. If unavoidable, we use a pail for cleaning instead of using spray water. For drinking water, bottled water is purchased to control consumption. We also conduct weekly inspections of our facilities to ensure there are no water leakages or wastage of water.

In support of green initiatives, our employees continue to practise simple daily routines such as separating and recycling waste, and minimising printing by using both sides of paper as well as using recycled paper.

As an added measure to manage our energy consumption, the Group’s Headquarters, DIALOG TOWER, is Green Building Index (“GBI”) compliant. The building has incorporated environment-friendly features and designs – including energy-efficient lighting with sensor controls which turn lights out when there is sufficient daylight, zone controlled air conditioning to be switched off in areas not in use, gardens with planted trees and plants for staff’s use and engagement activities.

HEALTH, SAFETY AND ENVIRONMENT

HSE COMPLIANCE

Regular inspections and audits are performed at supplier and project sites to ensure strict adherence to our HSE Policy and procedures as well as meeting or exceeding regulatory and client requirements. The Group HSE Steering Committee meets every quarter to review performance and findings.

During the year under review, there were a total of 3 minor non-compliance findings (FY2018: 10) from the Department of Occupational Safety and Health (“DOSH”) and the Department of Environment (“DOE”) in relation to our Malaysia Operations. These resulted in three fines amounting to RM6,500 (FY2018: Nil). We have since implemented the recommended controls and consequently, these actions have been accepted, and the findings closed by DOSH & DOE.

Our HSEMS initiatives have helped to ensure that our subsidiaries obtained the following internationally recognised certifications:

OHSAS18001:2007	YEAR OF CERTIFICATION
Dialog Systems Sdn. Bhd.	2015
Pacific Advance Composites Sdn. Bhd. (HQ)	2012
Pacific Advance Composites Sdn. Bhd. (Nilai)	2012
Dialog Plant Services Sdn. Bhd. (HQ) (including Dialog Catalyst Services Sdn. Bhd.)	2006
Dialog Plant Services Sdn. Bhd. (Nilai) (including Dialog Catalyst Services Sdn. Bhd.)	2006
Dialog Plant Services Sdn. Bhd. (Labohan) (including Dialog Catalyst Services Sdn. Bhd.)	2006
Dialog Fabricators Sdn. Bhd.	2015
ISO 14001:2015	
Pacific Advance Composites Sdn. Bhd. (HQ)	2018
Pacific Advance Composites Sdn. Bhd. (Nilai)	2018
Dialog Plant Services Sdn. Bhd. (HQ) (including Dialog Catalyst Services Sdn. Bhd.)	2018
Dialog Plant Services Sdn. Bhd. (Nilai) (including Dialog Catalyst Services Sdn. Bhd.)	2018
Dialog Plant Services Sdn. Bhd. (Labohan) (including Dialog Catalyst Services Sdn. Bhd.)	2018
ISO 14001:2004	
Dialog Systems Sdn. Bhd.	2015
Dialog Fabricators Sdn. Bhd.	2015
ISO UKAS 14001:2004	
Dialog Systems Sdn. Bhd.	2015
Dialog Fabricators Sdn. Bhd.	2015
ISO 45001:2018	
Dialog Jubail Supply Base Co. Ltd.	2019

The certifications above collectively represent 41% of our operational sites for the financial year ended 30 June 2019.



HEALTH, SAFETY AND ENVIRONMENT

EMPLOYEE HEALTH AND WELL-BEING

A healthy workforce is essential to ensuring the sustainability and productivity of our human capital assets. In this regard, DIALOG engages regularly with its employees on the matter of health and well-being through a variety of talks and initiatives on an ongoing basis.

During the year, the following events and talks were undertaken to increase awareness and educate our employees on matters related to personal health and well-being:

TOPICS	DATE
Talk - Eco-Leadership - Responsibility and Opportunity	4 July 2018
Talk - Today's Research, Tomorrow's Cure	4 July 2018 29 January 2019
Talk - Health & Aging	28 August 2018
Talk - Acute Heart Attack and Stroke. What You Should Know	23 January 2019
Training - Occupational Safety And Health in the Office	22 April 2019

HIV/AIDS

With the increasing risk of a global resurgence in HIV/AIDS globally, the Group continued taking steps to increase awareness of HIV/AIDS and advocate HIV prevention, treatment, care and support services. DIALOG has been a platinum member of the Malaysian Business Consortium on HIV/AIDS ("MBCH") which was set up by the Malaysian Aids Council ("MAC"), since October 2017. MBCH was established to provide guidelines to employers and employees on appropriate and effective ways of preventing and managing HIV in the workplace, to promote education and awareness on HIV and AIDS, and to mobilise private sector response to HIV and AIDS at the workplace. In support of this agenda, the Group conducted the following activities in November 2018:

TOPICS	DATE
Talk - HIV 101	14 November 2018 15 November 2018

OUR PEOPLE



THE HEART OF OUR SERVICES

Our employees are by far our most important asset. They are critical to the sustainability of the Group's business as their performance directly affects the outcome of our deliverables to our valued clients and stakeholders.

As such, it is inherently important for us to manage our people effectively, and to build a workplace culture that attracts, rewards and retains talent.



DIALOG Bowling Tournament 2019

EMPLOYEE MANAGEMENT

With a rich diversity of people, cultures and business operations across 9 countries, DIALOG thrives by creating an environment that draws from a wealth of knowledge, experience and multiple perspectives.

To harness this strength, we ensure that our employees work together as ONE DIALOG, by sharing a common understanding of our corporate culture, leadership values and behaviours, and professional competencies required to achieve both individual and business goals.

Our corporate core values are key to achieving this balance. They send a clear message on our guiding principles of integrity and teamwork. They also reinforce our commitment to Integrity, HSE, Quality, Competency and Excellence. At DIALOG, we value diversity and actively promote the exchange of knowledge and experience to continually develop our global workforce.

Active and consistent expression of values and policies are communicated to our employees throughout their employment with us, via our Employee Induction Programme, staff engagement activities and other channels such as our intranet and newsletters. They are also clearly stated in our Employee Handbook that is available to all employees.



OUR PEOPLE

We are currently preparing to roll out a new Human Resources Management System (“HRMS”) next year. The new system, aptly named “People@DIALOG”, is cloud-based and will enhance the overall employee experience in Human Resource (“HR”) matters, as well as improve Group HR’s efficiency. This investment for our employees, based on best practice processes and enabled by technology, will allow us to deploy our resources more productively, reduce liability risks, and manage our HR operations more efficiently.

LOCAL HIRING

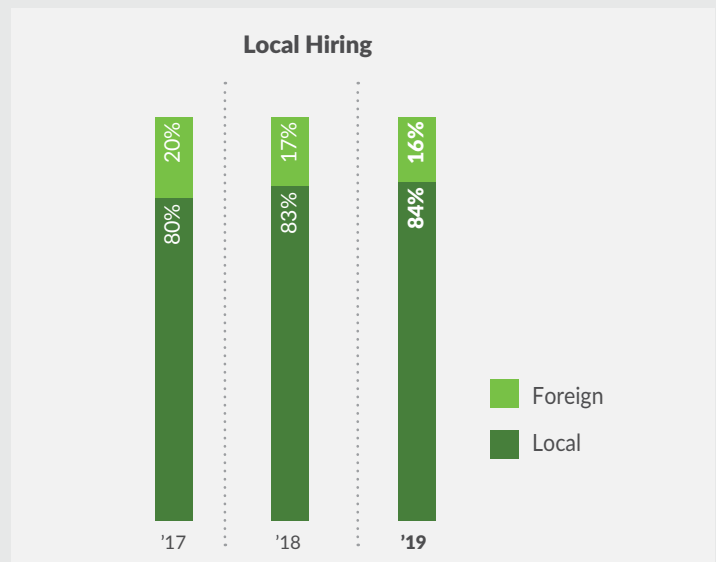
In recognising that the Group plays a significant role in creating employment, we endeavour to hire locally in the countries where we operate. Local hiring and skills development can generate significant economic benefits for the communities near our operations and is a priority in DIALOG. This approach has been mutually beneficial: it builds our local talent pipeline and strengthens community and employee relations. The Group’s workforce is currently made up of 84% local hires across 9 countries.

DIALOG takes a firm stance against child or forced labour. With the problem of child labour and forced labour gaining prominence on the global human and labour rights agenda, DIALOG has ensured that we comply with all applicable laws and regulations in relation to child protection and labour laws in the countries we operate in. Alongside this, DIALOG is also compliant with local laws in the countries we operate in pertaining to freedom of association, working hours/overtime, collective bargaining and minimum wage.

There were no incidences of non-compliance with local labour laws in the countries we operate in, during the current year under review.

Employees by Country

Country	FY2017	FY2018	FY2019
Malaysia	1,417	1,639	1,924
Singapore	104	117	123
Australia & New Zealand	490	471	577
Middle East	307	296	284
Other Countries	65	73	71
Total	2,383	2,596	2,979



The data above covers 100% of our sites.

OUR PEOPLE

DIVERSITY

Promoting inclusiveness and diversity within our workplace fosters an open-minded company culture which is essential to our success.



DIALOG Hari Raya Open House

Opportunities are equally available to all qualified individuals in recruitment, career development, promotion, training and reward, regardless of their nationality, gender, race, age, religion, ethnicity, sexual orientation or physical ability.

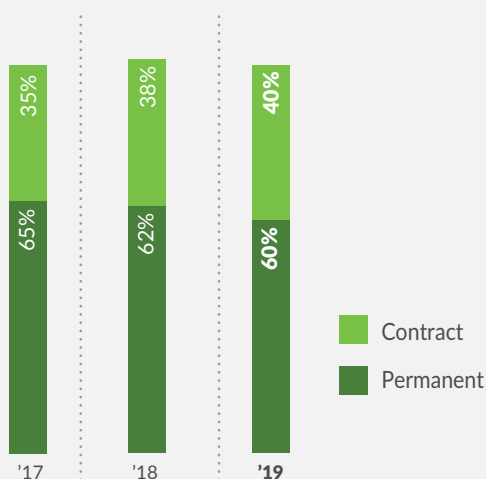
Around 35% of our employees are in countries outside of Malaysia. Overall, our workforce consists of 60% permanent staff and 40% contract staff. Contract staff are recruited on project basis as and when required. In FY2019, we recruited 12 interns, and 74 fresh graduates and 747 experienced hires to fulfil the needs of our operations.

Our workforce is diverse in terms of age groups - 55% are between the ages of 30 to 50, 29% below the age of 30 and 16% above the age of 50. This ensures a healthy pipeline and succession planning opportunities within DIALOG which will sustain us for the long term.

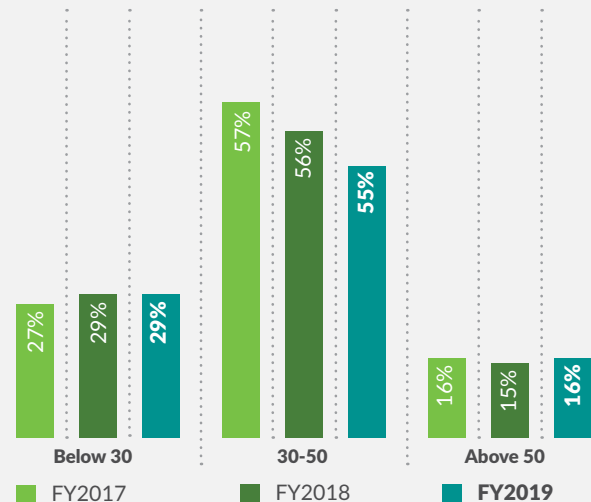
Employees by Qualification Level

Qualification Level	2017	2018	2019
Technical Degree	466	547	666
Technical Diploma	264	297	372
Technical Certificate	681	661	719
Non Technical Degree	255	290	323
Non Technical Diploma	135	173	177
Non Technical Certificate	50	47	54
Secondary Certificate	486	535	620
Lower Secondary/ Primary Certificate	46	46	48
Total	2,383	2,596	2,979

Employees by Category



Employees by Age Group





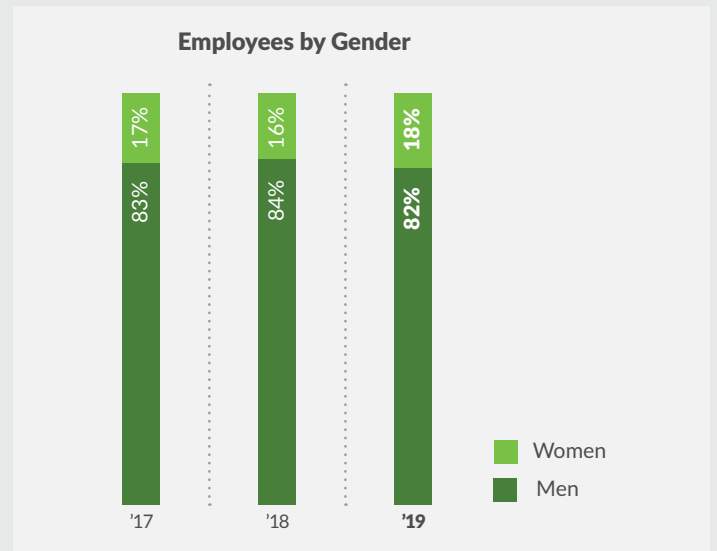
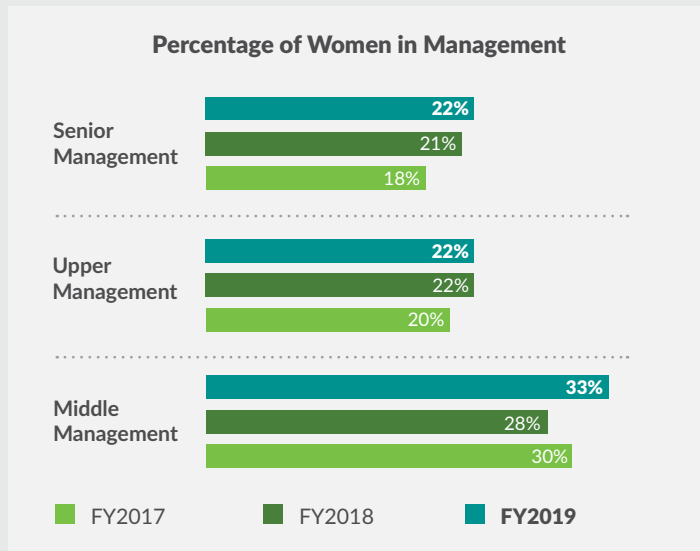
OUR PEOPLE

In our effort to achieve gender balance, we encourage our female employees to actively plan their careers and take ownership of their development. This has resulted in a significant number of talented women rising to management and leadership positions in each of our business operations. In FY2019, 22% of our senior level management were women, while the Upper Management and Middle Management comprised of 22% and 33% women respectively.

