

DIALOG

DIALOG GROUP BERHAD
(178694-V)

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

DIALOG GROUP BERHAD (178694-V)

ANNUAL REPORT 2018

**SUSTAINING
GROWTH**

- ANNUAL REPORT 2018 -

A LEADING INTEGRATED TECHNICAL SERVICE PROVIDER FOR THE OIL, GAS AND PETROCHEMICAL INDUSTRY

OUR VALUES

HSE

COMPETENCY

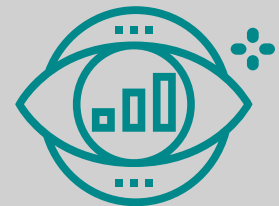
QUALITY

EXCELLENCE



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 in.

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.



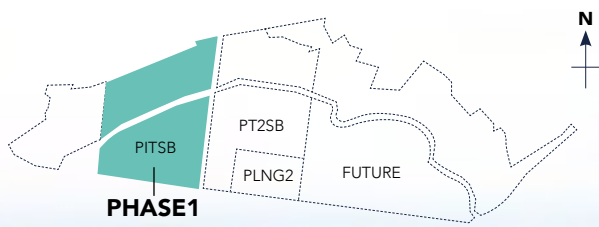
THE PENGERANG STORY

**"BUILDING THE
FUTURE, TODAY"**

With the continuous support of the Malaysian Government, DIALOG and its partners have turned what began as a dream in 2007, into a reality more than 10 years on. The successful promotion of the Pengerang Deepwater Terminals ("PDT") to domestic and international investors has led to the development of the Pengerang Integrated Petroleum Complex and attracted more than RM100 billion in investments to date. Yet, the Pengerang Story is far from complete.

Phase 1, an independent terminal with an 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



**CURRENT STORAGE
CAPACITY**

1.3 MIL M³

**COMMENCED
OPERATIONS**

2014

**CAPACITY EXPANSION
IN PROGRESS**

430,000 M³

In Phase 2, the dedicated petroleum and petrochemicals terminal with an estimated storage capacity of 1.3 million m³, commenced construction in 2015 and will be fully completed by 2019. On 22 September 2018, a historic milestone was achieved for Pengerang Terminals (Two) Sdn Bhd ("PT2SB") when it received its first Very Large Crude Carrier, the MT Navarin at Jetty 2 of PDT. Meanwhile, the Liquefied Natural Gas ("LNG") regasification facilities with 2 units of 200,000 m³ LNG storage tanks commenced operations in November 2017.

In building towards the long term vision for Pengerang, DIALOG initiated the next chapter in Pengerang's developing story with the launch of PDT's Phase 3 in April 2018. The initial stages of Phase 3 will be developed on approximately 300 acres of land within PDT, and will involve the development of common tankage facilities (including shared infrastructure) and deepwater marine facilities (Jetty 3) to support and promote petroleum and petrochemical storage and handling. Land reclamation activities commenced in May 2018 and the Group is now securing potential customers for Phase 3.

PHASE 2



- PHASE 2A: PETROLEUM & PETROCHEMICAL TERMINAL -

STORAGE
CAPACITY

1.3 MIL M³

TARGET
COMPLETION

2019

- PHASE 2B: LNG TERMINAL -

STORAGE
CAPACITY

400,000 M³

COMMENCED
OPERATIONS

2017

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. This in turn, will have the potential to attract another refinery and petrochemicals complex, as well as additional development of industrial land for downstream petrochemical activities.

Together with our partners, our steadfast and continued commitment to the development of Pengerang will enable it to become a petroleum downstream manufacturing centre and to fully realise our collective vision of transforming Pengerang into an international oil and gas hub of the future.

PHASE 3



LAND
AREA
300 ACRES

INITIAL COST OF
INVESTMENT
RM2.5 BIL

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is available at
www.dialogasia.com

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30TH ANNUAL GENERAL MEETING

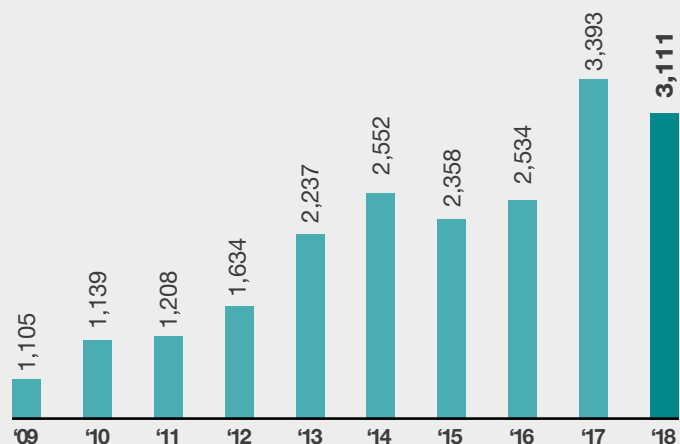
V E N U E : Ballroom 1, 1st Floor,
Sime Darby Convention Centre,
1A, Jalan Bukit Kiara 1,
60000 Kuala Lumpur, Malaysia

D A T E : 14 November 2018,
Wednesday

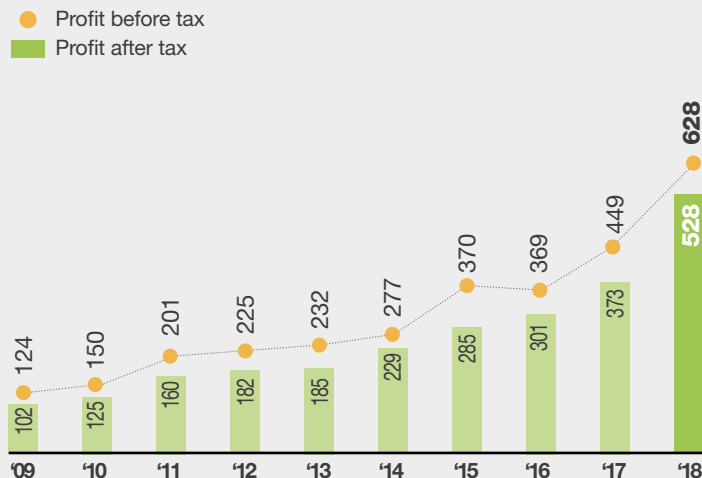
T I M E : 10.00 a.m

DIALOG'S 10-YEAR FINANCIAL SUMMARY

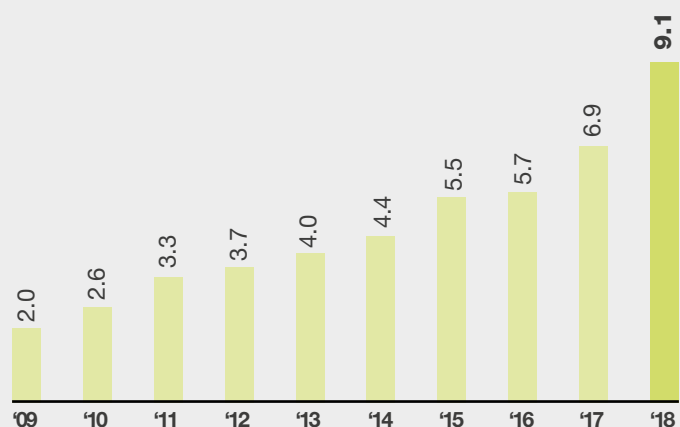
Revenue (RM'million)



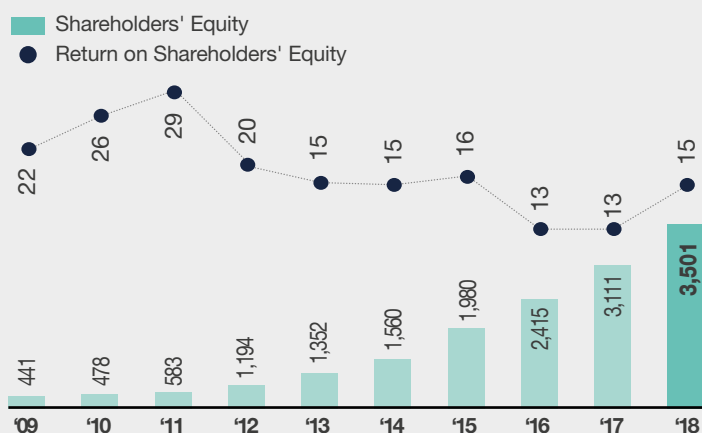
Profit Before Tax & Profit After Tax (RM'million)



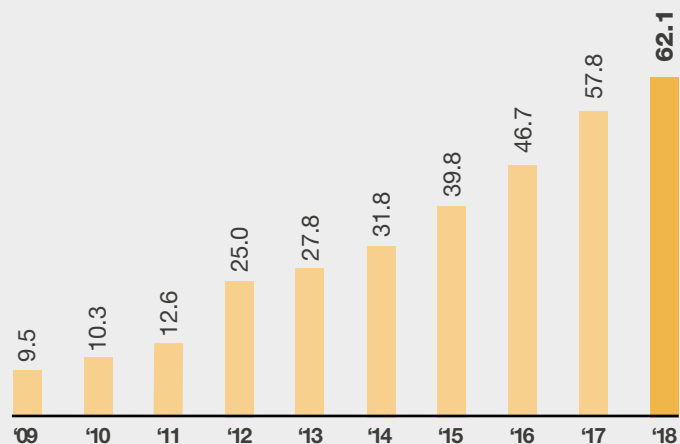
Net Earnings Per Share (sen)



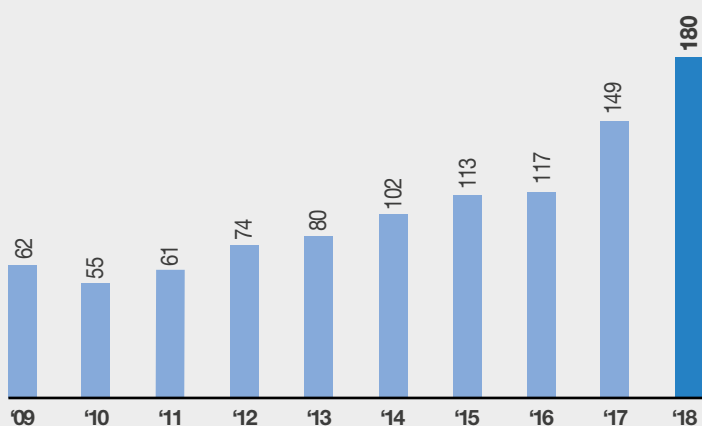
Shareholders' Equity (RM'million) & Return On Shareholders' Equity (%)



Net Assets Per Share (sen)



Dividend Payment (RM'million)



Included in the dividend payment above were:

1. Special share dividend of one treasury share for every fifty ordinary shares held in respect of FY2009.
2. 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

*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 2018 ("FY2018").

TAN SRI DR NGAU BOON KEAT
Executive Chairman



EXECUTIVE CHAIRMAN'S STATEMENT

KEY MESSAGE



**NET PROFIT
AFTER TAX
INCREASED 41.6%**



**INCREASING TOTAL
SHAREHOLDER RETURN**



SUSTAINABILITY

OUR PERFORMANCE

I am delighted to report that DIALOG delivered yet another commendable result for the financial year ended 30 June 2018. Despite the 8.3% decline in revenue to RM3.11 billion, net profit after tax expanded by 41.6% to RM528.3 million from the previous financial year. Net profit attributable to shareholders after non-controlling interests also grew to RM510.4 million, an increase of 37.7% against the last financial year.

The net profit after tax for FY2018 included a RM65.6 million fair value gain from the acquisition and conversion of a jointly controlled entity into a wholly owned subsidiary in September 2017. The acquisition also resulted in the consolidation of the Langsat Terminals' results, which further contributed to the Group's strong financial performance for the financial year under review.

Our Malaysian operations continued to deliver strong performances from midstream and downstream activities, particularly in engineering, construction and plant maintenance. Upstream activities also contributed to the overall Group performance following higher oil prices throughout the period 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 9.4% to RM6.37 billion from RM5.82 billion a year ago. Total shareholders' equity as at 30 June 2018 stood at RM3.5 billion and return on shareholders' equity for FY2018 was 15.4%.

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 FY2018, the Board recommends a final cash dividend of 1.8 sen per ordinary share amounting to approximately RM101 million. The dividend is in addition to the payment of the interim cash dividend of 1.4 sen per ordinary share amounting to RM79 million in June 2018.

Upon obtaining shareholders' approval for the final dividend, the Group will be paying a total cash dividend of approximately RM180 million for FY2018, as compared to RM149 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 RM444.8 million (which excludes the fair value gain on deemed disposal of a joint venture of RM65.6 million).

It also gives me great pleasure to share that DIALOG is now included in the FTSE Bursa Malaysia KLCI, which comprises the largest 30 companies by full market capitalisation on Bursa Malaysia's Main Board. This is the result of the growth of DIALOG's market capitalisation from RM11 billion in FY2017 to approximately RM20 billion presently.

EXECUTIVE CHAIRMAN'S STATEMENT

**OUR PROSPECTS**

The outlook for the petroleum industry has improved after a challenging few years, with the global oil supply and demand largely rebalanced. Based on the International Energy Agency's forecasts, global oil demand growth will increase slightly in 2019 and emerging markets in Asia will likely continue to be the primary drivers for growth. However, volatility in oil prices are expected to prevail in the near to medium term as a result of ongoing geopolitical uncertainties.

As a leading integrated technical service provider that is diversified across the upstream, midstream and downstream sectors in the oil, gas and petrochemical industry, DIALOG remains confident that its business model is well structured and can withstand oil price volatility and currency movements.

DIALOG remains committed to enhancing efficiency and productivity by incorporating new technologies and improving business processes to remain competitive moving forward.