Our commitment to gender diversity is also reflected in the composition of our Board of Directors, where 33.3% (3 out of 9 Directors) are women.



DIALOG Chinese New Year Openhouse



All of the data above covers 100% of our sites.

CONDUCTIVE WORKPLACE

At DIALOG, we also recognise the importance of maintaining a caring environment, as a conducive workplace will promote safety, health, and a sense of belonging for all employees. All of this helps in the retention of employees. Amongst some of the benefits we provide are:

- Employee wellness facilities and activities such as a gym and sports activities including running, badminton, futsal and weekly yoga, dancing and Qigong classes organised by the Sports Club. Health talks and Financial planning talks are also held periodically.
- Competitive medical coverage and benefits.
- A Staff Welfare Programme, since 2001, where we provide schooling assistance to lower income Malaysian employees.



DIALOG FUSTAL TEAM "DIALOG FC" at 4th Futsal Tournament Malaysian Oil and Gas Services Council ("MOGSC")

OUR PEOPLE

- Academic Achievement Reward Programme aimed at rewarding the children of Malaysia based employees for their academic achievement. Its objective is to encourage learning and promote a culture of excellence in the 'DIALOG Families'.

The Academic Achievement Rewards Programme is a tradition that began more than ten years ago and has become a much anticipated event in DIALOG each year. For FY2019, we rewarded 98 primary and 40 secondary students who did well in their school and national examinations.

This culture of care is also extended to the communities we serve via blood donation campaigns twice a year, donation of books, food and clothes for natural disaster victims as well as our employee volunteer programme.



Academic Achievement Rewards Programme

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

As part of the Group's efforts to attract, reward and retain talent, during the year, upon receiving shareholders' approval, the Group implemented an Employees' Share Option Scheme. The ESOS will be in force for a duration of ten (10) years. The ESOS's intended purpose is to:

- provide an incentive to drive and motivate the Eligible Persons towards better performance, and work towards achieving the Group's goals and objectives;
- reward the Eligible Persons in recognition of their accumulated contribution to the operations and continued growth of the Group;
- retain the Eligible Persons by giving them a sense of ownership, loyalty and belonging to the Group by enabling them to participate directly in the equity of the Company; and
- attract prospective skilled talent and experienced employees to join and contribute to the Group by making its total compensation package more attractive and competitive.

The basis of allocation of the ESOS Options is determined by the ESOS Committee, which will take into consideration, amongst others, the Group's performance and the Eligible Person's individual performance (both financial, and non-financial) over the vesting period. In line with the Group's long term business model, present vesting periods are for 5 years.

For more information on the ESOS, please refer to the ESOS By-Laws as published on our website at www.dialogasia.com.

 www.dialogasia.com/circular-to-shareholders

WHISTLEBLOWING

In addition to all of the above, we also acknowledge the importance of providing a safe and trusted channel for our employees to escalate issues and any wrongdoing such as bullying and harassment. As such, we have implemented a whistleblowing policy which accepts anonymous reports. For more details on our whistleblowing policy, please refer to www.dialogasia.com/whistleblowing-policy.

 *Corporate Governance Overview Statement: pages 95 to 102*


 www.dialogasia.com/whistleblowing-policy



LEARNING & DEVELOPMENT



In pursuit of Quality and Excellence embodied in our values, we continuously invest in the development of our workforce to be committed to HSE, highly competent, motivated and professional in the services we provide. As a service oriented company, the continuous learning and development of our people and leadership pipeline is of extreme importance, as it will ensure the sustainability of DIALOG's performance and help it thrive in the years to come.

 Health, Safety and Environment, Sustainability Report: pages 66 to 72
Key Risks and Opportunities: pages 54 to 57

Aside from current skill requirements, our learning and development strategy also takes into account the need for our workforce at all levels to be capable and prepared to meet future demands. To this end, various human capital development activities – training seminars, knowledge sharing sessions, e-learning programmes, briefings – are organised all year round for the continuous learning of our employees. In this regard, aside from proactively encouraging our employees to upskill themselves, all employees have to meet learning & development targets each year, as part of their KPIs.

TRAINING

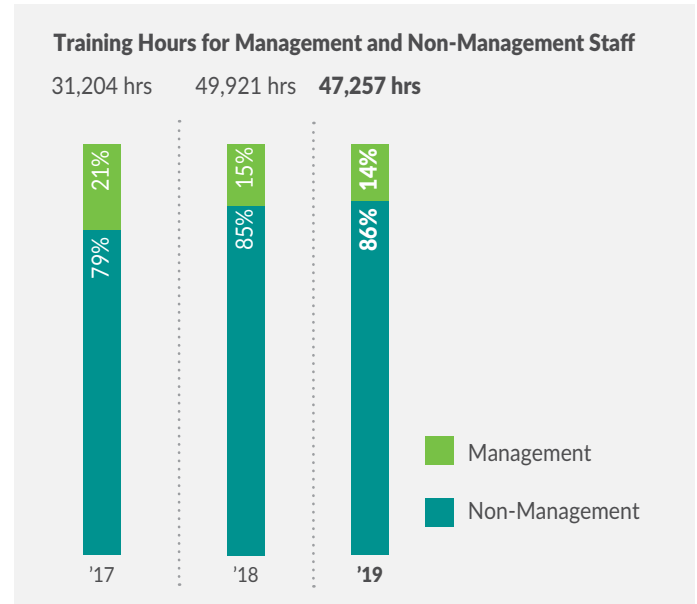
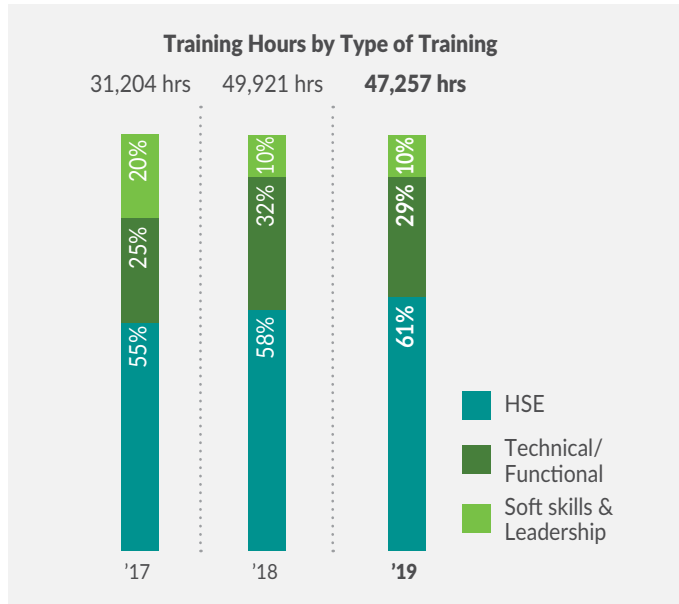
During the year under review, the Group's employees (including management and daily waged staff) clocked in a total of 47,257 training hours, equivalent to an average of 15.86 training hours (FY2018: 18.19 hours) per employee.

HSE training contributed the majority of training hours. Out of 2,979 employees, 77% (2,308) attended HSE training in FY2019. Alongside HSE training, 10% of total training hours were for soft skills and leadership training, with the objective of promoting innovation and enhancing leadership competencies as the Group grows.



HSE iDea System Training

LEARNING & DEVELOPMENT



To stay relevant and keep abreast of latest industry trends, our leaders regularly participate in high profile leadership and technical conferences. Among them:

- International Conference & Exhibition on Liquefied Natural Gas
- Asia Pacific Oil & Gas Conference and Exhibition (APOGC)
- Asian Confederation Institutes of Internal Auditors (ACIIA) Conference
- Asia Pacific Petroleum Conference (APPEC)
- Asia Petrochemical Industry Conference 2018 (APIC)
- Asia Oil & Gas Conference (AOGC)
- Tank & Terminal Tech Asia
- Southeast Asia CFO Vision 2018
- South East Asia Petroleum Exploration Conference (SEAPEX)
- Malaysia Upstream Project Conference
- EAGE Reservoir Geoscience Conference
- Malaysian Gas Symposium
- Reservoir Management & Surveillance Summit
- National Energy Forum
- Renewal Energy Forum



New Employee Induction



Success Factors Learning Management System



LEARNING & DEVELOPMENT

CAREER DEVELOPMENT

It is a group-wide practice for all employees to receive performance reviews. This is to appraise their achievements against key performance indicators that contribute to the Group's performance scorecard, and to help chart their career development within DIALOG.

Description	FY2017	FY2018	FY2019
% of employees who received a regular performance review	100%	100%	100%

In FY2017, we carried out the biennial Skills Assessment which 83% of our employees had submitted online. As we are in the process of implementing a new cloud-based Human Resource Management System in FY2020, the subsequent cycle of Skills Assessment will be postponed until the system goes live.

To provide career development opportunities and exposure, we regularly send our employees on various local and overseas assignments, or second them to our JV Partners when opportunities arise.

DIALOG also offers work experience opportunities to young graduates. During the financial year, we rolled out the enhanced version of our Young Engineers Programme aimed at developing future talent for the Group. For FY2019, 74 graduates (FY2018: 56) were hired and placed in various divisions within the Group, including placement at our workshops and projects in states where we have a presence.

In addition to the above, we have in place an Internship Programme that provides workplace exposure for university students. This helps to identify and nurture potential talent. In FY2019, 12 interns (FY2018: 40) were accepted for this programme.



Terminals Attachment Programme

CORPORATE SOCIAL RESPONSIBILITY



DIALOG firmly believes in not only giving back, but also to actively invest in the growth of the communities where we operate. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) is important to us because the majority of our workforce is local, and positively impacting these communities will ultimately contribute to the sustainability of the Group’s business. In FY2019, DIALOG contributed a total of RM2.9 million towards its CSR activities.

A HELPING HAND TO THE COMMUNITY

DIALOG supports the MyKasih Foundation, a non-profit social purpose organisation with a mission to assist and educate economically-challenged Malaysian households through food aid, student bursaries, training programmes as well as academic and vocational scholarships.

	LOVE MY NEIGHBOURHOOD FOOD AID PROGRAMME		LOVE MY SCHOOL STUDENT BURSARY PROGRAMME	
	No. of Families	No. of Locations	No. of Students	No. of Schools
RM2.9 MILLION CONTRIBUTION IN FY2019	560	10	2,800	20
RM2.7 MILLION CONTRIBUTION IN FY2018	1,416	13	843	10
RM2.3 MILLION CONTRIBUTION IN FY2017	1,366	15	594	7



MyKasih[™]



CORPORATE SOCIAL RESPONSIBILITY

Cashless Payment System

Through its subsidiary DIV Services Sdn. Bhd., DIALOG vested its proprietary technology to MyKasih Foundation to disburse welfare to low-income households nationwide. The proprietary technology is a cashless payment system that uses the chip technology of the Malaysian identity card (“MyKad”), and the proprietary MyKasih smartcard, to disburse aid to targeted beneficiaries in a secure, efficient and transparent manner. The card is then used, much like a debit card, to pay for purchases of essential food items at partner retailers. For added security, all transactions are Chip and PIN-verified.

By having the cashless payment system vested with MyKasih Foundation, DIALOG has allowed other corporates, non-corporate funding bodies, and individuals to help the poor through MyKasih without any licensing fees. A Mykad-based system provides the assurance to donors that 100% of their charity funds are delivered

in a targeted and cashless manner, directly to the rightful recipients and used for its intended purposes. This transparent method of welfare distribution eliminates leakages and allows donors to track how their donations are being used.

Since MyKasih Foundation’s inception in 2009, DIALOG has continued to improve on the technology and the quality of its services to ensure that the cashless payment system works in an efficient and secure manner. To-date, RM260 million of aid has been disbursed by MyKasih Foundation to aid financially-challenged families and students, using this platform.

In October 2018, MyKasih Foundation received the United Nations (Malaysia) Award in the category ‘Leaving No One Behind’. This was primarily attributed to DIALOG’s pioneering cashless distribution system which MyKasih uses to mobilise donations towards disadvantaged communities.



MyKasih Foundation added another feather to its cap when it received the United Nations Malaysia Award 2018 on 24 October 2018. It was presented by the Malaysian Minister in the Prime Minister’s Department, YB Datuk Liew Vui Keong, and United Nations Resident Coordinator for Malaysia, Stefan Priesner

CORPORATE SOCIAL RESPONSIBILITY



MyKasih 'Love My School' programme beneficiaries of SK Tasik Cini, Pekan, Pahang, and their student smartcards

In addition to pioneering the cashless system that manages MyKasih's welfare distribution, DIALOG is also a donor to MyKasih's flagship 'Love My Neighbourhood' food aid and 'Love My School' student bursary programmes.

In FY2019, DIALOG contributed RM2.9 million to support 3,360 families and students through the MyKasih food aid and student bursary programmes across ten states nationwide, as well as other MyKasih community engagement and fund-raising activities

MyKasih 'Love My School' ("LMS") student bursary programme

In line with the Group's increasing focus on children's education, DIALOG doubled its adoption of schools from 10 schools and 843 students in FY2018, to 20 schools and 2,800 students in FY2019, out of which 2,400 (86%) are Orang Asli (indigenous peoples) studying in 13 indigenous primary schools. This accounts for RM2 million out of the Group's RM2.9 million CSR allocation for MyKasih programmes, which go towards supporting students with cashless bursaries under the 'Love My School' programme.

Student beneficiaries use their MyKad-linked student smartcard to draw on monthly allowances of RM60 (for primary students) or RM80 (for secondary students) to pay for daily meals at their school canteen, as well as learning materials and other school necessities from the school bookshop.

In addition to bursaries, DIALOG supports supplementary educational activities in school, such as tuition and study camps for Primary Year 6 students, Back-To-School items (schoolbags, uniforms, stationeries, etc.), 21st Century Classroom equipment (computers and ICT facilities) edible garden outdoor classroom projects, and annual sports carnivals.

Echoing the Group's CSR policy to channel more financial resources towards children's education, DIALOG Langsung Terminals and DIALOG's joint venture company, Pengerang Independent Terminals Sdn. Bhd. ("PITSB"), contributed RM279,500 and RM50,000 respectively towards the MyKasih Love My School programme in 3 primary schools in Pasir Gudang and Pengerang, Johor.

CORPORATE SOCIAL RESPONSIBILITY



Rise of Orang Asli Rugby, New Straits Times, 15 April 2019

Lanjan Tigers Under-12 Rugby Team

The Lanjan Tigers is an under-12 Orang Asli rugby team which DIALOG supports through its adopted school, SK Bukit Lanjan. DIALOG's support of the Lanjan Tigers since their formation in 2015 has shown positive results. One Lanjan Tiger has been selected to represent the state of Selangor by the State Selection Committee.

During the year under review, DIALOG contributed RM35,000 to support the Lanjan Tigers. In August 2018, the Lanjan Tigers participated in the Wawasan Invitational 7's Cup 2018 nationals in Seremban, Negeri Sembilan. In October 2018, 20 members of the Lanjan Tigers participated in a 7-day rugby training camp prior to representing the state of Selangor in the national championships.

The Lanjan Tigers have been actively participating in various district and state-level rugby tournaments and have achieved commendable placings, having emerged as champions in some categories. The steady progress and achievements of the Lanjan Tigers have been noticed by the Malaysian Minister of Education, who met the team in Putrajaya on 19 September 2018.

MyKasih 'Love My Neighbourhood' ("LMN") food aid programme

While supporting underprivileged children in schools, DIALOG continues to support low-income families through the MyKasih Love My Neighbourhood cashless food aid programme. The Group allocated RM600,000 to support 560 families across 10 locations nationwide with monthly food aid.

Food aid recipients are from households earning a combined monthly household income of RM1,500 and below. The selected recipients use their MyKad to draw upon a monthly allowance of RM80 to pay for essential food items at participating retail outlets. Recipients can choose different brands of food items within ten product categories, namely, rice, cooking oil, beverages, noodles, eggs, flour, biscuits, seasonings, canned foods and bread.

In essence, monthly cashless food aid allowance buffers the recipient families from the rising cost of living and provides financial relief for those who are struggling to make ends meet. For one year, recipients are assured of food on the table for their families.



The MyKasih Food Aid Programme provides relief to families from economically-challenged backgrounds

CORPORATE SOCIAL RESPONSIBILITY

DIALOG's CSR Programme in Thailand

DIALOG expanded its food aid programme footprint into Thailand, where Dialog Systems (Thailand) Limited operates.

In collaboration with Bangkok's Laksi district office, the MyKasih food aid programme officially kicked-off in December 2018 in Laksi with 81 low-income families under sponsorship from Dialog Systems (Thailand) Limited. Beneficiary families are those earning a combined household income of below THB12,000 per month.

Similar to the LMN Programme in Malaysia, each family receives a monthly allowance of THB500, which is deposited into their MyKasih smartcard account, which they then use to pay for purchases of essential food items at a local provisions store in Laksi district.



MyKasih food aid recipients in Laksi district, Bangkok, Thailand

EMPLOYEE VOLUNTEER PROGRAMME

DIALOG is a strong advocate of Employee Volunteerism as we believe it reinforces our core values and increases employee engagement, whilst benefiting the communities we serve. Through the Group's Employee Volunteer Programme, employees are able to actively participate in MyKasih Foundation's programmes and activities throughout the year.

School Sports Day

DIALOG contributed RM33,000 to support the annual Sports Day events in five of its adopted schools from February 2019 till May 2019. A total of 55 DIALOG staff assisted teachers of Sekolah Kebangsaan Kampung Tunku and Sekolah Kebangsaan Bukit Lanjan (Asli) in Petaling Jaya, Selangor, during the schools' sports events on 28 April and 5 May respectively. DIALOG volunteers managed designated stations, such as student registration and prizes, while others facilitated as statistics recorders, track timekeepers, photographers, as well as coordinators for meals, sports equipment, sports houses and participants.



DIALOG staff volunteer during annual Sports Day events of its adopted schools, such as this one at SK Kampung Tunku, Selangor

DIALOG Teambuilding & Community Work

On 3 February 2019, an 83-strong delegation of volunteers representing DIALOG's senior management team from six countries pitched in to help revamp Sekolah Kebangsaan Sungai Dua (Asli) in Bentong, Pahang. Led by our Chief Operating Officer, the volunteers spent half the day redecorating classrooms, organising the school library, replanting the school's edible garden, and painting the school's entrance, classrooms, gazebo and the boarding school's prep room.



Beautifying a MyKasih-adopted school with a fresh coat of paint

CORPORATE SOCIAL RESPONSIBILITY



Our mission is humanitarian and our goal is to grow the network of loving and caring neighbourhoods we have created through our partnerships with concerned stakeholders.



DIALOG also spent an additional RM30,000 to repair SK Sungai Dua's perimeter fencing and built a side access gate.

On 11 and 16 June 2019, a total of 120 staff carried out community work in SJKC Yok Poon, a primary school in Pengerang. Staff devoted their time and energy to landscape the school's garden and cleaned classrooms, carrying out minor repair work and painting walls and floors to give the school a fresh look.

CSR EVENTS

Charity Musicals

DIALOG contributed RM53,000 to host "That's Entertainment: A Night of Radio Hits" on 6 July 2018 at the Kuala Lumpur Performing Arts Centre ("KLPAAC"). The charity concert raised funds for MyKasih Foundation through cash donations and ticket sales.



MyKasih Charity Golf 2018 at Glenmarie Golf & Country Club, Selangor

MyKasih Charity Golf

On 18 August 2018, DIALOG and PITSB contributed RM200,000 and RM20,000 respectively towards the annual MyKasih Charity Golf Tournament to support the running of MyKasih programmes in communities that the foundation reaches out to. It successfully raised RM1.23 million in cash donations.

In April 2019, DIALOG contributed RM100,000 towards Sarawak Charity Golf in aid of the Sarawak Rural Kids Education Fund. The event raised RM1.08 million from 44 donors including DIALOG. Its proceeds will aid 1,400-1,500 students in rural Sarawak schools through the MyKasih 'Love My School' bursary programme.

Other Charity Events

In the financial year under review, DIALOG also contributed RM80,000 to support other charity events. These include the Orchid Fun Run and Ride 2018 organised by PETRONITA, Tunku Laksamana Johor Cancer Foundation Dinner 2018 and Miss Malaysia Charity Night in aid of Pertubuhan Pusat Warga Emas Hati Kasih Kuala Lumpur and Selangor.

4

EVENTS & HIGHLIGHTS

088 Calendar of Events

090 Media Highlights



Fabrication of a Deck Extension

CALENDAR OF EVENTS

18 August 2018

MyKasih Charity Golf 2018



22 September 2018

First VLCC at Jetty 2, Pengerang Deepwater Terminals



25 September 2018

4th Malaysian Oil and Gas Services Exhibition and Conference



14 November 2018

30th Annual General Meeting



30 November 2018

Focused Recognition Award for Excellent Performance of PDT2A



11 December 2018

Value Creator: Malaysia's Outstanding CEO Award to Tan Sri Dr Ngau Boon Keat



11 December 2018

Highest Return On Equity Over Three Years Award and Highest Growth in Profit After Tax Over Three Years Award



24 January 2019

Team building and voluntary activities at SK Sungai Dua, Bentong



23 June 2019

20th Asia Oil and Gas Conference 2019



CALENDAR OF EVENTS

18 June 2019

Annual Business Planning FY2020



1 July 2019

Groupwide Master Service Agreement awarded by PETRONAS



16 August 2019

Acquisition of Halliburton Bayan Petroleum Sdn. Bhd.





MEDIA HIGHLIGHTS



www.dialogasia.com/newsroom

Strategic advantages remain for Dialog

Analysts upgrade Dialog's earnings estimates

Long-term positive seen for Pengerang due to location

DIALOG SETS ASIDE RM1B FOR CAPEX

Company to allocate RM100m for expansion, including RM20m for related expenditure

業績強勁 PDT 3 加持 戴东前景看俏股价劲扬

Dialog Group (DIALOG) 业绩表现强劲，受到 PDT 3 加持，戴东前景看俏，股价劲扬。

Saham Dialog naik berikutan prospek pertumbuhan harga saham meningkat

Dialog Group (DIALOG) saham meningkat berikutan prospek pertumbuhan harga saham yang meningkat.

最佳蘭打造“東方鹿特丹” 油氣業者摩拳擦掌

最佳蘭 (Johor Bahru) 打造“東方鹿特丹”，油氣業者摩拳擦掌。

MIDF upgrades Dialog to 'buy'

MIDF upgrades Dialog to 'buy' rating, citing strong earnings growth and positive outlook.

CORPORATE GOVERNANCE

092 Corporate Information

093 Corporate Structure

094 Organisation Structure

095 Corporate Governance Overview Statement

103 Audit Committee Report

105 Statement on Risk Management and Internal Control



DIALOG Headquarters



CORPORATE INFORMATION

BOARD OF DIRECTORS

**TAN SRI DR NGAU BOON KEAT***Executive Chairman***CHAN YEW KAI***Executive Deputy Chairman***DATUK OH CHONG PENG***Senior Independent Non-Executive Director***KAMARIYAH BINTI HAMDAN***Independent Non-Executive Director***SITI KHAIRON BINTI SHARIFF***Independent Non-Executive Director***DATO' ISMAIL BIN KARIM***Independent Non-Executive Director***TUNKU ALIZAKRI BIN RAJA MUHAMMAD ALIAS***Non-Independent Non-Executive Director***CHEW ENG KAR***Director, Corporate Services***ZAINAB BINTI MOHD SALLEH***Group Chief Financial Officer***MOHAMAD HAFIZ BIN KASSIM***Alternate Director to Tunku Alizakri Bin Raja Muhammad Alias*

AUDIT COMMITTEE

DATUK OH CHONG PENG*(Chairman, Senior Independent Non-Executive Director)***KAMARIYAH BINTI HAMDAN***(Independent Non-Executive Director)***SITI KHAIRON BINTI SHARIFF***(Independent Non-Executive Director)***DATO' ISMAIL BIN KARIM***(Independent Non-Executive Director)*

REGISTERED OFFICE

DIALOG TOWER

No. 15, Jalan PJU 7/5, Mutiara Damansara

47810 Petaling Jaya

Selangor Darul Ehsan

Malaysia

Tel No. : 603 7717 1111

Fax No. : 603 7722 3999

Website : www.dialogasia.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name : DIALOG

Stock Code : 7277

SOLICITORS

Mah-Kamariyah & Philip Koh

Rahmat Lim & Partners

Shearn Delamore

Raja Darryl & Loh

Sreenevasan Young

JOINT COMPANY SECRETARIES

ZAINAB BINTI MOHD SALLEH

MIA 7672

LIM HOOI MOOI

MAICSA 0799764

CHAY SIEW KIM

MAICSA 7012266

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.

(formerly known as Symphony Share Registrars Sdn. Bhd.)