The ongoing operations of Pengerang Deepwater Terminals ("PDT") Phase 1 is currently being expanded by 430,000 m³. Phase 2A, the dedicated petroleum and petrochemicals terminal for Refinery And Petrochemical Integrated Development ("RAPID"), remains on track for full completion in early 2019. In Phase 2B, the Liquefied

Natural Gas ("LNG") regasification facilities and LNG storage tanks commenced commercial operations in November 2017.

The Group also made progress for Phase 3 of PDT with the signing of a Memorandum of Understanding with the State Government of Johor Darul Ta'zim and the State Secretary, Johor (Incorporated) to invest and develop common tankage facilities (including shared infrastructure) and deepwater marine facilities to support and promote the petroleum and petrochemicals storage and handling tank terminal business. This Phase 3 will be developed on approximately 300 acres of land within PDT with an indicative initial investment cost of RM2.5 billion. The land reclamation activities have started and we are in discussions with potential customers for Phase 3. There will also be a balance of approximately 500 acres available for future phases comprising reclaimable land and the buffer zone.

In addition to Langsat Terminal (One) Sdn Bhd and Langsat Terminal (Two) Sdn Bhd's capacity of 647,000 m³, we are also expanding Langsat Terminal (Three) Sdn Bhd into a 300,000 m³ storage facility, in line with our strategy to grow sustainable and recurring income.

In the upstream sector, the Group continues to actively develop new reserves from existing contracts. At the same time, DIALOG is looking for viable production assets, which may become available for possible acquisition.

EXECUTIVE CHAIRMAN'S STATEMENT



Pengerang Deepwater Terminals, August 2018

Moving forward, the Group will continue to grow its core businesses with recurring income, especially in its logistics business which includes storage tank terminals.

Barring any unforeseen circumstances, the Group is optimistic that its performance will remain strong for the financial year ending 30 June 2019.

SUSTAINABILITY

The Board and Management recognises that 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 its long-standing commitment in upholding these principles through the implementation of good corporate governance practices as advocated by the Malaysian Code on Corporate Governance.

Combined with a clear focus on health, safety and the environment ("HSE"), competency, quality 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.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I am pleased to welcome our new Non-Executive Directors, Dato' Ismail Bin Karim and Tunku Alizakri Bin Raja Muhammad Alias (representing the Employees Provident Fund). DIALOG will definitely benefit from their vast experience in policy development and strategic planning.

We would also like to extend our thanks to Encik Ja'afar Bin Rihan for his contributions during his tenure on our Board.

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



Historic Milestone - Pengerang Terminals (Two) Sdn Bhd received its first Very Large Crude Carrier, the MT Navarin

CORPORATE
INFORMATIONBOARD 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)

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)

JOINT COMPANY SECRETARIES

ZAINAB BINTI MOHD SALLEH
MIA 7672

LIM HOOI MOOI
MAICSA 0799764

CHAY SIEW KIM
MAICSA 7012266

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

SHARE REGISTRAR

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 : ssr.helpdesk@symphony.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : DIALOG
Stock Code : 7277

AUDITORS

BDO @ Menara CenTARa
Level 8
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Malaysia

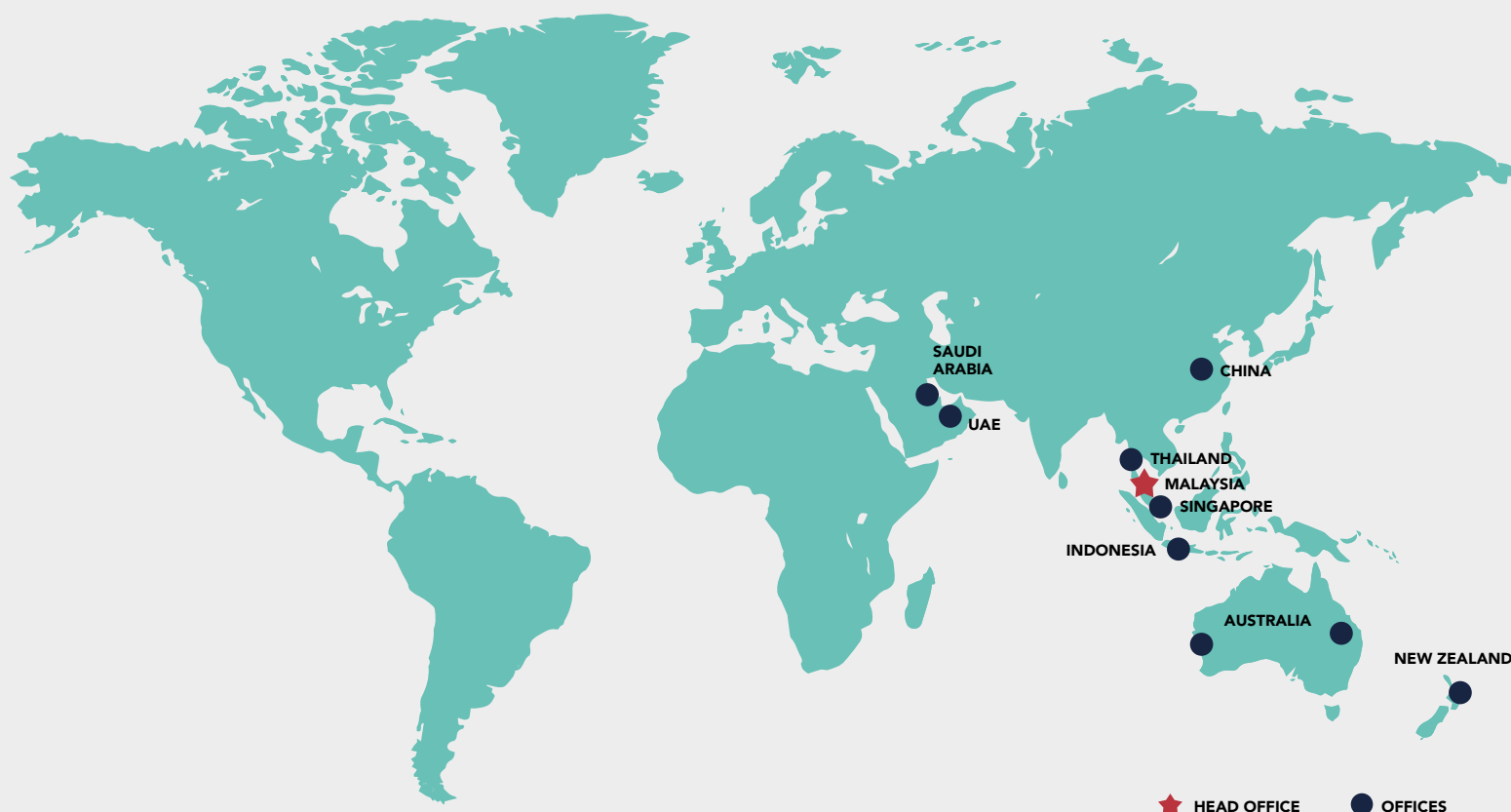
SOLICITORS

Mah-Kamariyah & Philip Koh
Rahmat Lim & Partners
Shearn Delamore
Raja Darryl & Loh

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Standard Chartered Bank Malaysia Berhad

CORPORATE PROFILE



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 over 2,500. 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 2018. 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:

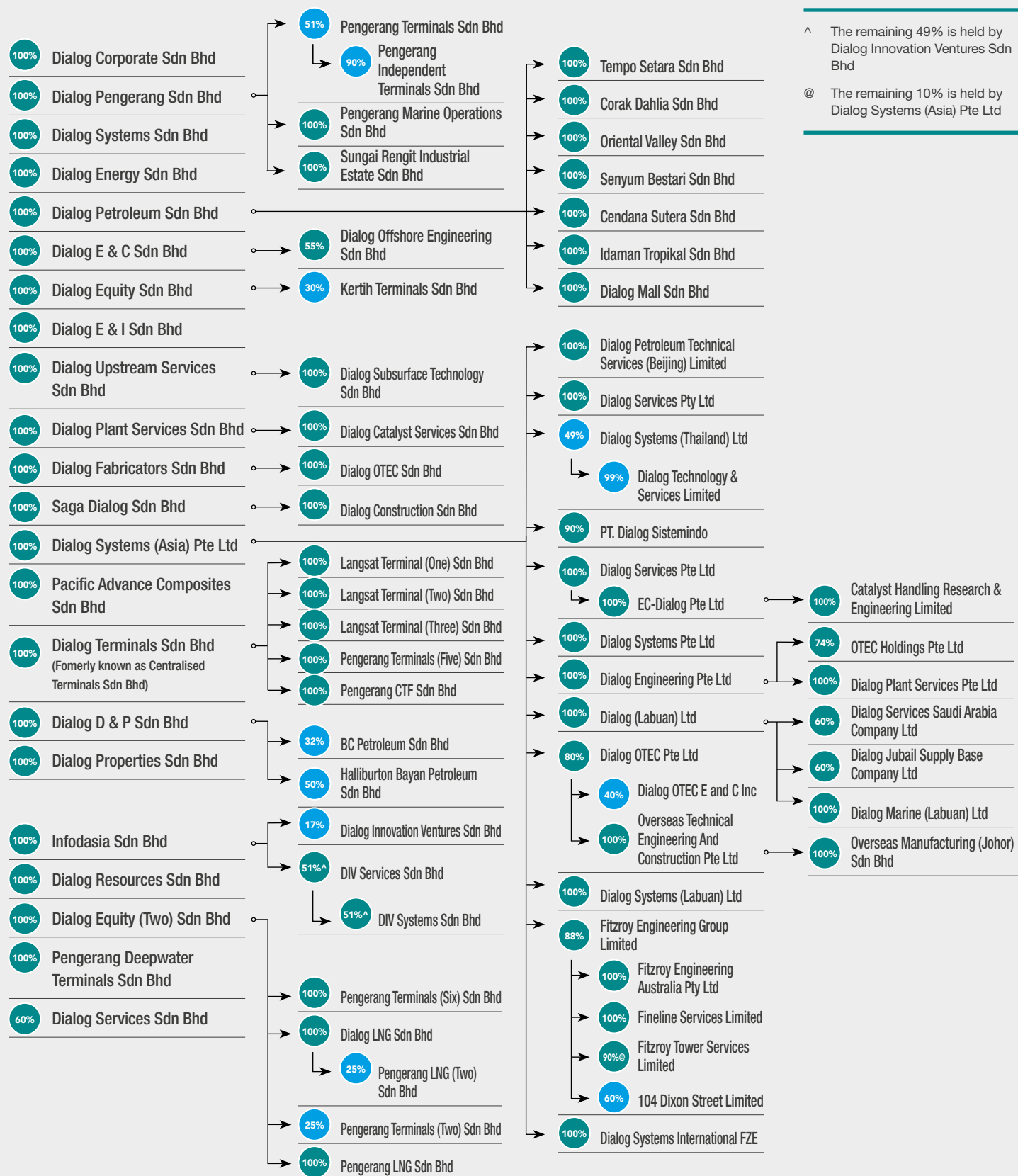


CORPORATE STRUCTURE

AS AT 18 SEPTEMBER 2018

DIALOG

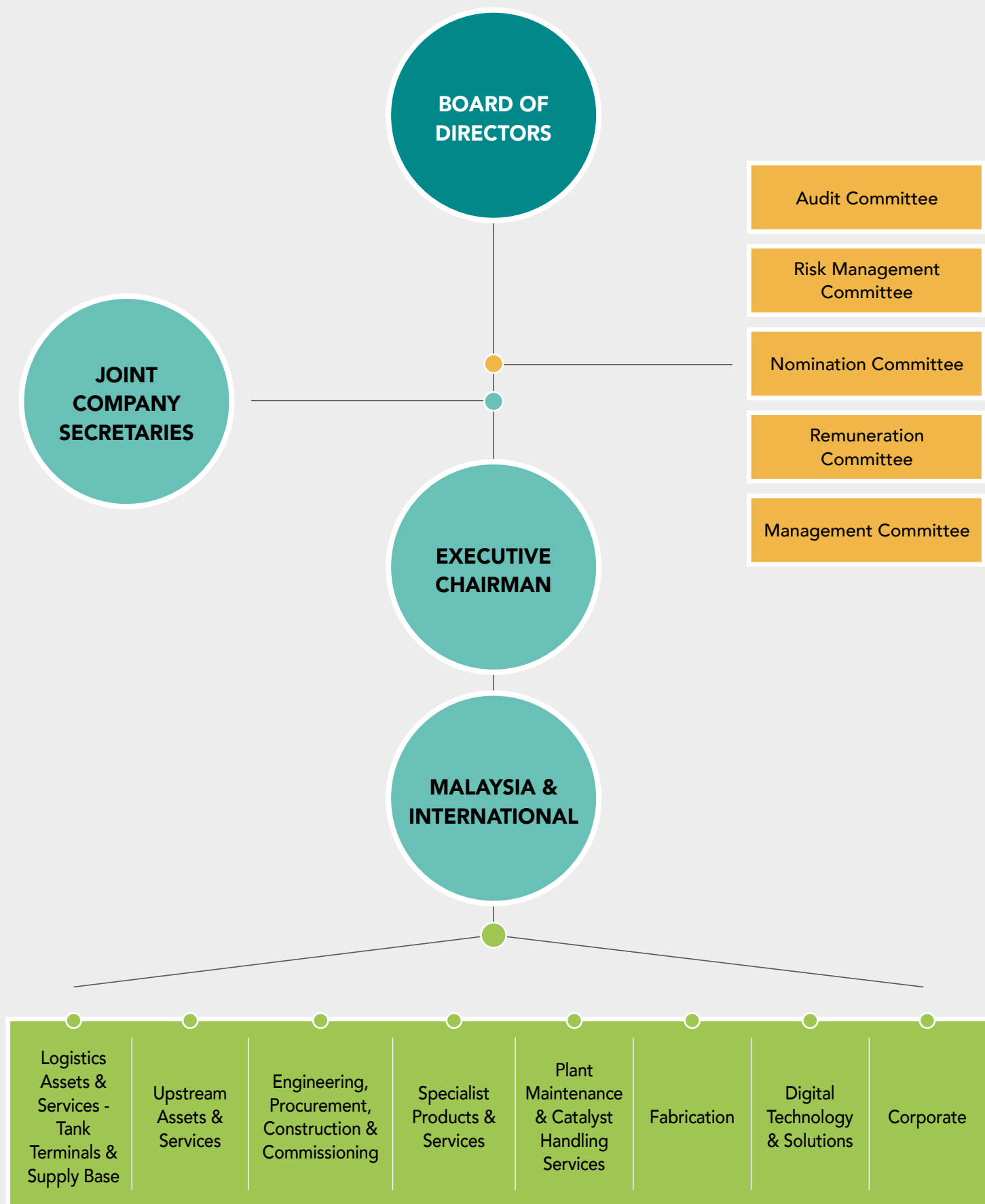
DIALOG GROUP BERHAD



^ The remaining 49% is held by Dialog Innovation Ventures Sdn Bhd

@ The remaining 10% is held by Dialog Systems (Asia) Pte Ltd

ORGANISATION STRUCTURE



CALENDAR OF EVENTS

- 1 3 JULY 2017**
DIALOG Hari Raya Open House



- 2 31 AUGUST 2017**
Phase 2B, Pengerang Deepwater Terminals received first LNG vessel