Level 6, Symphony House

Pusat Dagangan Dana 1

Jalan PJU 1A/46

47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia

Helpdesk Line : 603 7849 0777

Fax No. : 603 7841 8151/8152

Email : BSR.Helpdesk@boardroomlimited.com

AUDITORS

BDO PLT

BDO @ Menara CenTARa

Level 8, 360 Jalan Tuanku Abdul Rahman

50100 Kuala Lumpur, Malaysia

PRINCIPAL BANKERS

AmBank (M) Berhad

OCBC Bank (Malaysia) Berhad

RHB Bank Berhad

Standard Chartered Bank Malaysia Berhad

CIMB Bank Berhad

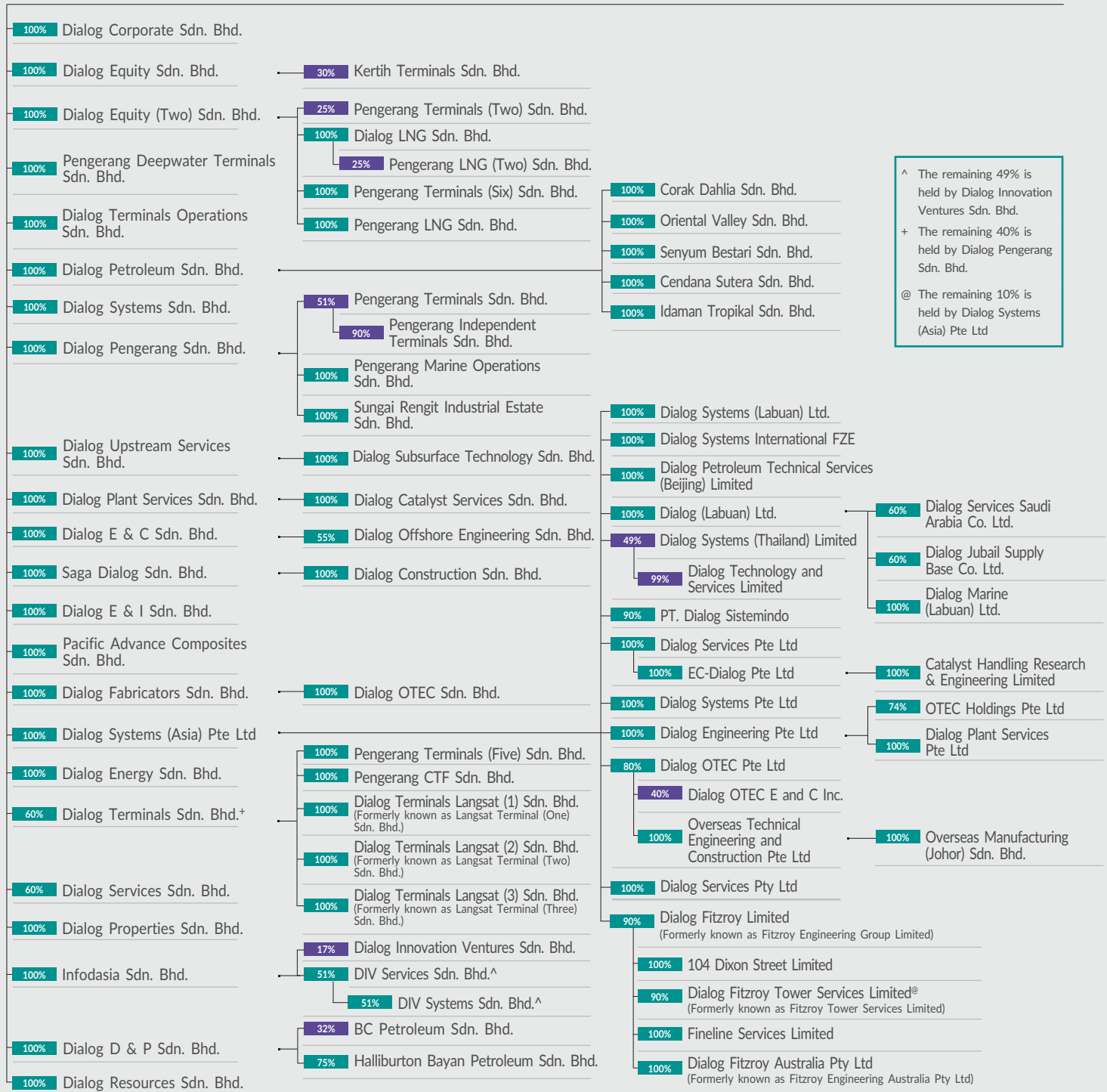
Malayan Banking Berhad

CORPORATE STRUCTURE

As at 13 September 2019

DIALOG

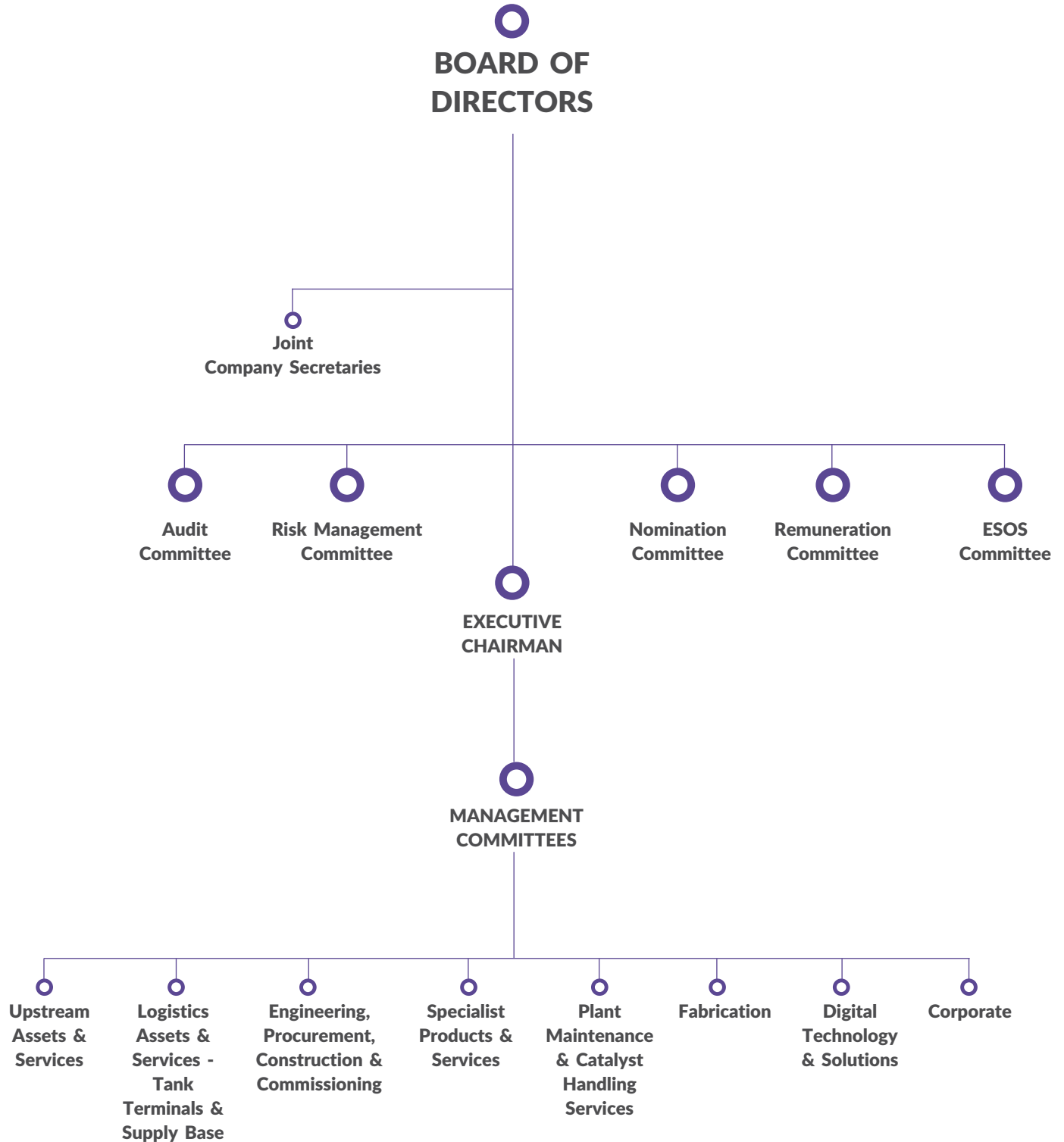
DIALOG GROUP BERHAD



^ The remaining 49% is held by Dialog Innovation Ventures Sdn. Bhd.
 + The remaining 40% is held by Dialog Pengerang Sdn. Bhd.
 @ The remaining 10% is held by Dialog Systems (Asia) Pte Ltd



ORGANISATION STRUCTURE



CORPORATE GOVERNANCE OVERVIEW STATEMENT



Dialog Group Berhad's ("DIALOG") Directors and Management continue to be committed in maintaining good corporate governance by constantly having in place an effective Corporate Governance framework which is in line with the Malaysian Code on Corporate Governance 2017 ("the Code"). The Principles and Practices of the Code are carried out across the Group to ensure that high standards of transparency, accountability and integrity are attained in managing the Group's business. The Board believes that having a strong corporate governance framework is the key to enhancing shareholders' value and the Group's financial performance sustainably, as well as protecting stakeholders' interests.

This Corporate Governance Statement outlines how DIALOG has applied the Principles and Practices of the Code during the financial year under review.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD RESPONSIBILITIES

The Board is the ultimate decision-making body of the Group, with the exception of matters requiring shareholders' approval. The Board assumes, amongst others, leadership, due care and fiduciary duties under Companies Act 2016 and applicable laws, and the following duties and responsibilities:-

- i. together with senior management, promote a culture of good corporate governance within the Company which reinforces ethical, prudent and professional behaviour;
- ii. review, challenge and decide on Management's proposal(s) for the Company and monitor the implementation by Management;
- iii. review and adopt the overall strategic and sustainability plans and programmes for the Company and the Group, to ensure long-term value creation. This includes setting performance objectives and policies where economic, environment and social considerations underpinning sustainability are substantively incorporated;
- iv. supervise and assess Management's performance to determine whether the business is being properly managed;
- v. understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks;
- vi. set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- vii. review the adequacy and integrity of internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- viii. establish a succession plan for Board and Senior Management, including appointing, training and fixing the responsibilities and remuneration of the Chief Executive Officer and Executive Directors of the Group;



CORPORATE GOVERNANCE OVERVIEW STATEMENT

- ix. ensure that Senior Management has the necessary skills and experience;
- x. develop and implement an investor relations programme or shareholder communication policy for the Company;
- xi. ensure the integrity of the Company's financial and non-financial reporting;
- xii. oversee and monitor work health and safety processes, performance and issues;
- xiii. promote ethical values and standards in the workplace;
- xiv. implement gender diversity policies by taking steps to ensure that women candidates are sought as part of the recruitment exercise; and
- xv. carry out or perform such other functions necessary for the discharge of its fiduciary duties under the relevant laws, rules and regulations.

The Board has delegated specific responsibilities to six (6) Board Committees, namely the Audit Committee, Nomination Committee, Remuneration Committee, Management Committee, Risk Management Committee and Employees' Share Option Scheme ("ESOS") Committee.

These Board Committees operate under clearly defined roles and responsibilities as set out in its respective terms of reference. They have the authority to deal with particular issues and report to the Board with their respective recommendations, if any.

Tan Sri Dr Ngau Boon Keat is the Executive Chairman and Mr Chan Yew Kai is the Executive Deputy Chairman of the Group. Tan Sri Dr Ngau focuses on steering DIALOG on its vision while Mr Chan is involved in dealing with businesses strategies and new ventures. Tan Sri Dr Ngau and Mr Chan each has more than 40 years' experience in the oil, gas and petrochemical industry and their track record and capabilities in leadership, entrepreneurship skills and business acumen is immeasurable. Encik Mustaffa Kamal Bin Abu Bakar who is the Chief Operating Officer of the Group, manages the operations of the Group.

The Company Secretaries play an important advisory and compliance role, and are a source of information and advice to the Board and Board Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and the Group. The Board has direct and unrestricted access to the advice and services of the Company Secretaries. The appointment of the Company Secretary is decided by the Board.

The Company Secretaries of Dialog Group Berhad are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016. One of them is a member of the Malaysian Institute of Accountants whilst the other two are members of the Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries regularly attend trainings to keep abreast with latest developments in regulatory changes and developments in corporate governance.

The Directors also have access to advice and services from the external auditors and other independent professionals upon their request.

The Board meets at least once every quarter with additional Board meetings to be convened as and when necessary. Prior to the meetings of the Board and Board Committees, board papers which include the agenda and reports relevant to the issues of the meetings covering the areas of quarterly financial results, progress reports of the various core services, corporate development, regulatory updates, business development, audit reports, risk management reports and/or updates on sustainability matters including corporate social responsibility, are circulated to all Directors. The information supplied to the members of the Board and Board Committees is relevant and timely to enable the members of the Board and Board Committees to review matters and bring such matters to the meetings for deliberation. Management personnel from the various core services are invited to provide additional insights and deliberations in respect of their areas of responsibilities during the Board and Board Committee meetings.

The minutes of the board meetings are circulated prior to the next board meeting for review and comments.

During the financial year ended 30 June 2019 ("FY2019"), six (6) meetings of the Board were held. All Directors have complied with the requirement in respect of board meetings attendance as provided in DIALOG's Constitution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The attendance of the members of the board at all meetings were recorded during FY2019, details of which are set out as below:-


Name	No. of meetings attended
Tan Sri Dr Ngau Boon Keat	6/6
Chan Yew Kai	6/6
Datuk Oh Chong Peng	6/6
Kamariyah Binti Hamdan	6/6
Siti Khairon Binti Shariff	6/6
Dato' Ismail Bin Karim	6/6
Tunku Alizakri Bin Raja Muhammad Alias	5/6
Chew Eng Kar	6/6
Zainab Binti Mohd Salleh	5/6

The schedule of meetings which provides the tentative dates for meetings of the Board, Audit Committee and Annual General Meeting ("AGM") is circulated to the Directors before the beginning of each calendar year to enable the Directors to plan ahead and coordinate their respective schedules.

Board Charter

A Board Charter ("the Charter") has been drawn up and approved by the Board. The Charter provides guidance to the Board in the discharge of its duties and functions which sets out, amongst others, the roles and responsibilities of the Board to ensure that each Board member acting on behalf of the Company is aware of his fiduciary duties and responsibilities, the legislation and regulations affecting their duties and the principles and practices of good corporate governance which apply to the Group.

The Charter is published on the Company's website at www.dialogasia.com. The Charter is periodically reviewed and updated as and when deemed necessary and upon any new regulations that may have an impact on the discharge of the Board's duties and responsibilities.

 www.dialogasia.com

Code of Ethics

The Code of Ethics, which forms part of the Board Charter, sets out the broad standards of conduct and basic principles to guide the Board in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity.

The Group has also in place a Code of Ethics for its employees which encompass all aspects of its day to day business operations. Directors and employees of the Group are expected to observe high standards of integrity and fair dealings in relation to customers, staff and regulators in the communities within which the Group operates and ensure compliance with all applicable laws, rules and regulations to which the Group is bound to observe in the performance of its duties.

Datuk Oh Chong Peng is the Senior Independent Non-Executive Director, and should there be any concerns or queries pertaining to the Group, he will be the main contact person. Any concerns or queries may be sent by way of writing to DIALOG's registered address, or electronic mail to Datuk Oh Chong Peng's email address at ocp@dialogasia.com.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Whistleblowing Policy

The Company has adopted a Whistleblowing Policy (“the Policy”) in 2019. The objective of this Policy is to provide an avenue for all employees of DIALOG and members of the public who have become aware of or genuinely suspect that an employee, business partner, contractor or supplier has engaged, is engaged or is preparing to engage in any Improper Conduct or Detrimental Action (as defined in the Policy), to report possible improprieties at the earliest opportunity without fear of reprisal or Detrimental Action. The Policy is published on the Company’s website at www.dialogasia.com.

 www.dialogasia.com/whistleblowing-policy

2. BOARD COMPOSITION

Presently, the Board consists of nine (9) members, comprising four (4) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director from the Employees’ Provident Fund (“EPF”), and four (4) Executive Directors.

The Board currently comprises a majority of Non-Executive Directors. The Non-Executive Directors are free of management obligations and free from any relationships that could materially interfere with the exercise of their independent judgment.

This provides an effective check and balance in the functioning of the Board where all matters are reviewed with balance and fairness, to ensure the needs and interests of the Company are met. Among the Non-Executive Directors is a representative from EPF, a substantial shareholder of the Company. His independent judgment together with that of the other Independent Directors are

important in ensuring that the strategies proposed by the Management are fully discussed and intently deliberated, and thus in the long term, the interest of all stakeholders of the Group is safeguarded.

The Directors with their different backgrounds and specialisations, collectively bring with them a wide range of experience and expertise from engineering, construction, marketing, accounting, finance, economics, legal, corporate to general management disciplines suitable for managing the Group’s businesses in the oil, gas and petrochemical industry. A brief profile of each Director is presented on pages 17 to 21 of this Annual Report.

While DIALOG believes that the current Board’s composition and size has been effective for the Group, the Board is mindful of the Code’s recommendation on the composition of the Board. In this regard, the Board will assess the composition and size of the Board on an ongoing basis to ensure that the best interests of the Company are served. The Board has strong confidence in the balance of power and authority on the Board with the current composition which leverages on the independent judgment of the five (5) Non-Executive Directors on the Board including a representative from the EPF, a substantial shareholder of the Company. The calibre, diverse experiences and integrity of these Non-Executive Directors add strength and objectivity to the Board’s discussions and decision making processes. In addition, the Board composition is well defined and fulfils the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa

Malaysia”) of having at least 1/3 independent directors on the Board. Furthermore, the Board Charter sets out, amongst others, reserved matters, for which the Board is the sole deciding authority, which provides a check and balance in the decision making process of the Group.

The Nomination Committee has been established to take on the responsibility of making recommendations for appointments to the Board and ensuring that the Board comprises individuals with the requisite skills, knowledge, qualities and experience. The Nomination Committee is guided by its terms of reference (which is published on the Company’s website at www.dialogasia.com) and the Board Charter on appointments to the Board.

 www.dialogasia.com

The Nomination Committee is comprised of three (3) Independent Non-Executive Directors. The Committee is chaired by Datuk Oh Chong Peng, a Senior Independent Non-Executive Director and the other members are Kamariah Binti Hamdan and Siti Khairon Binti Shariff.

Board Evaluation

The Nomination Committee will annually evaluate the effectiveness of the Board, its Committees and also the performance of the Directors. They are also responsible for assessing the suitability of any proposed candidate as a board member and to submit their recommendations to the Board. In evaluating the suitability of candidates, the Nomination Committee considers the following criteria:

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- skills, knowledge, qualities and experience;
- commitment (including time commitment) and contribution;
- diversity of the Board; and
- in the case of the independence of a candidate for the position of an independent director, whether the candidate can bring independent and objective judgement to board deliberations.

During FY2019, the Nomination Committee met once to review the composition of the Board and its Committees, mix of skills, knowledge, experience, qualities, time commitment and diversity of the Board members and their individual performance for the past year. The Nomination Committee also assessed the independence of Independent Directors. The Independent Directors namely Datuk Oh Chong Peng, Kamariyah Binti Hamdan, Siti Khairon Binti Shariff and Dato' Ismail Bin Karim fulfil the criteria of "Independence" as prescribed under Chapter 1 of the Listing Requirements.

In addition to the above, the Nomination Committee also reviewed and recommended to the Board, the re-election and re-appointment of Directors for shareholders' approval at the AGM.

DIALOG's Constitution provides for all Directors, including the managing director, to submit themselves for re-election at least once every three years. Directors appointed during the year are required to retire at the following AGM but are eligible for re-election.

Directors' Training

The Board acknowledges that continuous education is essential for the Directors to keep abreast with the dynamic environment in which the Group operates. All the Directors have attended and completed the Mandatory Accreditation Programme as required pursuant to the Listing Requirements. The Directors are also regularly updated by the Management and Company Secretary of changes in statutory requirements, accounting standards and other relevant laws and regulations.

For FY2019, the Directors attended various seminars and briefings to enhance their knowledge with the latest developments in the industry and to better enable them to fulfil their responsibilities and discharge their duties. These seminars and training programmes range across many areas, which include leadership management, corporate governance, risk management and internal control, financial reporting, tax, strategic planning, developments in the oil and gas industry, finance and economic outlook, and emerging technology. Conferences, seminars, dialogues, briefings and training programmes attended by the Directors include the following:

- Asia Petrochemical Industry Conference 2018
- Malaysia: A New Dawn
- EY C – Suite Forum: Navigating Change In Malaysia
- HSBC Asian Business Forum 2019: Capitalising On the Waves of Change
- Acute Heart Attack and Stroke. What You Should Know
- Anti-Corruption and Anti-Bribery in Malaysia
- 20th Asia Oil and Gas Conference (AOGC 2019)
- FY2019 ABP Talk - Today's Research, Tomorrow's Cure
- National Investment Seminar 2018
- BNM Governor's Address on the Malaysian Economy & Panel Discussion
- Asia Petrochemical Industry Conference 2019
- Business Foresight Forum 2018
- Breakfast Series: Companies of the Future - The Role for Boards
- Breakfast Series: Non-Financials - Does It Matter?
- IMF World Economic Outlook & IMF Global Financial Stability Report
- Independent Directors Programme: The Essence of Independence
- Leading Digital Transformation
- EPF Investment Seminar
- Knowledge Fair 2018
- MFPC National Financial Planning
- Program Komunikasi JITU
- Southeast Asia CFO Vision 2018
- SST Briefing Session
- MIA International Accountants Conference 2018
- National Investment Seminar 2018
- Deloitte Taxmax - The 44th Series
- Seminar Anti-Corruption
- Let's Get Real on Anti-Bribery

The Board has assessed the trainings attended by the Directors during FY2019 and was satisfied that each of the Directors had attended continuous training. The Directors will continue to undergo relevant training programmes to further enhance their skills and knowledge, as well as their awareness of industry developments that will inevitably contribute to the Group.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

3 REMUNERATION

The Group has a policy for remunerating Directors for their responsibilities and contributions in leading and managing the Group's business operations. The remuneration package is structured to offer reward in tandem with the Group's and the individual's key performance indicators which includes non financial and sustainability targets.

The Remuneration Committee is responsible for recommending to the Board a remuneration framework and package for the Executive Directors that are considered necessary to attract, retain and motivate key personnel needed for the continual success of the Group.

The Remuneration Committee comprised of a majority of independent non-executive directors, and met once during FY2019.

The remuneration awarded to the Executive Directors consists of salary, allowance, employers' contribution to the EPF, bonus, incentive, ESOS and other benefits accorded such as company cars, drivers, insurance, hospitalisation and/or club membership.

Non-Executive Directors' remuneration package includes directors' fees, allowances and/or other benefits.

The Directors' remuneration which include the Executive Directors who are also senior management for FY2019 is presented below:-

(RM'000)	<----- Company ----->		<----- Group ----->			Total
	Fees	Allowance	Salary and allowance	Bonus and incentive	Benefits in kind	Total FY2019
Tan Sri Dr Ngau Boon Keat	-	-	2,003	7,313	46	9,362
Chan Yew Kai	-	-	1,532	1,743	27	3,302
Datuk Oh Chong Peng	169	61	-	-	-	230
Kamariyah Binti Hamdan	154	62	-	-	-	216
Siti Khairon Binti Shariff	154	58	-	-	-	212
Dato' Ismail Bin Karim	148	32	90	-	-	270
Tunku Alizakri Bin Raja Muhammad Alias	110	50	-	-	-	160
Chew Eng Kar	-	-	1,231	1,500	35	2,766
Zainab Binti Mohd Salleh	-	-	1,068	1,473	32	2,573
Total	735	263	5,924	12,029	140	19,091

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**1. AUDIT COMMITTEE**

The present Audit Committee of the Company comprises exclusively Independent Non-Executive Directors, namely Datuk Oh Chong Peng (Chairman), Kamariyah Binti Hamdan, Siti Khairon Binti Shariff and Dato' Ismail Bin Karim.

The summary of work of the Audit Committee relating to the FY2019 are highlighted on page 104 of this Annual Report.

2. RISK MANAGEMENT & INTERNAL CONTROL

The Board of Directors affirms its responsibility for maintaining a sound and effective system of risk management and internal control.

Key and potential risks identified, together with the mitigation action plans are reported to the Risk Management Committee, Audit Committee and the Board for their attention and deliberation.

Recognising the importance of risk management and internal controls, the Company has established a sound risk management framework and internal controls system to safeguard shareholders' investments and the Group's assets.

The Statement on Risk Management and Internal Control set out on pages 105 to 106 of this Annual Report provides an overview of the state of risk management and internal controls within the Group.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**1. COMMUNICATION WITH STAKEHOLDERS****Investors**

The Group recognises the importance of effective, constant and open communication with shareholders and investors. Information on the Group's business activities and financial performance is disseminated through various mediums including announcements of quarterly results, annual report, forums, company visits, site visits, annual general meeting, exhibitions and other company activities.

DIALOG's announcements of quarterly results and annual report are key channels of communication with its shareholders and investors. DIALOG strives to keep its announcements of quarterly results and annual report as informative, comprehensive, and user friendly as possible, as well as provide factual descriptions on business operations, figures and charts on the performance of the Group.

Investor relations communication is also important to DIALOG. Therefore regular company and site visits, briefings, meetings, dialogues and teleconferences were conducted with institutional investors, fund managers, analysts, investors and media representatives to give them a better understanding of the business and financial performance of the Group. In FY2019, the Executive Chairman and the Executive Directors met with more than 270 representatives from various fund management and investment companies, investment banks and other stakeholders. DIALOG also participated in various roadshows in Kuala Lumpur, Singapore and Bangkok organised by various banks and investment banks. There were also numerous visits to the Group's project sites, notably visits to the Pengerang Deepwater Terminals by analysts and fund managers.

Government

Apart from that, DIALOG was privileged by visits from department heads and officers from various federal and state government ministries and foreign diplomatic missions.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Customers & Potential Partners

We are constantly engaging with existing and potential customers and also potential investors / partners to visit Pengerang Deepwater Terminals and Langsat Terminals to see the progress of the development of our facilities and operations.

DIALOG has an established company website, www.dialogasia.com, where stakeholders and investors can have access to information on the Group. The website is constantly updated to incorporate the latest developments of the Group. DIALOG's quarterly financial results announcements, general announcements and press releases are also posted on the website. The website has an e-news section where shareholders and anyone who is interested may register to obtain DIALOG's announcements via email. Investors' queries relating to financial performance or company developments can be directed to Ms Low Jo-Lyn (Tel: 603 7717 1013 or Email: jolyn.low@dialogasia.com) and other company related queries can be directed to Ms Chay Siew Kim, Company Secretary (Tel: 603 7717 1130 or Email: kim@dialogasia.com).

 www.dialogasia.com

2. CONDUCT OF GENERAL MEETINGS

The Annual General Meeting ("AGM") is an excellent opportunity for the Company's shareholders to have a dialogue session with the Board of Directors. Shareholders are encouraged to attend and participate in a questions and answers session during the AGM. After the conclusion of the AGM, it is a practice of DIALOG to have about an hour of open discussion with its shareholders on any issue with regards to the Group including issues of strategy and performance, and macro views of the oil, gas and petrochemical industry. An exhibition is usually held during the AGM where important informative charts are displayed to explain to shareholders, DIALOG's various core services, corporate strategies, performance and major developments.

FINANCIAL REPORTING

The Board is committed to the preparation of financial statements that present a true and fair view of the financial position of the Group and prospects each time it releases its quarterly and annual financial results. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and ensure necessary internal controls are in place to enable that the preparation of financial statements are free from material misstatement, whether due to fraud or error.

RELATIONSHIP WITH THE AUDITORS

Through the Audit Committee of the Board, the Group has established transparent and appropriate relationship with the Group's auditors. In FY2019, the Audit Committee had convened one (1) meeting with the external auditors without the presence of Executive Directors and officers to discuss the audit process and findings.

DIRECTORS' RESPONSIBILITY IN FINANCIAL REPORTING

The Board is satisfied that in preparing the financial statements of the Group for the financial year ended 30 June 2019, the Group has:

- Ensured compliance in accordance with the applicable Malaysian and International Financial Reporting Standards and provisions of the Malaysian Companies Act 2016.
- Adopted and consistently applied relevant accounting policies.
- Made estimates and judgements which are reasonable based on the Board's best knowledge.

The Board is responsible for ensuring the proper maintenance of accounting records, disclosing with reasonable accuracy the financial position of the Group. In addition, the Board is responsible for taking reasonable steps to safeguard the assets of the Group and to detect as well as prevent fraud and other irregularities.

COMPLIANCE STATEMENT

Save as disclosed above, the Board is satisfied that throughout the financial year ended 30 June 2019, the Company has applied the principles and recommendations of the corporate governance set out in the Code, where necessary and appropriate.

The Corporate Governance Report can be viewed in the Company's website, www.dialogasia.com.

 www.dialogasia.com

This statement is made in accordance with a resolution of the Board dated 5 September 2019.

AUDIT COMMITTEE REPORT

“The Audit Committee (“The Committee”) provides assistance to the Board in fulfilling the Board’s responsibilities to the Company and its shareholders relating to the internal control systems, accounting and financial reporting process as well as the audit of the Company’s financial statements.”

COMPOSITION

Board members who served on the Audit Committee during the year are as follows:

- a. **Datuk Oh Chong Peng**
(Senior Independent Non-Executive Director and a member of the Malaysian Institute of Accountants)
(Chairman of the Audit Committee)
- b. **Kamariyah Binti Hamdan**
(Independent Non-Executive Director)
- c. **Siti Khairon Binti Shariff**
(Independent Non-Executive Director)
- d. **Dato’ Ismail Bin Karim**
(Independent Non-Executive Director)

The Secretary of the Committee is Ms Chay Siew Kim, who is also the Joint Company Secretary.

The Terms of Reference (TOR) of the Audit Committee is published on the Company’s corporate website at www.dialogasia.com. The TOR will be periodically reviewed and updated as and when deemed necessary and upon any new regulations that may have an impact on the discharge of the Audit Committee’s duties and responsibilities.

TERM OF MEMBERSHIP

Members of the Audit Committee are appointed for an initial term of 2 years after which they may be re-appointed on such terms as may be determined by the Board of Directors.

MEETINGS

The Audit Committee met seven times during the financial year 2019. The external auditors, other Non-Executive Directors of the Company and the senior management personnel of the operating business units of the Group were invited, when appropriate, to attend the Audit Committee meetings to assist in its deliberations.

The details of attendance at the Audit Committee meetings during the financial year 2019 are as follows:

No.	Name	No. of Meetings Attended	Percentage of Attendance (%)
1	Datuk Oh Chong Peng	7/7	100
2	Kamariyah Binti Hamdan	7/7	100
3	Siti Khairon Binti Shariff	7/7	100
4	Dato’ Ismail Bin Karim	4/4*	100

*Note:

Dato’ Ismail Bin Karim was appointed as a member of the Audit Committee effective 14 September 2018.

AUTHORITY

The Committee has the authority to seek any information it requires from any officer or employee of the Group and such officers or employees are instructed by the Board of the Company employing them to respond to such enquiries. It is also authorised to seek independent professional advice, as it considers necessary.



AUDIT COMMITTEE REPORT

The Committee is authorised by the Board to investigate any activity within its responsibility and duties. The Committee submits a report to the Board detailing its findings and recommendations immediately after deliberating on the findings of its enquiries.

SUMMARY OF WORK OF THE AUDIT COMMITTEE RELATING TO FINANCIAL YEAR 2019

The Audit Committee carried out the following work in the discharge of its functions and duties through reviewing and deliberation during Audit Committee meetings for the financial year 2019:

- a. Reviewed the quarterly financial statements and annual audited financial statement of the Group;
- b. Reviewed the scope, functions and resources of the internal audit function;
- c. Reviewed and appraised the Group's internal control systems and report to the Board of Directors on the Risk Management and Internal Control Statement of the Group;
- d. Reviewed the terms of reference of the Audit Committee and audit plan;
- e. Reviewed the internal audit reports including audits conducted jointly with joint venture partners and adequacy and effectiveness of the management responses in implementing the recommendations of the Internal Audit Department;
- f. Reviewed special investigation reports and discussed next course of action;
- g. Reviewed the risk management process for managing the risks associated with the Group's business activities;
- h. Reviewed related party transactions of the Group;
- i. Reviewed and verified the allocation of the share options under the Dialog Group Employees' Share Option Scheme ("ESOS") as being in compliance with the criteria set out in the ESOS by-laws; and
- j. Reviewed with the external auditors their audit scope, procedures and reporting requirements. Convened 1 meeting on 25 September 2018 with the external auditors without the presence of Executive Directors and officers.