- 3 30 SEPTEMBER 2017**
MyKasih Charity Golf 2017



- 4 16 NOVEMBER 2017**
National OSH Excellence Awards – Storage Category awarded to Langsat Terminal (One) Sdn Bhd



- 5 23 NOVEMBER 2017**
Annual General Meeting



- 6 25 JANUARY 2018**
Team Building and Voluntary Activities at SK Bukit Lanjan – DIALOG's 'adopted' school and Tabika Kemas JAKOA, Desa Temuan



CALENDAR OF EVENTS

- 7 27 FEBRUARY 2018**
Chinese New Year Open House



- 9 21 MARCH 2018**
Pengerang Terminals (Two) Sdn Bhd – Recipient of Asia Pacific Downstream Oil & Gas Deal of the Year (Project Financing)



- 8 20 – 23 MARCH 2018**
Offshore Technology Conference Asia 2018



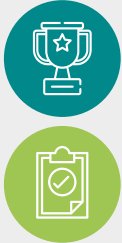
- 10 5 APRIL 2018**
Launch of Pengerang Deepwater Terminals, Phase 3



- 11 3 - 5 JULY 2018**
Annual Budget Planning FY2019



AWARDS AND ACCOLADES



QUALITY ASSURANCE AND QUALITY CONTROL

DIALOG takes pride in meeting customer needs by delivering products and services of the highest quality.

Our quality standards are continuously updated and improved through uncompromising compliance of regulatory and statutory standards.

The Group is committed to upgrading its Quality Management System to ISO 9001:2015 by ensuring that risks that can affect product and service quality are identified and addressed.

The Group is also diligent in maintaining the quality certifications of its subsidiaries. In 2018, Dialog Plant Services Sdn Bhd, Pacific Advance Composites Sdn Bhd and Dialog Services Sdn Bhd, successfully completed transition audits to become ISO 9001:2015-compliant.

In 2017, a Quality Steering Committee was established by top management. Its role is to share and analyse critical data related to quality performance indicators relevant to various divisions of the Group. This is in line with our firm commitment to upholding the highest standards of quality throughout the Group's operations at all times.

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

- ISO 9001:2015 Certificates
- ISO/TS 29001:2010 Certificates
- American Society of Mechanical Engineers-Certificates of Authorisation for "U", "U2", & "S"
- National Board Certificate of Authorisation for "NB" & "R"
- Certificate of Manufacturing Assessment for Fibreglass Reinforced Plastic products (Product Type Approval)

MEDIA HIGHLIGHTS



For more media news, please log on to www.dialogasia.com/dialog-in-news



BOARD OF DIRECTORS



FIRST ROW FROM RIGHT TO LEFT

Tan Sri Dr Ngau Boon Keat
Chan Yew Kai

SECOND ROW FROM RIGHT TO LEFT

Chew Eng Kar, Tunku Alizakri Bin Raja Muhammad Alias, Datuk Oh Chong Peng,
Siti Khairon Binti Shariff, Zainab Binti Mohd Salleh, Kamariyah Binti Hamdan,
Dato' Ismail Bin Karim

BOARD OF DIRECTORS' PROFILE

TAN SRI DR NGAU BOON KEAT

Executive Chairman

MALAYSIAN
AGED 70



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. 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 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 46 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

Executive Deputy Chairman

MALAYSIAN
AGED 64



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 40 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

MALAYSIAN
AGED 74

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 British American Tobacco (Malaysia) Berhad, WCE Holdings Berhad, Malayan Flour Mills Berhad, PUC Berhad and Saujana Resort (M) Berhad. He is a Member 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

MALAYSIAN
AGED 67

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 and Remuneration 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 33 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

MALAYSIAN
AGED 64



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 and Remuneration 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 MA (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

MALAYSIAN
AGED 63



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 with Honours (History) and 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 (formerly known as Goh Ban Huat 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 Football Association of Malaysia.

BOARD OF DIRECTORS' PROFILE

TUNKU ALIZAKRI BIN RAJA MUHAMMAD ALIAS

Non-Independent Non-Executive Director

MALAYSIAN
AGED 48

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 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

MALAYSIAN
AGED 59

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 34 years of working experience in corporate and financial management.

BOARD OF DIRECTORS' &
KEY SENIOR MANAGEMENT'S PROFILE

KEY SENIOR MANAGEMENT'S PROFILE

ZAINAB BINTI MOHD SALLEH

Group Chief Financial Officer and
Joint Company Secretary

MALAYSIAN
AGED 52



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 30 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.

MUSTAFFA KAMAL BIN ABU BAKAR

Chief Operating Officer

MALAYSIAN
AGED 54



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 the 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 31 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 Malaysian Gas Association.

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.

**MANAGEMENT
TEAM'S PROFILE (MALAYSIA)****MANAGEMENT TEAM'S PROFILE (MALAYSIA)****CHONG CHONG WOOI**

Executive Director, Major Projects

MALAYSIAN

AGED 60

CHONG CHONG WOOI was appointed Executive Director, Major Projects in January 2011. He joined DIALOG in 1986. He holds a Bachelor of Science Degree in Civil Engineering from the University of Aston, Birmingham, United Kingdom. He is responsible for the development of the Pengerang project which involves land reclamation, dredging, and the construction of storage tanks and jetties. He has over 35 years of working experience in engineering, construction and project management in the oil, gas and petrochemical industry.

**TAN LIP LEONG**

Head of Engineering and Construction Projects, and Fabrication

MALAYSIAN

AGED 55

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 31 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.

**DAVID MARSLAND**

Head of Upstream Ventures

BRITISH

AGED 55

DAVID MARSLAND is the Head of Upstream Ventures. He joined DIALOG in May 2017. He holds a B.Sc. in Chemical Engineering from the University of Birmingham, a M.Sc. in Petroleum Engineering and a Ph.D. in Mineral Resource Engineering from the Imperial College, London, United Kingdom. During his 26 years with Shell International, he has acquired extensive experience where he held numerous senior technical as well as management positions.

MANAGEMENT TEAM'S PROFILE (MALAYSIA)

MANAGEMENT TEAM'S PROFILE (MALAYSIA) - CONT'D



BRITISH

AGED 60

JOHN HENRY THORNTON

Director of Operations Excellence and Head of Risk Management and Internal Audit

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 36 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.



MALAYSIAN

AGED 50

AHMAD BIN ABDUL TALIP

Senior General Manager, Dialog Terminals Sdn Bhd

AHMAD BIN ABDUL TALIP was appointed Senior General Manager of Dialog Terminals Sdn Bhd (formerly known as Centralised Terminals Sdn Bhd), a wholly owned subsidiary of DIALOG, in July 2018. He joined Centralised Terminals Sdn Bhd in April 2010. He holds a BSc (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 26 years of working experience in the oil, gas and petrochemical industry.



MALAYSIAN

AGED 64

DATO' CAPT. HJ ABDUL RAHIM BIN ABDUL AZIZ

Director of Port Affairs

DATO' CAPT. HJ ABDUL RAHIM BIN ABDUL AZIZ was appointed Director of Port Affairs in January 2018. He joined DIALOG in 2012 as Chief Executive Officer/General Manager of Pengerang Marine Operations Sdn Bhd, a subsidiary of DIALOG Group. He holds a Masters FG (RMIT Australia), Post Graduate Diploma in Ports and Shipping Administration (IMTA, Holland), MBA (Ohio, USA), 2nd Officer FG (LBS, India) and an Extra-First Class Pre-Sea (PMA, Pakistan). He is also an Unrestricted Class Harbour Pilot, was with MISC for 9 years, served Klang Port Authority (13 years) and Penang Port Commission (9 years) as Assistant General Manager and Chief Executive Officer/General Manager respectively before being a Special Maritime Advisor at the Ministry of Transport for 4 years.

MANAGEMENT TEAM'S PROFILE (MALAYSIA)

MANAGEMENT TEAM'S PROFILE (MALAYSIA) - CONT'D

**ANDY SOO SENG ONN**

Head of Upstream Services

MALAYSIAN

AGED 50

ANDY SOO SENG ONN is the Head of Upstream Services. He joined DIALOG in December 2015. He holds a Bachelor of Electrical Engineering from the University of Technology Malaysia. He has more than 28 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 and Weatherford, with the most recent one, Baker Hughes. His 8-year stint overseas included Indonesia, Australia, New Zealand and Bangladesh.

**HENG SOON LIP**

Head of Plant Services

MALAYSIAN

AGED 55

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 30 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.

**SHAHIMI BIN ZAKARIA**

Director of Plant Maintenance and Fabrication

MALAYSIAN

AGED 48

SHAHIMI BIN ZAKARIA was appointed Director of Plant Maintenance and Fabrication in April 2015. He joined DIALOG in 2008. He has over 24 years 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.

MANAGEMENT TEAM'S PROFILE (MALAYSIA)

MANAGEMENT TEAM'S PROFILE (MALAYSIA) - CONT'D

**BRYAN TAN**

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

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 Degree in Electrical, Engineering and Computing from Monash University, Australia. He has 21 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 technical and management roles.

MALAYSIAN
AGED 42

**SHAHRUDDIN BIN AHMAD**

Head of Government Relations

SHAHRUDDIN BIN AHMAD was appointed Head of Government Relations in July 2016. He joined DIALOG in 2012. He holds a Bachelor Degree in Business Administration from University of Arkansas and Master of Business Administration Degree from Mississippi State University, USA. He has more than 30 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.

MALAYSIAN
AGED 54

**JESSIE KU**

Head of Group Human Resources

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 35 years of working experience in several multi-national companies within the manufacturing, consultancy and professional services sector.

MALAYSIAN
AGED 60

MANAGEMENT TEAM'S PROFILE (MALAYSIA)

MANAGEMENT TEAM'S PROFILE (MALAYSIA) - CONT'D

**JENNY CHOK**

Head of Group Legal

MALAYSIAN

AGED 51

JENNY CHOK is the Head of Group Legal. She joined DIALOG in 2012. She obtained her Bachelor in Law 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 academic, teaching various law courses, as well as managing a counselling office for legal education. She then practiced as an Advocate and Solicitor with the law firm of 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 25 years of working experience.

**JEFFREY GERARD PERERA**

Managing Director of Dialog Innovation Ventures Group of Companies

MALAYSIAN

AGED 64

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 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

AGED 54

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 Degree in Corporate Finance from University of North Texas, USA. She has more than 26 years of working experience in the development of macro strategies and risk management.

MANAGEMENT TEAM'S PROFILE (MALAYSIA)

MANAGEMENT TEAM'S PROFILE (MALAYSIA) - CONT'D



ABDUL RASHID BIN MOHD YUSOFF

Senior Manager of Finance – Upstream

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 26 years of working experience in the oil and gas industry. He was formerly with Shell Malaysia, Petrofield and MMC prior to joining DIALOG.

MALAYSIAN

AGED 53



CAPT. SURESH KUMAR S/O NALLAYAN

General Manager, Pengerang Marine Operations Sdn Bhd

CAPT. SURESH KUMAR S/O NALLAYAN is the General Manager of Pengerang Marine Operations Sdn Bhd, a subsidiary of DIALOG Group. He joined DIALOG in January 2018. He holds a Class 1 Certificate of Competency as Master FG from the Maritime Training Academy Malaysia. He has served in MISC Berhad for more than 23 years holding various positions, with 9 years command experience and prior to joining DIALOG, he was with Singapore LNG Corporation for more than 5 years as their Marine Operations Manager, based in Singapore.

MALAYSIAN

AGED 48



LOKE WEI YUAN

Head of Fabrication

LOKE WEI YUAN was appointed Head of Fabrication in January 2017. He has been with DIALOG since 2007. He holds a Certificate in Materials Engineering and Executive Diploma in Engineering Business Management (Project Management) from Tunku Abdul Rahman College and University Technology Malaysia respectively. He has also completed the Executive Master in Business Project Management (“EMBPM”) programme at the Asia e-University. He has close to 23 years of working experience in the Engineering and Fabrication industry.