INTERNAL AUDIT FUNCTION

The Board of Directors and the Audit Committee are assisted by the in-house Internal Audit Department ("IAD") in ensuring that a sound system of internal controls is in place. The IAD reports to the Audit Committee in the performance of its duties and is guided by its Audit Charter in its independent appraisal functions.

The primary role of internal audit is to provide independent assurance to the Board that:

- a. The Group's policies and guidelines have been communicated, implemented and are working as intended; and
- b. Risk areas have been identified and there are effective internal control systems over all aspects of the Group's business and operations.

The Internal Audit Department is responsible for developing and monitoring an efficient and effective audit plan to provide the Board with assurance that the systems of internal control of the Group achieve the following:

- a. That business is planned and conducted in an orderly, prudent, efficient and cost effective manner;
- b. Transactions and commitments are entered into in accordance with management's authority;
- c. Management is able to safeguard the assets and control the liabilities of the Group, i.e. there are measures to minimise and to detect the loss from irregularities, frauds and errors; and
- d. The accounting and other records of the business provide complete, accurate and timely information.

IAD adopts the Institute of Internal Auditors' International Professional Practices Framework ("IPPF") and the Committee of Sponsoring Organisation of the Treadway Commission ("COSO")'s framework.

Audit reviews were conducted through risk-based approach, in line with the Group's objectives. IAD conducted reviews on governance, risk management and controls in the areas of finance, compliance, operations, project management etc.

During the financial year 2019, the Internal Audit Department was staffed by 3 internal auditors and supported by internal guest auditors, who conducted a total of 17 audit reviews and 11 follow-up/audit closure reviews for current and previous years. On-going actions were taken by the management to rectify the weaknesses identified in the reports. The total costs incurred for the internal audit function in respect of the financial year 2019 amounted to RM733,569.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors affirms its responsibility for maintaining a sound and effective system of risk management and internal control. This system is designed to:

- a. Safeguard shareholders' investments and the Group's assets;
- b. Ensure continuous identification, evaluation, monitoring and management of key risks that may impede the achievement of the Group's business objectives;
- c. Ensure that proper accounting records are maintained;
- d. Ensure that the financial information used within the business and for publication to the public is reliable; and
- e. Ensure compliance with applicable laws and regulations.

The Group's risk management and internal control system is an ongoing process designed to meet the Group's particular needs and to manage the risks associated with strategic, operations, financial and regulatory compliance.

The Directors are aware that the risk management and internal control system can only provide reasonable and not absolute assurance against the risk of material errors, misstatement, fraud or occurrences of unforeseeable circumstances. The Directors constantly review the adequacy and integrity of the Group's risks management and systems of internal control with the assistance of both the Audit Committee and the Risk Management Committee. The Directors believe that the business and operation environment in DIALOG is conducive for the Group to accomplish its mission and business objectives.

KEY INTERNAL CONTROLS PROCESSES

The key processes of the Group's internal controls include the following elements:

CONTROL ENVIRONMENT

Line of Reporting

Clear organisational structures with formally defined lines of responsibility and delegation of authority that act as a control mechanism in terms of lines of reporting and accountability.

Financial Authority Limits

Well-defined financial limits of authority on all financial commitments for each level of management within the Group. The financial authority limits are continuously reviewed and updated so as to ensure their suitability for implementation. Policies and procedures on such limits are documented to guide staff at all levels in the performance of their duties.

RISK ASSESSMENT

Risk Management

The Group has in place a Risk Management policy and framework to identify, evaluate, monitor and manage risks encountered by the Group. The policy and framework are consistent with the principles set out in accordance with ISO 31000:2009 Risk Management – Principles and Guidelines. The policy and framework provide a common understanding and approach in the application of risk management process across the Group.

During the financial year 2019, the Risk Management Committee composition has been revised to consist of all independent directors.

The Risk Management Committee reviewed the effectiveness of the risk management process and reports arising from risk management activities and deliberated on the risks identified, controls and risk mitigation strategies.

Key and potential risks identified, together with the mitigation action plans are reported to the Risk Management Committee, Audit Committee and the Board for their attention and deliberation.

CONTROL ACTIVITIES

Internal Audit Function

The Internal Audit Department is responsible to assist the Audit Committee in providing independent assessments on the adequacy, efficiency and effectiveness of internal control systems and ensuring operational compliance with standard operating procedures within the Group.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Internal Audit Department undertakes regular and systematic review of the internal controls, providing the Audit Committee and the Board with sufficient independent assurance that the system of internal control is effective in identifying and addressing potential risks.

ISO 9001 and TS 29001 Quality Management Systems Audit

Annual audits are conducted internally as well as externally by certified bodies to ensure compliance with all requirements of the ISO 9001:2015 and ISO/TS 29001:2010 by each of the certified subsidiaries. The certifications serve as an assurance to customers with regards to the delivery of the highest quality of products and services by the Group.

Centralised Functions

Centralised control of selected key functions of the Group such as finance, accounts, Health, Safety and Environment ("HSE"), quality assurance/quality control, contracting, procurement, legal, human resources, treasury and tax enables the management to minimise risk exposure and increase the efficiency and effectiveness of business operations.

Human Resource Development

A proactive approach in human resource development is adopted to ensure employees at all levels are competent to meet the current business requirements and future business needs. Training is provided on various areas of work such as knowledge of leadership, health, safety and environment, technical training as well as soft skills, both locally and overseas to ensure staff of all levels are proficient and competent in their job functions. Training programmes are also conducted for risk awareness and on implementation of total risk management processes and procedures as part of the Group's efforts to foster a proactive risk management culture.

INFORMATION AND COMMUNICATION

Financial Reporting

A financial system is in place to capture all financial transactions and generate periodic management financial reports for performance review and decision making.

Annual budgets are prepared by operating units and approved by the Board. Actual performance of operating units against the budgets is reviewed and monitored on a regular basis.

MONITORING

Management Visit

Directors and senior management conduct regular visits to project sites, overseas offices, customers and principals' offices to review the Group's operations and gain better understanding to facilitate informed decision-making.

Third Party Audit

Third party audit is carried out by the project owners if required. These audit processes are conducted by joint venture partners, alliance partners and also other relevant parties.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITOR

As required by the Bursa Securities' Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3") (February 2018), Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA"). Their review has been conducted to assess whether the Statement on Risk Management and Internal Control is supported by the documentation prepared by or for the Directors and appropriately reflects the process the Directors have adopted in reviewing the adequacy and integrity of risk management and the system of internal control for the Group.

AAPG 3 (February 2018) does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. Based on the procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

CONCLUSION

The Risk Management and Internal Control systems are in place, and are adequate and effective for the Group.

The Executive Chairman and Group Chief Financial Officer have provided assurance to the Board that the Group's Risk Management and Internal Control system is operating adequately and effectively.

The Group will continue to take measures to strengthen the Risk Management and Internal Control system with a view to further enhance its effectiveness and to ensure new and additional risks arising from changes in the business and operating environment are managed within tolerable limits and dealt with in a timely manner. The Group's Key Risks and Opportunities are disclosed on pages 54 to 57 of this Annual Report.

ADDITIONAL INFORMATION

108 Share Performance

109 Enhancing Shareholder Value

110 Shareholdings Information

113 List of Top Ten Properties

115 Group Corporate Directory

117 Notice of The 31st Annual General Meeting and Dividend Entitlement

120 Statement Accompanying The Notice of The 31st Annual General Meeting of The Company

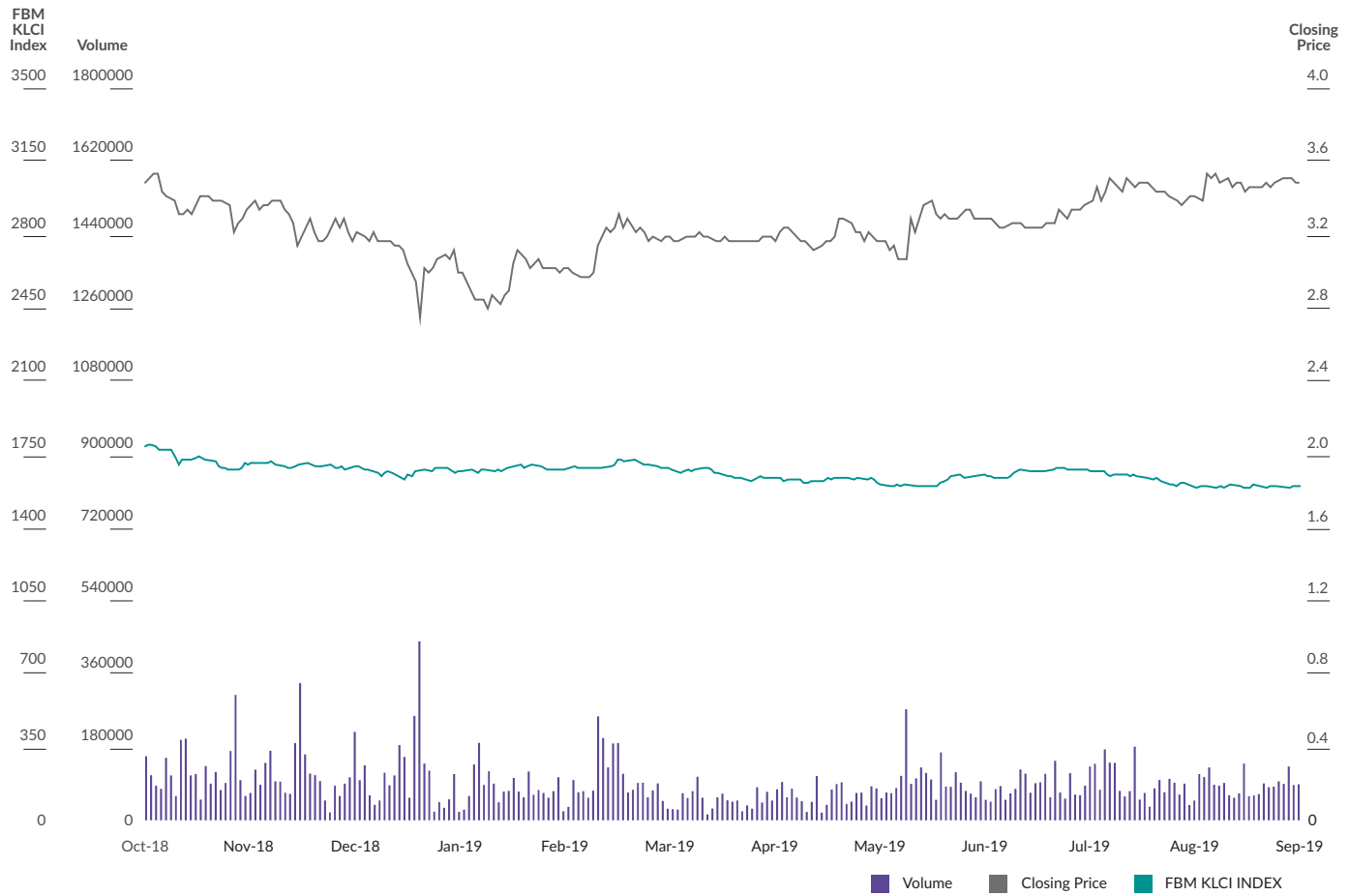
- Proxy Form



Hydrogen Sulphide Plant Construction at the Arkema Thiochemicals K2 Expansion Project, Kertih, Terengganu



SHARE PERFORMANCE



SUMMARY OF MONTHLY SHARE INFORMATION FOR THE PERIOD FROM 1 OCTOBER 2018 TO 13 SEPTEMBER 2019

	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Opening Price (RM)	3.49	3.39	3.20	3.11	3.01	3.20	3.19	3.21	3.32	3.28	3.43	3.47
Highest Price (RM)	3.57	3.44	3.25	3.12	3.34	3.31	3.32	3.42	3.35	3.57	3.55	3.55
Lowest Price (RM)	3.14	3.12	2.72	2.73	2.96	3.13	3.07	2.95	3.22	3.27	3.32	3.40
Closing Price (RM)	3.39	3.17	3.11	3.00	3.23	3.17	3.22	3.32	3.26	3.45	3.48	3.49
Volume (Board Lot of 100 units)	2,783,578	2,378,044	2,326,651	1,718,850	1,843,306	1,080,171	1,331,481	1,970,095	1,448,719	2,080,820	1,735,621	752,835

ENHANCING SHAREHOLDER VALUE

23-YEAR RETURN TO SHAREHOLDERS

Compounded Annual Growth Rate on return to shareholders is 32% from IPO in 1996 to 2019

Financial Year	Particulars	New Shares Issued To a Shareholder	Free Warrants Alloted	Cumulative Number of Shares Held by a Shareholder	Cumulative Number of Warrants Held by a Shareholder	Cost of Investment of a Shareholder
1996	Initial Public Offer ("IPO") at RM2.75 per share			1,000		RM2,750
2000	Bonus issue : 4 for 5	800		1,800		
2000	Bonus issue : 2 for 3	1,200		3,000		
2001	Bonus issue : 2 for 5	1,200		4,200		
2002	Bonus issue : 1 for 5	840		5,040		
2004	Bonus issue : 1 for 5	1,008		6,048		
2004	Share split of 1 into 10	-		60,480		
2006	Special share dividend : 1 for 50	1,209		61,689		
2009	Special share dividend : 1 for 50	1,233		62,922		
2010	Bonus issue : 2 for 5	25,168		88,090		
2012	Rights Issue at RM1.20 : 2 for 10	17,618		105,708		RM21,142
2012	Free Warrants : 1 for 10		8,809		8,809	
2014	Special share dividend : 1 for 125	845	70	106,553	8,879	
2014	Bonus issue : 1 for 1	106,553	8,879	213,106	17,758	
2017	Conversion of warrants into shares at RM1.19 per warrant	17,758	(17,758)	230,864	-	RM21,132
	Total Investment					RM45,024

RETURN TO SHAREHOLDERS

Market value of shares held (plus dividend received from IPO in 1996 to FY2019 based on closing price as at 13 September 2019)	RM865,683
Compounded Annual Growth Rate from IPO in 1996 to 2019	32%



SHAREHOLDINGS INFORMATION

Share Capital	:	RM1,684,126,112.94 comprising 5,641,642,303 ordinary shares
No of Shareholders	:	14,920
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per ordinary share (On a poll)

DISTRIBUTION SCHEDULE OF SHARES AS AT 13 SEPTEMBER 2019

No. of Holders	Total Holdings	Holdings*	%*
2,169	Less than 100	87,336	0.00
2,598	100 to 1,000	1,153,292	0.02
5,179	1,001 to 10,000	23,371,152	0.42
3,403	10,001 to 100,000	107,599,532	1.91
1,567	100,001 to less than 5% of issued shares	4,377,136,411	77.63
3	5% and above of issued shares	1,128,959,548	20.02
14,919		5,638,307,271	100.00

NOTE

- Excluding a total of 3,335,032 shares bought-back by DIALOG Group Berhad and retained as treasury shares as at 13 September 2019.