MALAYSIAN

AGED 44

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL)

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL)



TAN LEK LEK

Executive Director – Technical

MALAYSIAN

AGED 66

TAN LEK LEK was appointed Executive Director - Technical in February 2016. He joined DIALOG in 1995. He holds a Bachelor 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 41 years of multi-discipline 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

AGED 72

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 46 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

AGED 48

TEO SEOW LING is the Chief Executive Officer of the Terminals Business. He joined DIALOG in 2017. He holds a Bachelor of Engineering (B.Eng.) Degree in Mechanical Engineering and a Master of Science Degree in Industrial Engineering from the National University of Singapore. He has more than 20 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 ("SLNG") for 2 years.

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL)

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL) - CONT'D



JAPANESE

AGED 73

YOSHIYUKI HIRAOKA

Managing Director of Dialog OTEC Pte Ltd

YOSHIYUKI HIRAOKA is the Managing Director of Dialog OTEC Pte Ltd since April 2006 through the acquisition of OTEC Holdings Pte Ltd. He holds a Bachelor Degree in Chemical Engineering from Kogakuin University, Tokyo, Japan. He has over 47 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.



NEW ZEALANDER

AGED 45

RICHARD ELLIS

Managing Director of Fitzroy Engineering

RICHARD ELLIS is the Managing Director of Fitzroy Engineering, New Zealand, a subsidiary of DIALOG since April 2011 through the acquisition of Fitzroy Engineering Group Ltd. He holds a Bachelor of Technology Mastering in Engineering and Automation. He has over 23 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.



MALAYSIAN

AGED 60

ANDREW LAI

Executive Director of Pacific Advance Composites Sdn Bhd
Country Manager, Malaysia

ANDREW LAI was appointed Executive Director of Pacific Advance Composites Sdn Bhd in February 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 the Asia and Australia regions. 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 36 years of working experience in the oil, gas and petrochemical industry.

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL)

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL) - CONT'D



BRITISH

AGED 70

MIKE NEWMAN

Director of Petroleum Engineering, Upstream Division

MIKE NEWMAN is the Director of Petroleum Engineering in Upstream Division. 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 45 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.



BRITISH

AGED 74

GEORGE BELL

Director of Engineering, Upstream Division

GEORGE BELL is the Director of Engineering in Upstream Division. 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 45 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.



AUSTRALIAN

AGED 63

NIGEL JONES

Director of Geoscience, Upstream Division

NIGEL JONES is the Director of Geoscience in Upstream Division. He joined DIALOG in May 2015. He holds a Bachelor of Science Degree in Exploration Sciences from Nottingham University, United Kingdom. He has 37 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 TEAM'S PROFILE (INTERNATIONAL)

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL) - CONT'D



STEVEN TEOW YEE

Country Manager for Singapore

SINGAPOREAN

AGED 44

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 20 years of working experience in the sales and marketing of specialist products and services.



TAN NGEE MENG

Country Manager for Saudi Arabia

MALAYSIAN

AGED 47

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 25 years of working experience in the oil, gas and petrochemical industry in Saudi Arabia.



VIJAYASEKHARAN N

Country Manager for U.A.E.

INDIAN

AGED 47

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 29 years of work 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 TEAM'S PROFILE (INTERNATIONAL)

MANAGEMENT TEAM'S PROFILE (INTERNATIONAL) - CONT'D

**ANDY COPLAND**

General Manager for Australia

ANDY COPLAND is the General Manager of Dialog Services Pty Ltd, 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 32 years of worldwide working experience in a variety of roles in the oil, gas and petrochemical industry.

NEW ZEALANDER

AGED 59

**TIRIN TONGPATANAKUL**

Country Manager for Thailand

TIRIN TONGPATANAKUL was appointed Country Manager for Dialog Systems (Thailand) Ltd 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 18 years working experience. He is currently responsible for overseeing business operations in Thailand.

THAI

AGED 41

**ROKMANHILI BIN ZAKARIA**

Country Manager for Indonesia

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 22 years of working experience in the oil, gas and petrochemical industry.

MALAYSIAN

AGED 46

MANAGEMENT DISCUSSION AND ANALYSIS

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



MANAGEMENT DISCUSSION AND ANALYSIS



Pengerang LNG (Two), Pengerang Deepwater Terminals

During the financial year under review, the global oil price recovered from its plunge in 2014. This contributed positively to the industry as a whole.

DIALOG Upstream Ventures has been actively pursuing Production Enhancement and Development in both their Oilfield Service and Production Sharing Contracts in East Malaysia. The Group is growing its upstream business in Malaysia.

We are also eyeing the region. While it has yet to materialise, we will continue to explore it through the acquisition of mature oil and gas fields and partnerships with international oil majors.

The development of Pengerang Deepwater Terminals ("PDT") remains the main driver of DIALOG's earnings and activities. Pengerang LNG Regasification Facilities and LNG storage tanks commenced operations in November 2017. Engineering, procurement, construction and commissioning works for our dedicated terminal for the PETRONAS Refinery and Petrochemical Integrated Development ("RAPID") is progressing well in accordance with the project schedule and is expected to be fully operational in early 2019.

PDT Phase 1 is currently undergoing expansion for Phase 1E, which is expected to increase the storage capacity for clean petroleum products by Q1 2019.

In FY2018, DIALOG signed a Memorandum of Understanding ("MOU") with the State Government of Johor Darul Ta'zim and the State Secretary, Johor (Incorporated) to invest and develop PDT Phase 3.

In line with DIALOG's aspiration to strengthen its core business with sustainable and recurring income, DIALOG fully acquired Langsat Terminal (One) Sdn Bhd and Langsat Terminal (Two) Sdn Bhd, and will continue to undertake refurbishment and expansion works in Langsat Terminal (Three) Sdn Bhd.

Moving forward, DIALOG is optimistic in growing its core businesses and remains confident that its diversified business portfolio in the upstream, midstream and downstream sectors will withstand the test of volatility. The Group will continue to invest in human resources and new technologies and equipment while leveraging on digitalisation to support operational growth and performance.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS MODEL MALAYSIA / INTERNATIONAL

UPSTREAM

Upstream Assets and Services



MIDSTREAM

Logistics Assets and Services – Tank Terminals and Supply Base



DOWNSTREAM

- Engineering, Procurement, Construction and Commissioning
- Specialist Products and Services
- Plant Maintenance and Catalyst Handling Services
- Fabrication
- Digital Technology and Solutions



MANAGEMENT DISCUSSION AND ANALYSIS

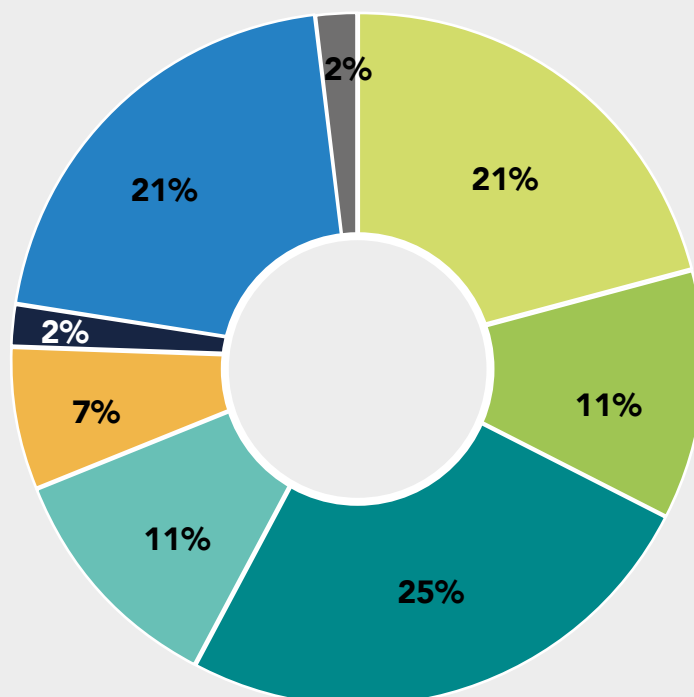
HUMAN RESOURCES

AS AT 30 JUNE 2018

Employees By Level Of Education



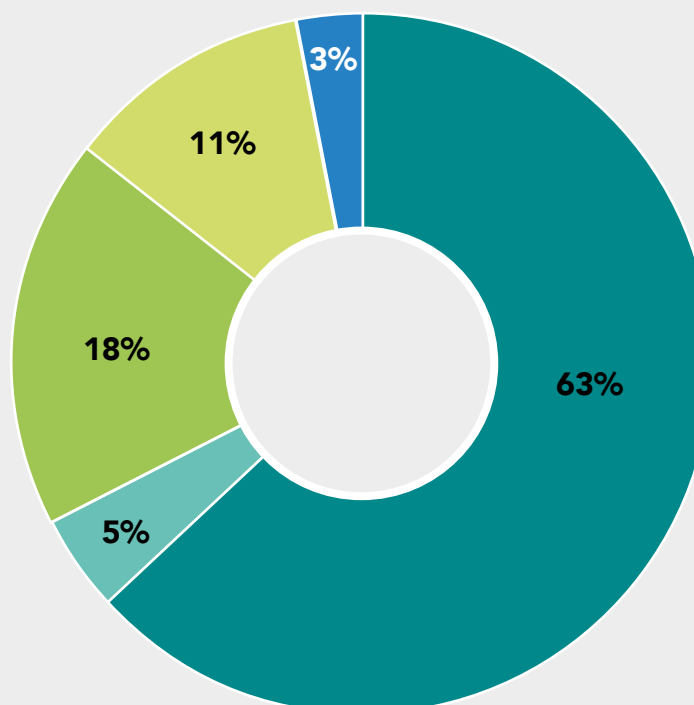
Education Level	No. of Employees
Technical Degree	547
Technical Diploma	297
Technical Certificate	661
Non Technical Degree	290
Non Technical Diploma	173
Non Technical Certificate	47
Secondary Certificate	535
Lower Secondary / Primary Certificate	46
Total	2,596



Employees By Location



Country	No. of Employees
Malaysia	1,639
Singapore	117
Australia & New Zealand	471
Middle East	296
Other Countries	73
Total	2,596

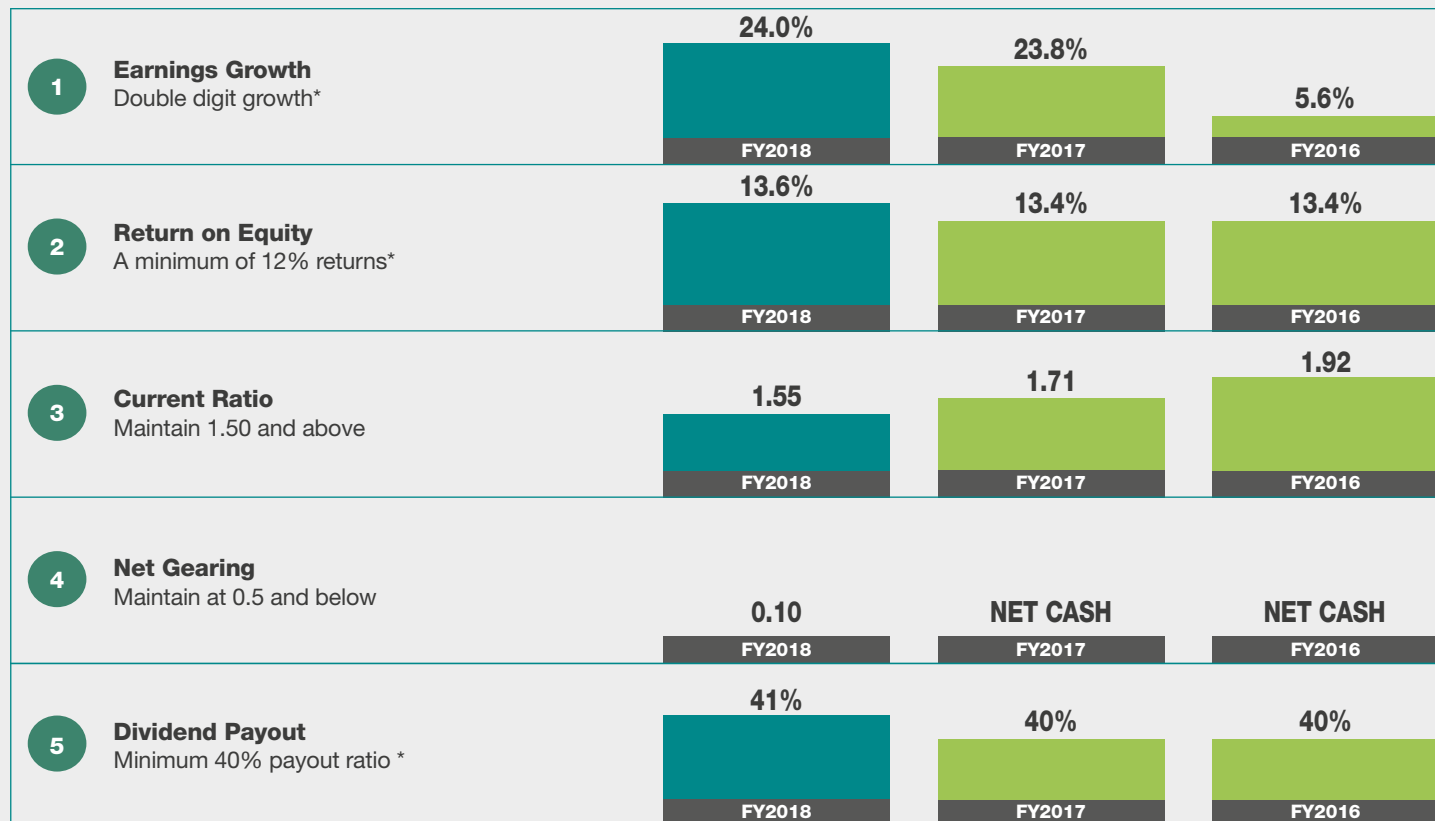


MANAGEMENT DISCUSSION AND ANALYSIS

KEY PERFORMANCE INDICATORS

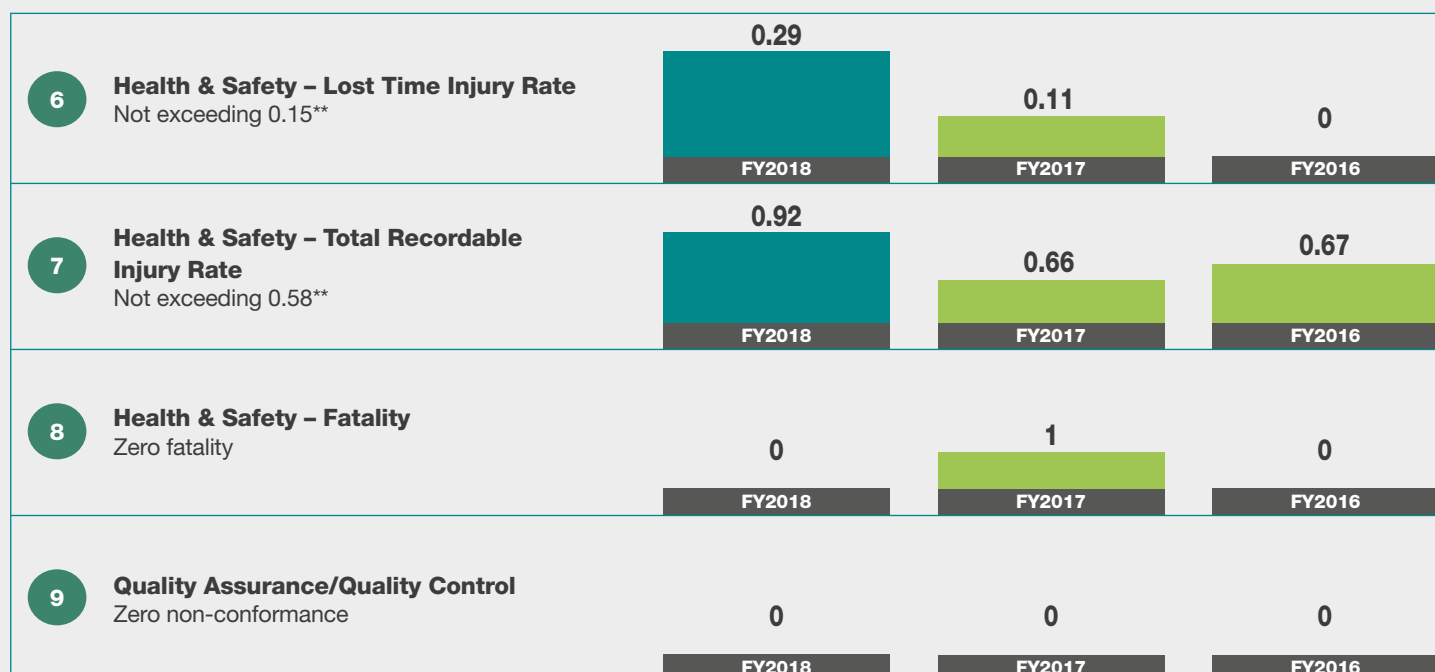
DIALOG'S key performance indicators ("KPIs") measure the Group's success in maintaining value through sustainable earnings growth, driving business excellence as well as its ability to operate safely and effectively. The Group continually monitors and, when necessary, revise these targets to take into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

FINANCIAL KPIs



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

NON-FINANCIAL KPIs



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

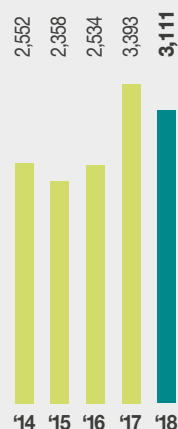
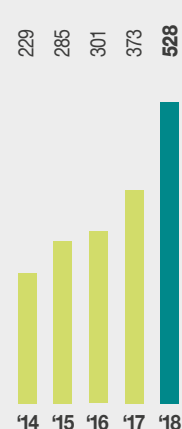
MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The Group delivered another commendable performance for the financial year ended 30 June 2018. While the RM3.11 billion in revenue was lower by 8.3%, profit after tax rose by 41.6% to RM528.3 million from RM373.1 million a year ago.

The strong performance achieved during the year was mainly driven by the Group's Malaysian operations which remained busy in the downstream sector with engineering, construction, fabrication and plant maintenance activities in various ongoing projects. These projects contributed significantly to the better results. Upstream activities from the Production Sharing Contract on mature fields, namely D35, D21 and J4 also enhanced earnings following higher oil prices during the year under review.

In September 2017, the Group acquired the remaining 45% equity interest in a jointly controlled entity, Dialog Terminals Sdn Bhd (formerly known as Centralised Terminals Sdn Bhd) ("DTSB"). Following that, the Group recorded a RM65.6 million fair value gain on the deemed disposal of this jointly controlled entity. DTSB, which owns Langsat Terminal (One) Sdn Bhd and Langsat Terminal (Two) Sdn Bhd, is now a wholly owned subsidiary of the Group. The financial results of these Langsat Terminals were thus consolidated and contributed to the Group's better performance.

Revenue
(RM' million)PAT
(RM' million)

On the International front, the net profit contribution for the year was slightly lower mainly due to reduced engineering, construction and plant maintenance activities. These reductions were partially offset by the increase in midstream activities at the Jubail Supply Base in Saudi Arabia.

During the financial year, the Group's joint ventures and associates contributed 20.6% more in net profit. This was mainly due to Pengerang LNG (Two) Sdn Bhd ("PLNG2"), an associate of the Group, which began commercial operations and received the first commercial Liquefied Natural Gas ("LNG") cargo at its newly-commissioned regasification terminal in Pengerang Deepwater Terminals in November 2017.

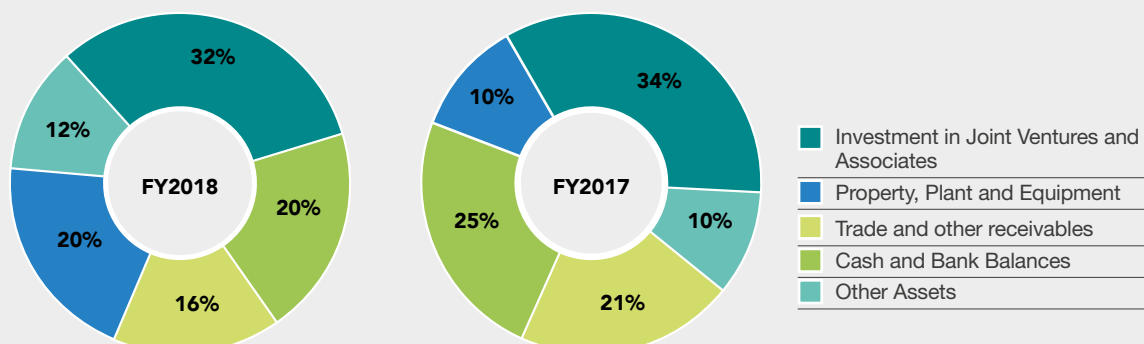
Total Assets

The Group's total assets stood at RM6.37 billion as at 30 June 2018, representing an increase of RM548.5 million (9.4%) from RM5.82 billion last year.

Investment in Joint Ventures and Associates

The Group's investments in joint ventures and associates as at 30 June 2018 increased by RM81.5 million or 4.2% to RM2.04 billion. During the financial year, the Group increased its investments in Pengerang Independent Terminals Sdn Bhd by RM88.0 million through subscription of redeemable preference shares. The Group also increased its investment in PLNG2 by

Total Assets



MANAGEMENT DISCUSSION AND ANALYSIS

RM179.0 million through the subscription of redeemable preference shares and shareholders' loan. These investments form part of the Group's vision to develop Pengerang into an international oil and gas hub.

The increased investment was offset by the redemption of redeemable preference shares in Pengerang Terminals (Two) Sdn Bhd of RM116.1 million and reclassification of Langsat Terminals' carrying value of RM170.3 million following the Group's acquisition of the remaining equity interest in DTSB in September 2017. As a result, Langsat Terminals became subsidiaries of the Group.

Cash and Bank Balances

The Group's cash and bank balances as at 30 June 2018, decreased by 11.3% to RM1.26 billion from RM1.43 billion during the last financial year. The decrease was due to investments in joint ventures and associates, capital expenditure-related expenses and dividend payments of RM192.4 million, RM343.3 million and RM160.7 million respectively. However, the decrease was partially offset by the net cash generated from operations amounting to RM441.7 million.

Total Liabilities

The Group's total liabilities as at 30 June 2018 was RM2.77 billion or 5.4% higher against RM2.62 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 shareholder 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 debt to equity ratio. The debt to equity ratio as at 30 June 2018 and 30 June 2017 are as follows:

	2018 RM'000	2017 RM'000
Borrowings	(1,610,294)	(1,423,715)
Less: Cash and bank balances	1,264,966	1,425,358
Net (borrowing) / cash	(345,328)	1,643
Total equity attributable to shareholders	3,500,941	3,111,486
Net debt to equity ratio	0.10	-

Total equity attributable to shareholders rose by RM389.5 million primarily contributed by profits for the financial year and the exercise of share options amounting to RM78.1 million, offset by dividend payments.

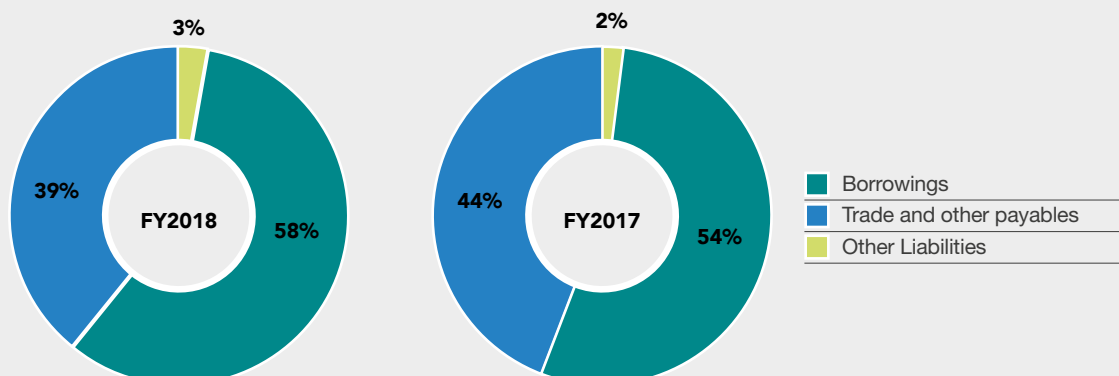
Capital Commitments

As at 30 June 2018 the Group's total capital commitments authorised for property, plant and equipment was RM2.4 million, of which RM2.0 million has been contracted for but not provided.

In addition, the Group had capital commitments authorised for its tank terminal business amounting to RM309.0 million. 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 2018 stood at RM91.0 million, mainly for the Field Development Plan activities under the D35/J4/D21 Production Sharing Contract.

Total Liabilities



MANAGEMENT DISCUSSION AND ANALYSIS



Night view of Pengerang Deepwater Terminals

REVIEW OF OPERATIONS**MALAYSIA**

Our Malaysian operations performed robustly in the midstream and downstream sectors. Engineering, construction and plant maintenance services, in particular, stood out.

With its storage capacity of 1.3 million m³, Pengerang Independent Terminals Sdn Bhd ("PITSB"), continues to be the tankage facility of choice for the storage, blending and distribution of crude oil and petroleum products for oil majors and traders in the country.

During the financial year under review, PITSB began expansion works for Phase 1E, which includes the construction of 430,000 m³ of Clean Petroleum Product tanks. With this expansion, PITSB will increase its total storage capacity to 1.7 million m³ by the first quarter of 2019.

Phase 2 development of Pengerang Deepwater Terminals ("PDT") is expected to be fully completed in early 2019. The development is being undertaken by Pengerang Terminals (Two) Sdn Bhd ("PT2SB"), a dedicated terminal for PETRONAS Refinery and Petrochemical Integrated Development ("RAPID") which will have a storage capacity of approximately 1.3 million m³ for crude, refined petroleum and petrochemical products.

The terminal will have deepwater jetty facilities with 12 berths capable of handling Very Large Crude Carriers and Liquid Natural Gas ("LNG") vessels up to Q-Max size. The latter facility will be a first for Malaysia.

Pengerang LNG (Two) Sdn Bhd ("PLNG2"), a joint venture between Dialog LNG Sdn Bhd ("Dialog LNG"), PETRONAS Gas Bhd ("PGB") and Johor state's Permodalan Darul Ta'zim Sdn Bhd ("PDTSB"), comprises a regasification unit and two units of 200,000 m³ LNG storage tanks.

The construction of PLNG2 was completed during the financial year under review and the terminal began operations in November, 2017.

Dialog Pengerang Sdn Bhd ("DPGSB") entered into a Memorandum of Understanding ("MOU") with the State Government of Johor Darul Ta'zim and the State Secretary, Johor (Incorporated) to develop common tankage facilities with dedicated deepwater marine facilities. PDT Phase 3 will be developed on approximately 300 acres of land next to Phase 2. The indicative initial cost of investment in PDT Phase 3 is approximately RM2.5 billion.

Pengerang Marine Operations Sdn Bhd ("PMOSB") manages all marine services related to PDT. For the year under review, PMOSB handled over 500 vessels which included 13 LNG vessels with a total throughput of more than 13 million metric tonnes ("MT").