THIRTY SECURITIES ACCOUNT HOLDERS HAVING THE LARGEST NUMBER OF ORDINARY SHARES

AS AT 13 SEPTEMBER 2019

No.	Name	Holdings	%*
1	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR AZAM UTAMA SDN. BHD.	395,651,380	7.02
2	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD	374,754,816	6.65
3	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WIDE SYNERGY SDN. BHD.	358,553,352	6.36
4	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	196,609,600	3.49
5	CARTABAN NOMINEES (ASING) SDN. BHD. GIC PRIVATE LIMITED FOR GOVERNMENT OF SINGAPORE (C)	164,177,272	2.91
6	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK TRUSTEES BERHAD FOR PUBLIC ITTIKAL FUND (N14011970240)	130,000,000	2.31
7	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	129,410,000	2.30
8	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	88,252,200	1.57
9	DB (MALAYSIA) NOMINEE (ASING) SDN. BHD. BNYM SA/NV FOR PEOPLE'S BANK OF CHINA (SICL ASIA EM)	81,499,700	1.45
10	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. PAMB FOR PRULINK EQUITY FUND	78,314,970	1.39
11	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR AIA BHD.	77,984,958	1.38

SHAREHOLDINGS INFORMATION

THIRTY SECURITIES ACCOUNT HOLDERS HAVING THE LARGEST NUMBER OF ORDINARY SHARES
AS AT 13 SEPTEMBER 2019 (CONTINUED)

No.	Name	Holdings	%*
12	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	75,197,280	1.33
13	CARTABAN NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	73,253,214	1.30
14	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	70,769,800	1.26
15	ABDUL RASHID HUSSAIN	67,903,200	1.20
16	AMANAHRAYA TRUSTEES BERHAD PUBLIC ITTIKAL SEQUEL FUND	62,768,776	1.11
17	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	58,581,100	1.04
18	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC DIVIDEND FUND	50,219,190	0.89
19	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WIDE SYNERGY SDN. BHD. (CORPBANKING-5)	50,000,000	0.89
20	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR IMPRESIF MATRIK SDN. BHD. (MY1150)	47,789,256	0.85
21	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	45,064,900	0.80
22	AZAM UTAMA SDN. BHD.	45,000,000	0.80
23	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC EQUITY FUND	38,726,036	0.69
24	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 1)	38,435,845	0.68
25	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MTRUSTEE BERHAD FOR CIMB ISLAMIC DALI EQUITY GROWTH FUND (UT- CIMB-DALI)(419455)	37,873,852	0.67
26	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC SECTOR SELECT FUND	34,000,000	0.60
27	CARTABAN NOMINEES (ASING) SDN. BHD. GIC PRIVATE LIMITED FOR MONETARY AUTHORITY OF SINGAPORE (H)	33,685,666	0.60
28	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. VALUECAP SDN. BHD.	31,798,400	0.56
29	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK TRUSTEES BERHAD FOR PUBLIC REGULAR SAVINGS FUND (N14011940100)	30,092,130	0.53
30	HSBC NOMINEES (ASING) SDN. BHD. BPSS LUX FOR PARVEST EQUITY WORLD EMERGING	30,068,100	0.53

NOTES

The above list is according to the Record of Depositors (without aggregating the number of ordinary shares from different securities accounts belonging to the same person).

* Excluding a total of 3,335,032 shares bought-back by DIALOG Group Berhad and retained as treasury shares as at 13 September 2019.



SHAREHOLDINGS INFORMATION

INFORMATION ON SUBSTANTIAL SHAREHOLDERS (EXCLUDING BARE TRUSTEES) AS AT 13 SEPTEMBER 2019

Name of Substantial Directors	Direct Interest		Deemed Interest	
	No.	%*	No.	%*
Employees Provident Fund Board	493,792,516 ¹	8.76	-	-
Azam Utama Sdn. Bhd.	467,563,330 ¹	8.29	-	-
Wide Synergy Sdn. Bhd.	441,970,688 ¹	7.84	-	-
Tan Sri Dr Ngau Boon Keat	45,904,103 ¹	0.81	1,083,445,842 ²	19.22

NOTES

¹ Shares are held in own name and/or nominee account(s).

² Deemed interested by virtue of his interests in Azam Utama Sdn. Bhd., Wide Synergy Sdn. Bhd., GMC Sdn. Bhd. and WRN Sdn. Bhd., and interests held by his spouse and children.

* Excluding a total of 3,335,032 shares bought-back by DIALOG Group Berhad and retained as treasury shares as at 13 September 2019.

DIRECTORS' SHAREHOLDINGS AS AT 13 SEPTEMBER 2019

Name of Directors	Direct Interest		Deemed Interest	
	No.	%*	No.	%*
Tan Sri Dr Ngau Boon Keat	45,904,103 ¹	0.81	1,083,445,842 ²	19.22
Chan Yew Kai	32,384,767 ¹	0.57	3,000,000 ³	0.05
Datuk Oh Chong Peng	-	-	-	-
Kamariyah Binti Hamdan	1,938,614 ¹	0.03	268,158 ⁴	0.00
Siti Khairon Binti Shariff	-	-	-	-
Dato' Ismail Bin Karim	-	-	63,472 ⁴	0.00
Tunku Alizakri Bin Raja Muhammad Alias	-	-	-	-
Chew Eng Kar	11,611,760 ¹	0.21	10,038,607 ⁵	0.18
Zainab Binti Mohd Salleh	7,391,879 ¹	0.13	-	-
Mohamad Hafiz Bin Kassim (Alternate Director to Tunku Alizakri Bin Raja Muhammad Alias)	-	-	-	-

NOTES

¹ Shares are held in own name and/or nominee account(s).

² Deemed interested by virtue of his interests in Azam Utama Sdn. Bhd., Wide Synergy Sdn. Bhd., GMC Sdn. Bhd. and WRN Sdn. Bhd., and interests held by his spouse and children.

³ Deemed interested by virtue of his children's interests.

⁴ Deemed interested by virtue of her/his spouse's interests.

⁵ Deemed interested by virtue of his interests in CEKInvst Sdn. Bhd. and his family trust.

* Excluding a total of 3,335,032 shares bought-back by DIALOG Group Berhad and retained as treasury shares as at 13 September 2019.

LIST OF TOP TEN PROPERTIES

as at 30 June 2019

	Existing Use	Tenure	Date of Acquisition by the Group	Approximate Age of Building	Land Area/Build-Up Area (Sq. Ft.)	Net Book Value as at 30 June 19 RM'000
DIALOG PROPERTIES SDN. BHD. DIALOG TOWER No. 15, Jalan PJU 7/5, Mutiara Damansara 47810 Petaling Jaya, Selangor Darul Ehsan	Corporate Office	Freehold land and building	02 April 2007	6 years	53,508	126,730
DIALOG FABRICATORS SDN. BHD. Lot 4993 & 4994, Mukim Pengerang 81620 Kota Tinggi, Johor Darul Ta'zim	Workshop and Office	Leasehold land and building expiring on 12 May 2110	13 May 2011	5 years	5,126,141/ 311,672	104,821
DIALOG TERMINALS LANGSAT (1) SDN. BHD. (Formerly known as LANGSAT TERMINAL (ONE) SDN. BHD.) Lot PLO 118, Jalan Tengar Kompleks Perindustrian Tanjung Langsat Mukim Sg. Tiram, 81707 Pasir Gudang Johor Darul Ta'zim	Terminal Facilities, Warehouse, Workshop, Laboratory and Office	Leasehold land and building expiring on 11 April 2046	25 September 2017	10 years	1,743,751/ 55,972	74,206
DIALOG TERMINALS LANGSAT (3) SDN. BHD. (Formerly known as LANGSAT TERMINAL (THREE) SDN. BHD.) Lot PLO 25C, Jalan Tengar Kompleks Perindustrian Tanjung Langsat Mukim Sg. Tiram, 81707 Pasir Gudang Johor Darul Ta'zim	Terminal Facilities and Office	Leasehold land and building expiring on 14 Jan 2048	10 November 2017	11 years	1,531,972/ 7,026	69,169
DIALOG FITZROY LIMITED (Formerly known as FITZROY ENGINEERING GROUP LIMITED) Devon Road, Private Bag 2053 New Plymouth 4342 New Zealand	Workshop and Office	Freehold land and building	03 February 2014	45 years	348,535/ 77,274	16,014
DIALOG TERMINALS LANGSAT (2) SDN. BHD. (Formerly known as LANGSAT TERMINAL (TWO) SDN. BHD.) Lot PLO 121, Jalan Tengar Kompleks Perindustrian Tanjung Langsat Mukim Sg. Tiram, 81707 Pasir Gudang Johor Darul Ta'zim	Terminal Facilities	Leasehold land expiring on 11 April 2046	25 September 2017	-	463,494	15,695



LIST OF TOP TEN PROPERTIES

	Existing Use	Tenure	Date of Acquisition by the Group	Approximate Age of Building	Land Area/ Build-Up Area (Sq. Ft.)	Net Book Value as at 30 June 19 RM'000
CORAK DAHLIA SDN. BHD. Geran 1476 Lot 236 & Geran 1477 Lot 237 Mukim Seremban, Daerah Seremban Negeri Sembilan Darul Khusus	Vacant	Freehold land	28 April 2000	-	86,112	5,232
DIALOG TECHNOLOGY AND SERVICES LIMITED 22/9 Soi Chaklukya 4 Watchaklukya Road, Tambol Huaypong Amphur Muang Rayong Rayong 21150 Thailand	Workshop and Office	Freehold land and building	07 April 2011	33 years	307,214/ 37,084	4,590
DIALOG FABRICATORS SDN. BHD. Lot 3739, Mukim Kertih Daerah Kemaman, Terengganu Darul Iman	Regional Office and Workshop	Freehold land and building	16 January 2002	14 years	215,601	4,494
DIALOG FABRICATORS SDN. BHD. Lot 128 GRN 88708, Mukim Pengerang 81620 Kota Tinggi, Johor Darul Ta'zim	Staff Quarters	Building on rented land expiring on 31 January 2022	01 May 2017	3 years	136,305	4,380

GROUP CORPORATE DIRECTORY

MALAYSIA

HEAD OFFICE

DIALOG TOWER

No. 15, Jalan PJU 7/5
Mutiara Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : 603 7717 1111
Fax : 603 7722 3999
Website : www.dialogasia.com
Email : contact@dialogasia.com
Investor
Relations : jolyn.low@dialogasia.com
kim@dialogasia.com

OFFICE

Lot 3739, Kg. Labohan
Mukim Kertih
Daerah Kemaman
24300 Kertih
Terengganu Darul Iman
Malaysia
Tel : 609 826 6833
Fax : 609 826 6827

18-01 Teega Office Tower
Teega@Puteri Harbour
No.1, Jalan Laksamana 1
Puteri Harbour
79250 Iskandar Puteri
Johor Darul Ta'zim
Malaysia
Tel : 607 522 6977
Fax : 607 522 6867

OFFICE AND WORKSHOP

No. 15 & 17, Jalan TP4
Tmn Perindustrian Bukit Rambai Fasa 6
Mukim Bukit Rambai
75250 Melaka Bandaraya Bersejarah
Malaysia
Tel : 606 351 9051
Fax : 606 351 9070

FABRICATION YARDS

Lot 1480, B12 Mukim Setul Kawasan
Perindustrian Nilai
71800 Nilai
Negeri Sembilan Darul Khusus
Malaysia
Tel : 606 799 2557
Fax : 606 799 2553

Plo 112, Jalan Firma 1/5
Tebrau Industrial Estate
81100 Johor Bahru
Johor Darul Ta'zim
Malaysia
Tel : 607 354 1068
Fax : 607 354 1093

Lot 4993-4994
Tanjung Kapal
Mukim Pengerang
81600 Pengerang
Johor Darul Ta'zim
Malaysia
Tel : 607 826 3485
Fax : 607 836 3465

WORKSHOPS

P.T. 8920 Kawasan Bukit Labohan
Mukim Kertih
Daerah Kemaman
24300 Kertih
Terengganu Darul Iman
Malaysia
Tel : 609 826 6050
Fax : 609 826 5969

Lot 6, Kawasan Perindustrian Gebeng
Mukim Sg. Karang
26080 Kuantan
Pahang Darul Makmur
Malaysia
Tel : 609 580 1212
Fax : 609 580 1213

Lot 1B, Industri Kecil & Sederhana ("IKS")
Kampung Ranche-Ranche
87000 W.P. Labuan

PENGERANG MARINE OPERATIONS CENTRE

Lot PTD 4836
Kg. Sungai Kapal
Mukim Pengerang
81600 Pengerang
Johor Darul Ta'zim
Malaysia
Tel : 607 824 2666
Fax : 607 824 2601

OFFICE AND TERMINAL

Lot PLO 118, 121 & 25C
Jalan Tengar, Kompleks Perindustrian
Tanjung Langsat
Mukim Sg. Tiram
81707 Pasir Gudang
Johor Darul Ta'zim
Malaysia
Tel : 607 2562 888
Fax : 607 2514 996



GROUP CORPORATE DIRECTORY

INTERNATIONAL

SINGAPORE**OFFICE AND WORKSHOP**

10 Tuas Avenue 16
Singapore 638931
Tel : 65 6336 3377
Fax : 65 6338 9929

460 Alexandra Road
#15-04 PSA Building
Singapore 119963

Tel : 65 6251 5024
Fax : 65 6251 8564

INDONESIA**OFFICE**

Bidakara 2 Building, 15th Floor Jl. Jend.
Gatot Subroto Kav. 71-73
Jakarta 12870
Indonesia