All told, PMOSB received more than 1,600 vessel calls with a throughput of more than 44 million MT since it started operations in April 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

The division has also set up a Marine Auxiliary Police team to ensure full security coverage and protection for all stakeholders in PDT.

DIALOG's other terminals in Malaysia - Kertih Terminals Sdn Bhd ("KTSB"), Langsat Terminal (One) Sdn Bhd ("LGT1") and Langsat Terminal (Two) Sdn Bhd ("LGT2") continued to register sustainable profits on the back of consistent operational excellence during the period under review.

LGT1 and LGT2 have a total storage capacity of 647,000 m³ for petroleum products. In FY2018, the two terminals achieved 2.3 million manhours without Loss Time Injury ("LTI").

On the back of such an excellent operational performance, LGT1 received the prestigious National Occupational, Safety and Health ("OSH") award and the ASEAN-OSHNET Safety Management Excellence Award 2018 in the Storage Category. Our heartiest congratulations go to management.

During the financial year under review, Dialog Terminals Sdn Bhd (formerly known as Centralised Terminals Sdn Bhd) ("DTSB"), the owner of the Langsat Terminals, acquired the interests of MISC and Puma Energy in LGT1 and LGT2.

As a result, LGT1 and LGT2 are now wholly owned subsidiaries of DTSB. This is in line with DIALOG's strategy to grow sustainable, recurring income which will enhance shareholder value.

During the period under review, Langsat Terminal (Three) Sdn Bhd ("LGT3"), a wholly owned subsidiary of DTSB, entered into a Lease Agreement and Sales of Facilities Agreement with Johor Corporation for the land and a 100,000 m³ tank terminal facility adjacent to LGT1 and LGT2 covering an area of 35 acres.

The acquired land is able to support the development of an additional 200,000 m³ capacity which will bring the total future storage capacity in Tanjung Langsat to more than 900,000 m³.

KTSB has a total storage capacity of about 400,000 m³. In FY2018, the terminal achieved over 7.2 million manhours without LTI. The existing storage agreements with customers will be expiring in stages from the end of 2019. Negotiations are currently ongoing for its renewal.

During the financial year under review, DIALOG's Upstream Ventures division remained active. Production Enhancement and Development activities in D35/J4/D21 Production Sharing Contracts are on-going and contributing to incremental reserves and field production.

In the Bayan Oilfield Services Contract, oil and gas development works are expected to increase production in the near future.

The Group's engineering and construction division remained busy and profitable. Among their major works: Engineering, Procurement, Construction and Commissioning ("EPCC") works for PDT Phase 2, and the completion of 120,000-tonne Plasticiser Plant in Gebeng and Kuantan Port for Taiwan's UPC Chemicals.

Meanwhile, the Refrigerated Gaseous Terminal Facilities (Ethylene and Propylene) as well as the Petrochemical Facilities in PDT are proceeding in accordance with their respective schedules.

Other ongoing projects for the division are Phase 1E's expansion, which includes 24 tanks with a total capacity of 430,000 m³ for PITSB. Other projects are marine and reclamation works at PDT Phase 3 for DPGSB, terminal refurbishment of the 100,000 m³ petroleum terminal for LGT3 and plant expansion for Arkema Thiochemicals Sdn Bhd.



D35 Field Facilities



Ethylene and Propylene Tanks at Refrigerated Gaseous Tank Facility of PDT

MANAGEMENT DISCUSSION AND ANALYSIS



Langsat Terminals

During the year under review, the Specialist Products and Services division alongside its partner, Honeywell Process Solutions successfully secured a supply contract and associated services from Hyundai Engineering for its Diesel Euro 5 upgrade in Melaka. The division also secured a 5-year umbrella contract with PETRONAS Carigali Sdn Bhd for the provision of filtration equipment and services for petroleum arrangement contractors.

The division also continued to supply base oil, catalysts, valves and compressor blowers to major oil and gas companies in Malaysia.

In FY2018, our plant services division grew briskly by delivering various major turnarounds for clients such as PETRONAS Chemicals Ammonia Sdn Bhd, PETRONAS Chemicals Olefin, Glycols and Derivatives Sdn Bhd and Malaysia Refining Company Sdn Bhd.

In addition, the division is also involved in rejuvenation and de-bottlenecking work in brownfields in Melaka.

Our catalyst handling services division had a busy year working for PETRONAS, along with most of the international companies in refining and petrochemicals in Southeast Asia and Australia. We have also secured the first loading of catalysts for two packages at RAPID.

FY2018 was a challenging year for our fabrication division mainly due to the completion of major projects. This was compounded by weak domestic demand and stiff competition.

Still, the fabrication division continued to provide support to other in-house divisions such as Engineering and Construction, and Plant Maintenance.

In the financial year under review, the Fibreglass Reinforced Plastic ("FRP") division received higher than expected maintenance works

for the replacement of existing stainless steel piping and composite pipe products with our locally manufactured FIBERBOND®. The division secured projects with Shell and PETRONAS Carigali at its first major onshore project in the Melaka refinery.

DIALOG Innovation Ventures ("DIV") serves as the digital arm of the Group. It continues to develop and improve technologies and automation solutions to help modernise processes and enhance the Group's efficiency and productivity. Such solutions include various software applications and tools for use across DIALOG's operations in Malaysia, Singapore, New Zealand and Australia.

- Asset Management Systems ("AMS") – capturing and managing the Group's assets;
- DIALOG Intelligent Planning Systems ("DIPS") – tools used to manage the Turnaround and Maintenance planning and execution;
- Welding Control Systems ("WCS") – tools used 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 etc.

Besides supporting the Group, DIV also provides solutions and services in relation to e-money and cashless payments. Following Bank Negara Malaysia's approval of DIV's e-Money license in October 2016, DIV has expanded its e-money services to consumers in welfare, education and waste recycling, where the consumer can activate an e-wallet account for payments of goods and services. Moving forward, DIV plans to introduce its mobile payment technology, which will enable it to introduce more innovative mobile payments and financial services to tap into an increasingly affluent and technology-savvy segment of consumers.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERNATIONAL

Dialog Jubail Supply Base Company Ltd ("DJSB") operates in Saudi Arabia's Al Jubail Commercial Sea Port and has credibility as an operationally excellent facility. This is manifest in its significantly increased business activities.

DJSB recently secured long-term service agreements with two Saudi Aramco major offshore companies namely ECS Subsea7 and McDermott Arabia. DJSB has recorded 1,000 vessel calls in FY2018.

Dialog Services Saudi Arabia Company Ltd continues to focus on specialised plant services with a good safety record to existing customers in oil, gas and petrochemical plants.

In FY2018, DIALOG's Singapore-based division, Overseas Technical Engineering and Construction Pte Ltd ("OTEC") constructed their first Ethylene and Propylene Cryogenic tanks in the Refrigerated Gaseous Tank Facility in PDT Phase 2.

OTEC also began its overseas expansion by establishing a construction company in the Philippines and obtaining the Philippines Contractors Accreditation Board license to engage in construction activities. It secured its first construction job for JNC Engineering Co Ltd for the EPCC of a Vinyl Chloride Monomer Sphere Tank. This breakthrough marks a milestone towards further opportunities in Southeast Asia.

In Singapore, OTEC secured works with Vopak Terminals for new projects and shop fabrication of 30 tanks for JGC Corporation that was delivered to Algeria.

Our International Specialist Products and Services division, with the support of our technology partners, has a storage facility in Dordrecht, Netherlands for Shell GTL synthetic drilling base fluid, with a capacity aimed at supporting potential clients in Europe, Central Asia, West and North Africa.

In FY2018, the division supplied synthetic drilling base fluid to countries including Thailand, Indonesia, India, Australia, Saudi Arabia, Oman, United Arab Emirates, Albania, Nigeria and Kenya.

In addition, the division supplied catalysts and provided plant maintenance and catalyst change-out works in Indonesia, Singapore, Australia, Brunei and Thailand.

Our New Zealand operations under Fitzroy Engineering Group Ltd successfully completed shutdowns and turnaround projects during the period under review. This included the Motunui methanol plants for Methanex Corporation and Marsden Point Oil Refinery for Refining NZ.

The division was also involved in non-oil and gas sectors such as engineering and construction works for Wellington International Airport Hotel and engineering and construction works for the pharmaceutical industry.



Dialog Jubail Supply Base - Port Operations



Standic Dordrecht tank storage terminal, Netherlands

MANAGEMENT DISCUSSION AND ANALYSIS

Business Risks

DIALOG's business activities expose it to a variety of risks during our operations. Our ability to manage them is a key competency within the Group, supported by a strong risk culture and effective risk management.

Key operational risks and their mitigating controls are disclosed in the following table while the Group's financial risks are reported in the Notes to DIALOG's Financial Statements.

KEY RISKS	DESCRIPTION	MITIGATING CONTROLS
Health, Safety and Environment 	<p>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 safeguarding of the surrounding environment in which we operate.</p> <p>Non-compliance or a major HSE incident would affect the Group's business and its reputation.</p>	<ul style="list-style-type: none"> 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.
Market and Business Environment 	<p>The global market's economic, political and social factors largely remain beyond the Group's control.</p> <p>Oil prices have recovered from the lows of recent years. However, industry players remain cautious and are assessing both outlook and sentiment prior to committing more investment into drilling and exploration.</p>	<ul style="list-style-type: none"> The Group's business diversification in upstream, midstream and downstream sectors of the oil, gas and petrochemical industry enables it to withstand volatility in the market environment. Continuous undertaking of strategy meetings to review the Group's business strategies and tactics to ensure operational sustainability. Ongoing engagement with existing and new clients / business partners to identify new markets and business opportunities.
Operations 	<p>The Group is renowned for its excellence in the delivery and execution of projects and services in the oil, gas and petrochemical industry.</p> <p>However, a significant failure of internal processes, people and systems, or from external events, would impact the Group's ability to meet its deliverables.</p>	<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 best practices.
Security 	<p>The security of the Group's employees, operating assets, facilities and information systems are of paramount importance.</p> <p>Security breaches or incidents can cause operational disruptions to the Group.</p>	<ul style="list-style-type: none"> The Group has security systems in place at all its work locations, covering physical and IT systems. They are regularly reviewed to ensure effectiveness. The Group has established close working relationships with relevant local enforcement authorities for security patrols of our operating facilities. Continuous initiatives, inclusive of awareness sessions, are carried out to enhance the Group's IT security system capabilities against latest IT and cyber threats.
Legal 	<p>The Group's business could be exposed to litigation risk by our clients, vendors and other parties.</p> <p>Such actions may have a material effect on our financial condition and the results of operations.</p>	<ul style="list-style-type: none"> The Group has in place contracts and agreements to govern the contractual agreements with its customers and vendors. The Group has robust systems in place to manage the quality and accuracy of all its project activities. Continuous review and management of contractual terms and conditions by the business units to ensure compliance at all times.

TECHNOLOGY PARTNERS

FPI
FUTURE PIPE INDUSTRIES



JM
Johnson Matthey

LISEGA

influit
PRODUCTION SOLUTIONS



PRODUCTION
SOLUTIONS

POLYFLOW

LSPI
Lubricant Specialty Products, Inc.



SCHROEDAHL
A subsidiary of CRODA International

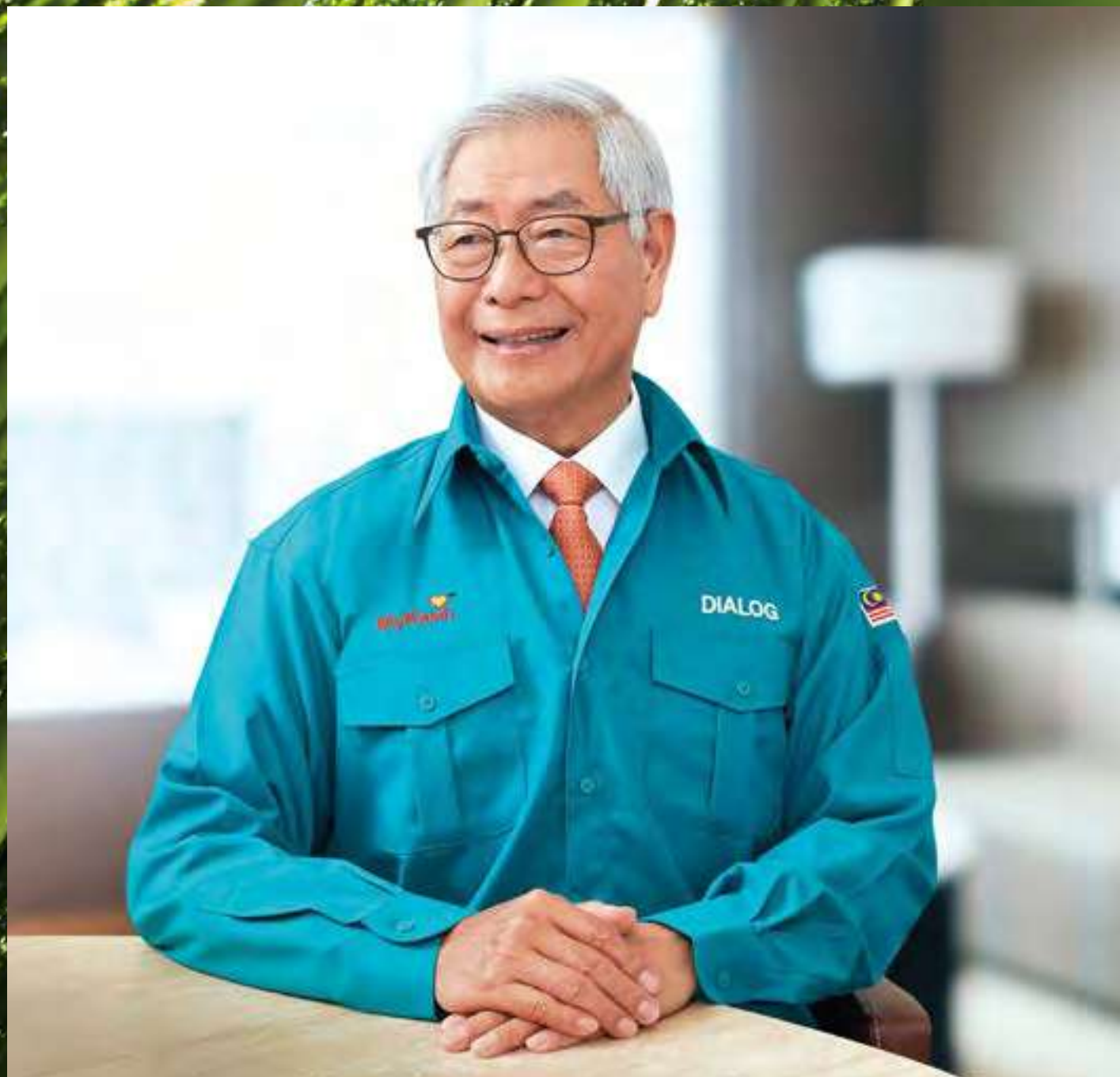
TENDEKA



Honeywell



SUSTAINABILITY REPORT





We are pleased to share with you DIALOG's Sustainability Report for the financial year ended 30 June 2018. This report provides updates on our sustainability journey since our inaugural report last year, as we strive towards our vision of becoming a sustainable leading integrated technical service provider.

Our five key matters of Economic Performance, Health, Safety & Environment, Our People, Learning & 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 to transform the future, together.

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

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 2018.

During the year, DIALOG acquired the remaining interests in Langsat Terminal (One) Sdn Bhd and Langsat Terminal (Two) Sdn Bhd (collectively "Langsat Terminals"), which resulted in the Langsat Terminals becoming subsidiaries of the Group with effect from September 2017. Due to this acquisition, only Langsat Terminals data from October 2017 onwards have been included in this report.

The collective data in this report is for the financial years ended 30 June 2016, 2017 and 2018.

Reporting Period

This report is produced annually, and the current report covers the period from 1 July 2017 to 30 June 2018.

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 to 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 2018. 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 REPORT

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 Control.

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

Governance Structure

Board of Directors		<ul style="list-style-type: none"> • Ultimate responsibility • Ensures business strategy contains sustainability • Approves sustainability strategies
Risk Management Committee		<ul style="list-style-type: none"> • Evaluates overall risks & opportunities
Executive Chairman		<ul style="list-style-type: none"> • Approves target and market disclosures • Develops sustainability strategies and recommends revision to the Board • Oversees implementation of sustainability strategies • Provides leadership over implementation
Chief Operating Officer		<ul style="list-style-type: none"> • Implements strategies • Reports on performance of processes & controls • Reports management targets
Corporate		<ul style="list-style-type: none"> • 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 addressing 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.

EMPLOYEES

- Management-Staff Engagement Sessions
- Intranet
- Staff Activities
- Team Building Sessions

CUSTOMERS

- Performance Reviews
- DIALOG Website
- Networking Sessions
- Site Visits

BUSINESS PARTNERS

- Site Visits
- Team Building Sessions
- Management Engagement
- Social Activities

SHAREHOLDERS

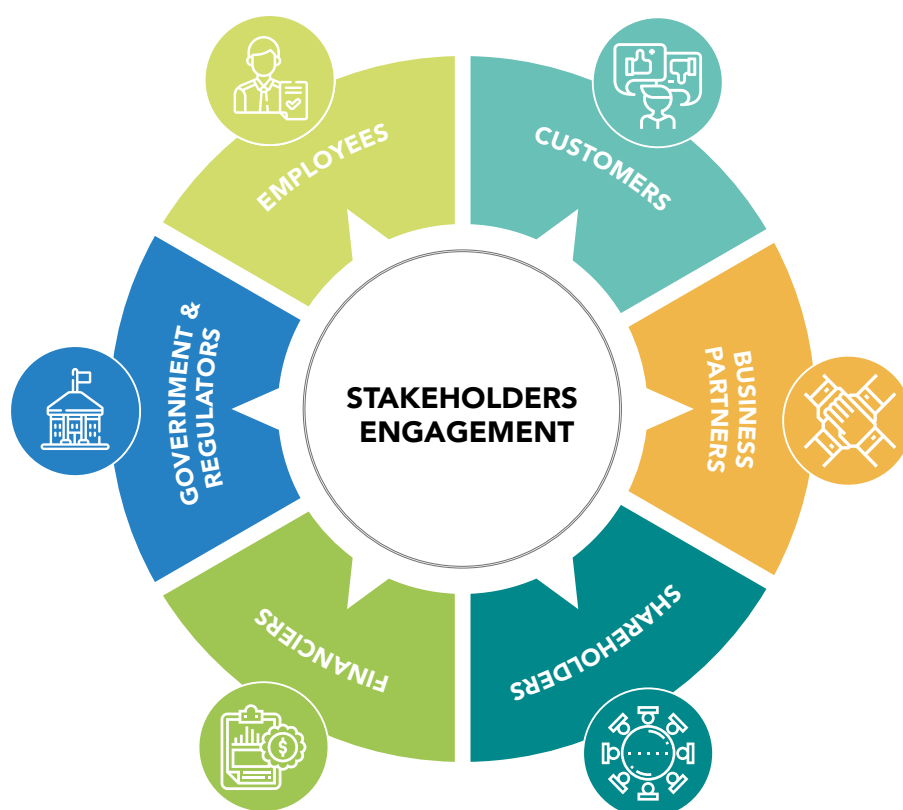
- Annual & Quarterly Results
- Investor Roadshow
- DIALOG Website
- Annual General Meeting
- Exhibitions

FINANCIERS

- Briefings
- Site Visits

GOVERNMENT & REGULATORS

- Audits & Inspections
- Meeting and Engagement Sessions



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 it substantively influences the assessments and decisions of stakeholders.

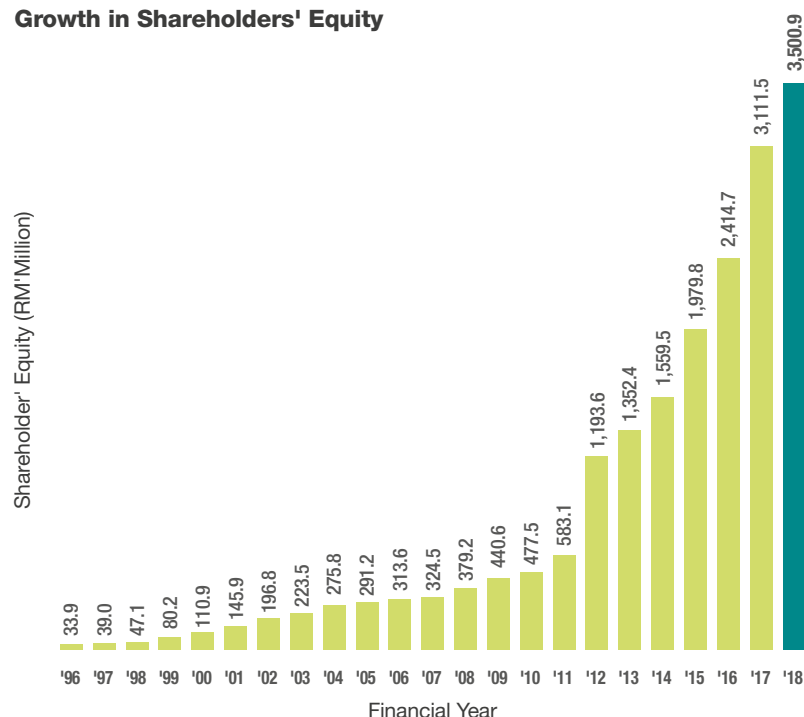
We developed a structured process to identify, prioritise and validate material economic, environmental and social matters ("sustainability matters") with a clear focus on key impacts, risks and opportunities.

STEP 1: IDENTIFICATION	A list of sustainability matters that are relevant to DIALOG was identified through desktop research, benchmarking and other internal and external sources
STEP 2: PRIORITISATION	Sustainability matters were prioritised through a material assessment workshop with the Management Team
STEP 3: VALIDATION	<p>Material sustainability matters identified were validated by top management and approved by the Board of Directors</p> <p>Based on our materiality assessment process, the 5 material key sustainability matters are as follows:</p> <ul style="list-style-type: none"> • Economic Performance • Health, Safety & Environment • Employee Management • Learning & Development • Corporate Social Responsibility

ECONOMIC PERFORMANCE



Growth in Shareholders' Equity



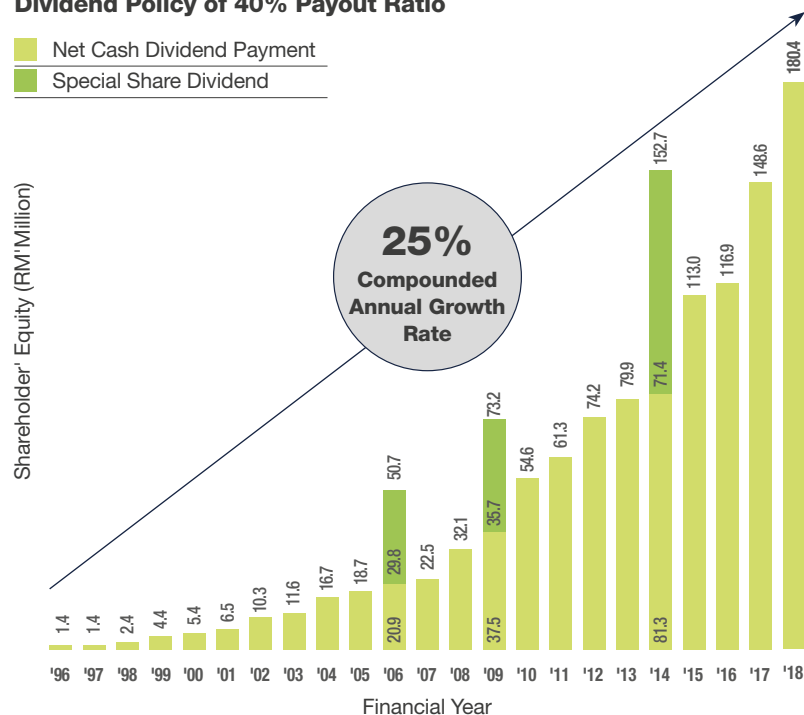
DIALOG has grown steadily since its listing on the stock exchange in 1996 and its well-structured business model has withstood periods of oil price volatility and currency movements.

For FY2018, the Group's revenue decreased by 8.3% to RM3.11 billion from RM3.39 billion registered in the last financial year, whereas its after tax profits of RM528.3 million was higher by 41.6% against RM373.1 million recorded 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.

Our strong economic performance is a testament to our unwavering commitment to run our business efficiently, capture opportunities and mitigate risk through a robust risk management strategy.

Our business model is designed with sustainability at its core. This is important to us as our operations have considerable impact on our stakeholders through our local employment and economic value distribution.

Dividend Policy of 40% Payout Ratio



HEALTH, SAFETY AND ENVIRONMENT ("HSE")



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. HSE is materially important to DIALOG as it impacts our productivity, reputation, and consequently, the long term viability of our business.

HSE Policy & Guidelines

DIALOG's HSE 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 and safety and environmental management, to ensure the wellbeing 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 commitments towards HSE in its HSE Policy.

HSE management and compliance is 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 achieve 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 procedures,

and monitor its performance and compliance through periodic inspection and HSE audits.

The Group HSE Department coordinates our global HSE efforts across all our business units and establishes HSE reporting structures.

HSE Risks

To ensure that HSE specific risks are properly identified and actively managed on an ongoing 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 proactive and ongoing 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



ZERO HARM TO PEOPLE



ZERO DAMAGE TO ENVIRONMENT



ZERO DAMAGE TO ASSET



ZERO NON-COMPLIANCE

SUSTAINABILITY REPORT



Occupational Safety

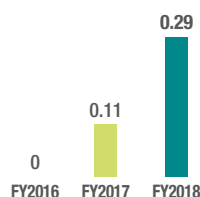
Ensuring workplace safety is key in DIALOG. It is our policy to place the health and safety of our employees, contractors and visitors as one of our top priorities.

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.

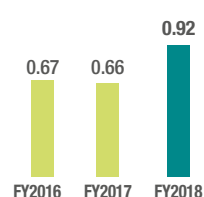
We continuously strive to improve our HSE performance through the implementation of various DIALOG HSE Management System ("HSEMS") programmes. We provide adequate and relevant training to ensure that people responsible for tasks involving significant safety hazards have the necessary training and skills. 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 & Analysis Section of this year's Annual Report. Our Total Recordable Incident Rate ("TRIR") has increased to 0.92 incidents per million manhours, and our Lost Time Injury Rate ("LTIR")* increased to 0.29. Thorough investigations were carried out for each of the incidents, which resulted in corrective actions being taken, and the sharing of new lessons learnt with the Group to prevent recurrence.

Lost Time Injury Rate ("LTIR")



Total Recordable Injury Rate ("TRIR")



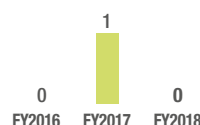
The data above covers 100% of our sites.

*Loss Time Injury Rate is defined as the number of Lost Time Injuries per million manhours 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 manhours.