Tel : 62 21 8370 5372
Fax : 62 21 8370 5373

WORKSHOP

Kawasan Industri Jababeka 3
Jl. Tekno Boulevard Blok B 6 A
Cikarang Utara
Bekasi 17530
Indonesia

Tel : 62 21 8984 4541
Fax : 62 21 8984 4542

THAILAND**OFFICE**

Unit 1204-2, 555 Rasa Tower 2
12th Floor, Phaholyothin Rd.
Kwaeng Chatuchak
Khet Chatuchak, Bangkok
10900 Thailand

Tel : 66 2 937 1029 - 32
Fax : 66 2 937 1185

OFFICE AND WORKSHOP

22/9 Soi Chaklukya 4
Watchaklukya Road
Tambol Huaypong
Amphur Muang Rayong
Rayong 21150
Thailand

Tel : 66 3869 2671-2
Fax : 66 3869 2670

31 Saiburi Road, Tambon Boryang
Amphur Muang, Songkhla
Songkhla 90000
Thailand

Tel : 66 0 7432 2045
Fax : 66 0 7432 2043

CHINA**OFFICE**

Rm. 1905, Building 1
Wanda Plaza, No. 93 Jianguo Road
Chaoyang District
Beijing 100022, China

Tel : 86 10 5820 5069
Fax : 86 10 5820 5069

SAUDI ARABIA**OFFICE AND WORKSHOP**

Building No. 2908, Road 120
First Industrial Area
Jubail Industrial City
35717 Kingdom of Saudi Arabia
Tel : 966 1 3340 7740/42
Fax : 966 1 3340 7741

SUPPLY BASE

Building No. 2908, Road 120
First Industrial Area
Jubail Industrial City
35717 Kingdom of Saudi Arabia
Tel : 966 1 3363 2056/59
Fax : 966 1 3363 2023

AUSTRALIA**OFFICE**

7 Burgay Court Osborne Park
Perth, WA 6017
Australia

Tel : 61 8 9244 9899
Fax : 61 8 9244 9866

OFFICE AND WORKSHOP

1294 Lytton Road
Hemmant, Brisbane QLD 4174
Australia

Tel : 61 7 3900 4500
Fax : 61 7 3393 9232

WORKSHOP

9 Osborne Street
Chinchilla QLD 4413
Australia
Tel : 61 7 4669 1811

NEW ZEALAND**OFFICE AND WORKSHOP**

691 Devon Road, Waiwhakaiho
Private Bag 2053
New Plymouth 4342
New Zealand

Tel : 64 6 759 5252
Fax : 64 6 759 5253

OFFICE

1st Floor, 1 Neil Park Drive, East Tamaki
Auckland 2163
New Zealand

Tel : 64 9 272 8460
Fax : 64 9 272 8470

WORKSHOPS

3 Tunnel Grove
Lower Hutt
Wellington, 5010
New Zealand
Tel : 64 4 389 9210

215 Connett Road East, Bell Block
New Plymouth 4312
New Zealand
Tel : 64 755 0709

45 Mawhitiwhiti Road
Normanby Hawera 4675
New Zealand
Tel : 64 6 272 8694

UNITED ARAB EMIRATES**OFFICE**

P.O. Box 262457
Office #1814 Tower A (FZJOA1814)
JAFZAONE
Jebel Ali
Dubai, U.A.E.

Tel : 971 4 881 9410
Fax : 971 4 881 9420

NOTICE OF THE 31ST ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT the Thirty-First Annual General Meeting of DIALOG Group Berhad (“DIALOG” or the “Company”) will be held at **Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 13 November 2019 at 10.00 a.m.** to consider the following matters:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2019 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)
 2. To approve the payment of a Final Single Tier Cash Dividend of 2.3 sen per ordinary share in respect of the financial year ended 30 June 2019. (Ordinary Resolution 1)
 3. To re-elect Kamariyah Binti Hamdan, the director retiring pursuant to Article 96 of the Company's Constitution. (Ordinary Resolution 2)
 4. To re-elect Siti Khairon Binti Shariff, the director retiring pursuant to Article 96 of the Company's Constitution. (Ordinary Resolution 3)
 5. To approve the payment of Directors' fees and Board Committees' fees of RM735,000 in respect of the financial year ended 30 June 2019 (2018: RM632,000). (Ordinary Resolution 4)
 6. To approve Directors' benefits (other than Directors' fees and Board Committees' fees) up to an amount of RM600,000 from 14 November 2019 to the next Annual General Meeting of the Company. (Ordinary Resolution 5)
- (Please refer to Explanatory Note 2)
7. To re-appoint Messrs BDO PLT as auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 6)
 8. **Special Business:-**
To consider and if thought fit, to pass the following resolutions:
 - (A) **ORDINARY RESOLUTION 7**
- CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR (Ordinary Resolution 7)
“THAT approval be and is hereby given for Datuk Oh Chong Peng, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue in office as an Independent Non-Executive Director of the Company.” (Please refer to Explanatory Note 3)
 - (B) **ORDINARY RESOLUTION 8**
- CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR (Ordinary Resolution 8)
“THAT approval be and is hereby given for Kamariyah Binti Hamdan, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue in office as an Independent Non-Executive Director of the Company.” (Please refer to Explanatory Note 3)



NOTICE OF THE 31ST ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

(C) ORDINARY RESOLUTION 9 - PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

(Ordinary
Resolution 9)

(Please refer to
Explanatory Note 3)

“THAT, subject to the Companies Act 2016 (“the Act”), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and the requirements of any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia upon such terms and conditions as the Directors of the Company may deem fit in the interest of the Company provided that the aggregate number of ordinary shares purchased pursuant to this resolution does not exceed ten percent (10%) of the total number of issued ordinary shares of the Company (“Proposed Renewal of Share Buy-Back Authority”) and THAT an amount not exceeding the total audited retained profits of the Company at the time of purchase, would be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority.

THAT the authority conferred by this ordinary resolution will commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) or until the expiration of the period within which the next Annual General Meeting after that date is required by law to be held.

THAT the Directors of the Company be and are hereby authorised to take all steps necessary to implement, finalise and to give full effect to the Proposed Renewal of Share Buy-Back Authority and THAT the Directors be and are hereby authorised to deal with DIALOG Shares so purchased, at their discretion, in the following manner:

- i. cancel the DIALOG Shares so purchased; or
- ii. retain the DIALOG Shares so purchased as treasury shares which may be dealt with in accordance with Section 127(7) of the Act; or
- iii. retain part of the DIALOG Shares so purchased as treasury shares and cancel the remainder of the DIALOG Shares,

or in any other manner as may be prescribed by the Act, all applicable laws, regulations and guidelines applied from time to time by Bursa Malaysia and/or other relevant authority for the time being in force and THAT the authority to deal with the purchased DIALOG Shares shall continue to be valid until all the purchased DIALOG Shares have been dealt with by the Directors of the Company.”

**NOTICE OF THE 31ST ANNUAL GENERAL MEETING
AND DIVIDEND ENTITLEMENT****(D) SPECIAL RESOLUTION
- PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY****(Special Resolution)**

“THAT approval be and is hereby given to revoke the existing Constitution of the Company with immediate effect and in place thereof, the proposed new Constitution as set out in Appendix I be and is hereby adopted as the Constitution of the Company AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by any relevant authorities, and to do all such acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

**(Please refer to
Explanatory Note 3)**

9. To transact any other ordinary business for which due notice shall have been given.

NOTICE IS ALSO HEREBY GIVEN THAT the Final Single Tier Cash Dividend of 2.3 sen per ordinary share held in DIALOG, if approved, will be paid on 18 December 2019 to shareholders whose names appear in the Record of Depositors at the close of business on 28 November 2019.

A depositor shall qualify for entitlement to the Final Single Tier Cash Dividend only in respect of:

- a. Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 28 November 2019 in respect of ordinary transfers.
- b. Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

ZAINAB BINTI MOHD SALLEH, MIA 7672

LIM HOOI MOOI, MAICSA 0799764

CHAY SIEW KIM, MAICSA 7012266

Joint Company Secretaries

Petaling Jaya

14 October 2019



NOTICE OF THE 31ST ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

Notes:

- a. Other than an exempt authorised nominee, a member of the Company is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
- b. A proxy need not be a member of the Company and a member may appoint any person to be his proxy.
- c. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation under its Common Seal or the hand of its duly authorised officer or attorney.
- d. An instrument appointing a proxy must be deposited at the Registered Office of the Company at DIALOG TOWER, No. 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting ("AGM") or any adjournment thereof.
- e. Members whose names appear in the Record of Depositors as at 6 November 2019 shall be regarded as members entitled to attend, speak and vote at the AGM or appoint a proxy or proxies to attend, speak and vote in his stead.
- f. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by poll.

Explanatory Notes to the Agenda:

1. Item 1 of the Agenda

The audited financial statements are for discussion only as it does not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, it will not be put for voting.

2. Item 6 of the Agenda

The Directors' Benefits (other than Directors' fees and Board Committees' fees) comprise meeting attendance allowances and/or other allowances to meet expenses incurred in carrying out their duties. In determining the estimated total amount, the Board has considered various factors, among others, the estimated number of meetings for the Board and its Committees.

3. Special Business

Item 8 of the Agenda

Ordinary Resolution 7 and 8 - Continuation in office as Independent Non-Executive Director

The proposed Ordinary Resolution No. 7 and 8, if passed, will enable Datuk Oh Chong Peng and Puan Kamariyah Binti Hamdan to continue in office as Independent Non-Executive Directors of the Company in line with the practice of the Malaysian Code of Corporate Governance 2017. Both Datuk Oh and Puan Kamariyah have served as Independent Non-Executive Directors of the Company for a cumulative term of more than 9 years respectively and have met the independence guidelines as set out in Chapter 1 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board has determined that Datuk Oh and Puan Kamariyah are able to bring independent and objective judgements to the Board as a whole and strongly recommended them to continue to act as Independent Non-Executive Directors of the Company.

Ordinary Resolution 9 - Proposed Renewal of Share Buy-Back Authority

The proposed Resolution No. 9, if passed, will empower Directors of the Company to purchase and/or hold up to ten percent (10%) of the total number of issued ordinary shares of the Company. For further information on the Proposed Renewal of Share Buy-Back Authority, please refer to Part B of the Statement to Shareholders dated 14 October 2019 enclosed together with the Company's Annual Report 2019.

Special Resolution - Proposed Adoption of New Constitution of the Company

The proposed Special Resolution, if passed, will align the Constitution of the Company with the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and/or other applicable laws or regulations or guidelines.

The details are set out in Appendix 1 of Part A of the Statement to Shareholders dated 14 October 2019 enclosed together with the Company's Annual Report 2019.

STATEMENT ACCOMPANYING THE NOTICE OF THE 31ST ANNUAL GENERAL MEETING OF THE COMPANY

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

● Details of individuals who are standing for election as Directors

No individual is seeking election as Director at the Thirty-First Annual General Meeting of the Company.

PROXY FORM

DIALOG**DIALOG GROUP BERHAD**
(178694-V)

No. of Ordinary Shares Held

CDS Account No.

I/We _____ NRIC/Passport No./Company No.: _____
(Full Name In Capital Letters)of _____ Telephone No.: _____
(Full Address)being a member of **DIALOG GROUP BERHAD** hereby appoint: _____

NRIC/Passport No. _____ of _____

and/or _____ NRIC/Passport No. _____ of _____

or failing him/her, the Chairman of the Meeting as my/our proxy, to attend and vote for me/us on my/our behalf at the Thirty-First Annual General Meeting of the Company to be held at **Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 13 November 2019 at 10.00 a.m.** and at any adjournment thereof.

No	Ordinary Resolutions	For	Against
1.	To approve the payment of a Final Single Tier Cash Dividend of 2.3 sen per ordinary share for the financial year ended 30 June 2019.		
2.	To re-elect Kamariyah Binti Hamdan, the director retiring pursuant to Article 96 of the Company's Constitution.		
3.	To re-elect Siti Khairon Binti Shariff, the director retiring pursuant to Article 96 of the Company's Constitution.		
4.	To approve the payment of Directors' fees and Board Committees' fees in respect of the financial year ended 30 June 2019.		
5.	To approve the payment of Directors' benefits (other than Directors' fees and Board Committees' fees) from 14 November 2019 to the next Annual General Meeting of the Company.		
6.	To re-appoint Messrs BDO PLT as auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	Continuation in office as Independent Non-Executive Director – Datuk Oh Chong Peng		
8.	Continuation in office as Independent Non-Executive Director – Kamariyah Binti Hamdan		
9.	Proposed Renewal of Share Buy-back Authority		
	Special Resolution		
	Proposed Adoption of New Constitution of the Company		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Dated this _____ day of _____ 2019.

Signature/Common Seal of Shareholder(s)

Date _____

**For appointment of two proxies,
percentage of shareholdings to be
represented by the proxies:**

	Percentage
Proxy 1	%
Proxy 2	%
Total	100%

Notes

- a. Other than an exempt authorised nominee, a member of the Company is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
- b. A proxy need not be a member of the Company and a member may appoint any person to be his proxy.
- c. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation under its Common Seal or the hand of its duly authorised officer or attorney.
- d. An instrument appointing a proxy must be deposited at the Registered Office of the Company at DIALOG TOWER, No. 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting ("AGM") or any adjournment thereof.
- e. Members whose names appear in the Record of Depositors as at 6 November 2019 shall be regarded as members entitled to attend, speak and vote at the AGM or appoint a proxy or proxies to attend, speak and vote in his stead.
- f. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by poll.

FOLD HERE

STAMP

The Company Secretary
DIALOG GROUP BERHAD
(Company No. 178694-V)

DIALOG TOWER,
No. 15, Jalan PJU 7/5
Mutiara Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Malaysia

FOLD HERE

DIALOG

DIALOG GROUP BERHAD

(178694-V)

DIALOG TOWER

No. 15, Jalan PJU 7/5, Mutiara Damansara

47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia

Tel: +603 7717 1111 | Fax: +603 7722 3999 | Email: contact@dialogasia.com

www.dialogasia.com |   **DIALOG Group Berhad**

MyKasih Foundation

is a non-profit organisation that provides food aid, health awareness, children's education, financial literacy programmes and skills training programmes to less fortunate Malaysians.



DIALOG Group Supports **MyKasih**
www.mykasih.com |  MyKasihFoundation