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

Work Related Employee Fatalities



Work Related Contractor Fatalities



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
Langsat Terminal (One) Sdn Bhd	2 nd 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
Dialog Catalyst Services Sdn Bhd	Safety Award for Excellence (S.A.F.E) 2016	Carigali Hess
Pacific Advance Composites Sdn Bhd	Bergading Project (27 January 2016)	Carigali Hess, MMHE

SUSTAINABILITY REPORT



Environment Protection

DIALOG recognises that climate change poses a significant long term risk to the environment – 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.

Detailed Environment Impact Assessments (“DEIAs”) are carried out at the beginning of new projects (such as in Pengerang, Johor). The scope of the DEIAs includes 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 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. Our obligation to protect the environment is in compliance with SIRIM QAS/IQNET ISO 14001:2015 certification which serves as a guide for all works performed.

We continue to practise the 3R (Reduce, Reuse, Recycle) approach to manage scheduled wastes at our Langsat Terminals. All scheduled wastes are managed by our own Certified Scheduled Waste Competent Person registered and recognised by the Department of 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 consumption, bottled water is purchased to control consumption. We also conduct weekly inspections of our facilities to ensure there are no water leakages or waste 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 will turn lights out when there is sufficient daylight, and 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.

SUSTAINABILITY REPORT

**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.

There were no fines or penalties incurred in respect of non-compliance with HSE related laws and regulations for the current financial year. However, the Department of Occupational Safety and Health ("DOSH"), in their inspection nationwide, raised 10 findings as Minor Non-Compliance observations throughout our Malaysia Operations. We have since implemented the recommended controls – consequently, these actions have been accepted, and the findings closed by DOSH.

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

These certifications collectively represent 58% of our operational sites for the financial year ended 30 June 2018.

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 and 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 – Sinus Infection & Nasal Allergies	19 September 2017
Environmental Awareness Training	27 September 2017
Talk – Health & Aging	25 January 2018
Noise Conservation Awareness Training	13 February 2018
Talk – Mental Health & Well-Being	31 May 2018
Talk – Leptospirosis (Rat Urine Disease)	20 June 2018

HIV/AIDS

With the increasing risk of a global resurgence in HIV/AIDS globally, the Group took steps to increase awareness of HIV/AIDS and advocate HIV prevention, treatment, care and support services. In October 2017, DIALOG became a platinum member of the Malaysian Business Consortium on HIV/AIDS ("MBCH") which was set up by the Malaysian Aids Council. 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 March 2018:

Topics	Date
Talk – HIV, You & Me	21 March 2018
Talk – Managing HIV at the Workplace	21 March 2018

OUR PEOPLE



Our people - a team of different cultures with common goals

Employee Management

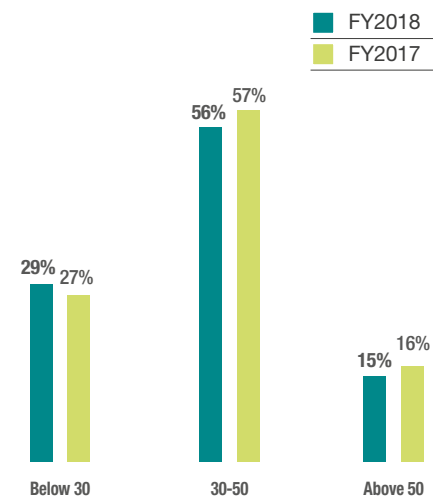
With a rich diversity of people, cultures and business operations across 9 countries, DIALOG thrives by creating an environment that draws strength and success from a wealth of knowledge, experience and multiple perspectives.

To harness this strength, it is vital that we work together as ONE DIALOG and share a common understanding of our corporate culture, leadership values and behaviours, and professional skills and competencies required to achieve both individual and business goals.

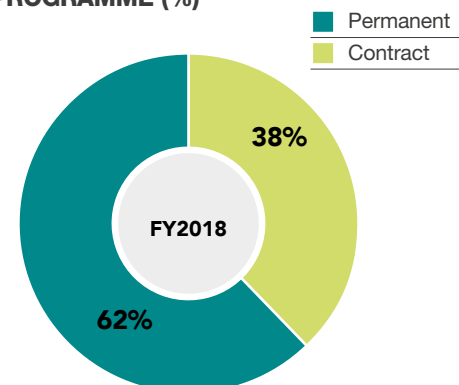
Our corporate core values help us achieve this balance. They communicate one message on our guiding principles of integrity and teamwork, as well as reinforces our commitment to HSE, Competency, Quality and Excellence. At DIALOG, we value diversity and actively promote the exchange of knowledge and experience 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, an Employee Handbook that is available to all employees, staff engagement activities and other channels such as our intranet and newsletters.

EMPLOYEES BY AGE GROUP



EMPLOYEE INDUCTION PROGRAMME (%)



OUR WORKFORCE:

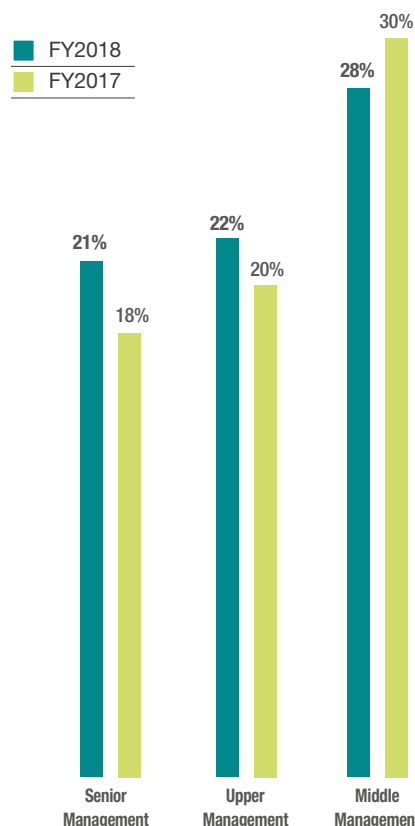
2,596
PEOPLE ACROSS
9 COUNTRIES



83%
LOCAL HIRES



% FEMALES IN MANAGEMENT



Around 37% of our workforce is in countries outside of Malaysia. Our workforce consists of 62% permanent staff and 38% contract staff. Contract staff are recruited on project basis as and when required. In FY2018, we recruited 40 interns, and 56 fresh graduates and 362 experienced hires to fulfil the needs of our operations.

Our workforce is diverse in terms of age groups - 56% are between the ages of 30 to 50, 29% below the age of 30 and 15% above the age of 50. This ensures a healthy pipeline and succession planning opportunities within DIALOG which will enable us to sustain for the long term.

Local Hiring

In recognising that the Group plays a significant role in creating employment, we endeavor to hire locally in the countries we operate. Local hiring and skills development can generate significant economic benefits for the communities near our operations and is a priority in DIALOG. We know from experience that we benefit too, because it builds our local talent pipeline and strengthens community and employee relationships. Currently our workforce is made up of 83% local hires across 9 countries.

With the problem of child labour and forced labour gaining prominence on the global human rights 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, during the current year under review.

Diversity

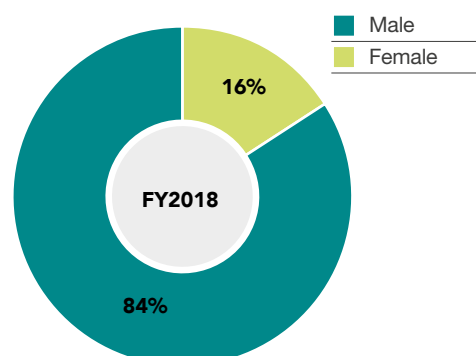
Promoting inclusiveness and diversity within our workplace continues as it fosters an open-minded company culture which is essential to the success of DIALOG.

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 physically ability.

In our effort to achieve gender balance, we encourage our female employees to actively plan their careers and take ownership of their development so we can promote more talented women to management and leadership positions in each of our business operations. In FY2018, 21% of our senior level management were female, while the Upper Management and Middle Management comprised of 22% and 28% of females 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.

EMPLOYEES BY GENDER (%)



SUSTAINABILITY REPORT

**Conducive 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 employees. All of this helps in the retention of employees. Amongst some of the benefits we provide include:

- Employee wellness facilities and activities such as a gym, sports activities including running, badminton, futsal and weekly yoga, dancing and Qigong classes organised by the Sports Club, health talks and financial planning talks, etc.
- Competitive medical coverage and benefits.
- A Staff Welfare Programme, since 2001, where we provide schooling assistance to lower income Malaysian employees.
- Academic Achievement Reward Programme aimed at rewarding Malaysia based employees' children for their academic achievement, to encourage and promote learning and the culture of excellence in the 'DIALOG Families'.

The Academic Achievement Rewards Programme is a tradition that began ten years ago and has become a much anticipated event in DIALOG each year. For FY2018, we rewarded 80 primary and 27 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.

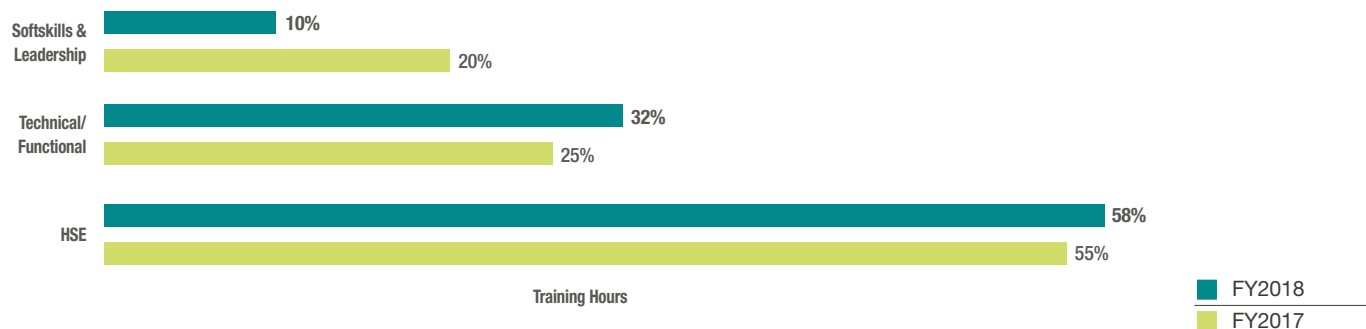


Champion of the Tan Sri Dr BK Ngau Futsal Challenge

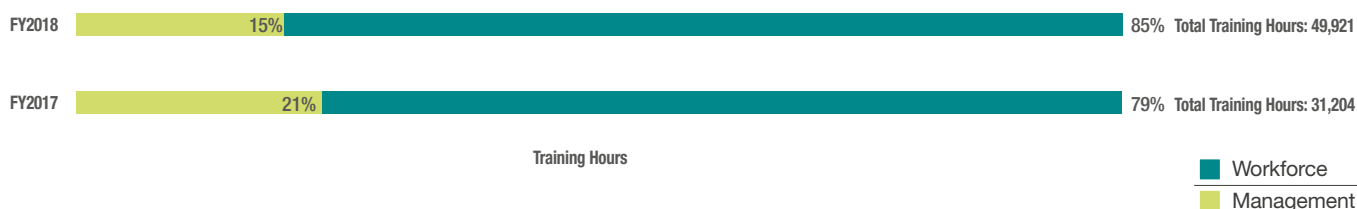
LEARNING & DEVELOPMENT



TOTAL TRAINING HOURS BY CATEGORY



TOTAL TRAINING HOURS



In pursuit of Quality and Excellence as part of DIALOG values, we always develop our workforce to be committed to HSE, highly competent, motivated and professional in the services we provide. In addition, the development of our leadership pipeline is of extreme importance, as it will enable DIALOG to continue to perform and thrive in the years to come.

Aside from current skills requirements, our learning and development strategy also takes into account the need for our workforce at all levels to be prepared to meet the demands ahead. Various human capital development activities (e.g. training seminars, knowledge sharing sessions, e-learning programmes, briefing sessions, talks and etc.) are organised all year round to equip our employees with up to date knowledge and skills.

Training

In FY2018, DIALOG employees (including management and daily waged staff) clocked in a total of 49,921 training hours, equivalent to an average of 18.19 training hours (FY2017: 13.09 hours) per employee.

HSE training contributed the majority of training hours. Out of 2,745 employees, 78% (2,142) had attended HSE training in FY2018. 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.

To stay relevant and keep abreast of latest industry trends, we consistently send our leaders to attend high profile leadership and technical conferences such as:

- Global Institute for Leadership Development (GILD) Asia
- World Gas Conference (WGC)
- Abu Dhabi International Petroleum Exhibition & Conference (ADIPEC)
- Asia Pacific Petroleum Conference (APPEC)
- World Maritime Day Conference
- Green Shipping Conference
- Malaysian Maritime Business Conference
- Tank & Terminal Tech Asia
- Asia Petroleum Geoscience Conference
- Malaysia Water Injection Excellence Symposium
- Offshore Technology Conference Asia
- SOFTEC Asia Conference
- Game Thinking Asia
- Fintech Festival Singapore



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

In FY2017, we carried out the biennial Skills Assessment which 83% of our employees had submitted online. The next cycle of Skills Assessment will be in FY2019.

To enable career development opportunities, we send our employees on various local and overseas assignments, as well as place them on secondment to our Joint Venture Partners when opportunities arise.

DIALOG also offers work experience opportunities to young graduates. We are currently reviewing our Young Graduate Programme and Young Engineers Programme, to enhance our development of future talent for the Group. During the financial year under review, 56 graduates 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. In FY2018, 40 interns were accepted for this programme.



Participants of ISO 9001:2015 Strategic Approach to Risk Based Thinking Training



John Thornton, Director of Operations Excellence conducting the Process Safety Awareness Training

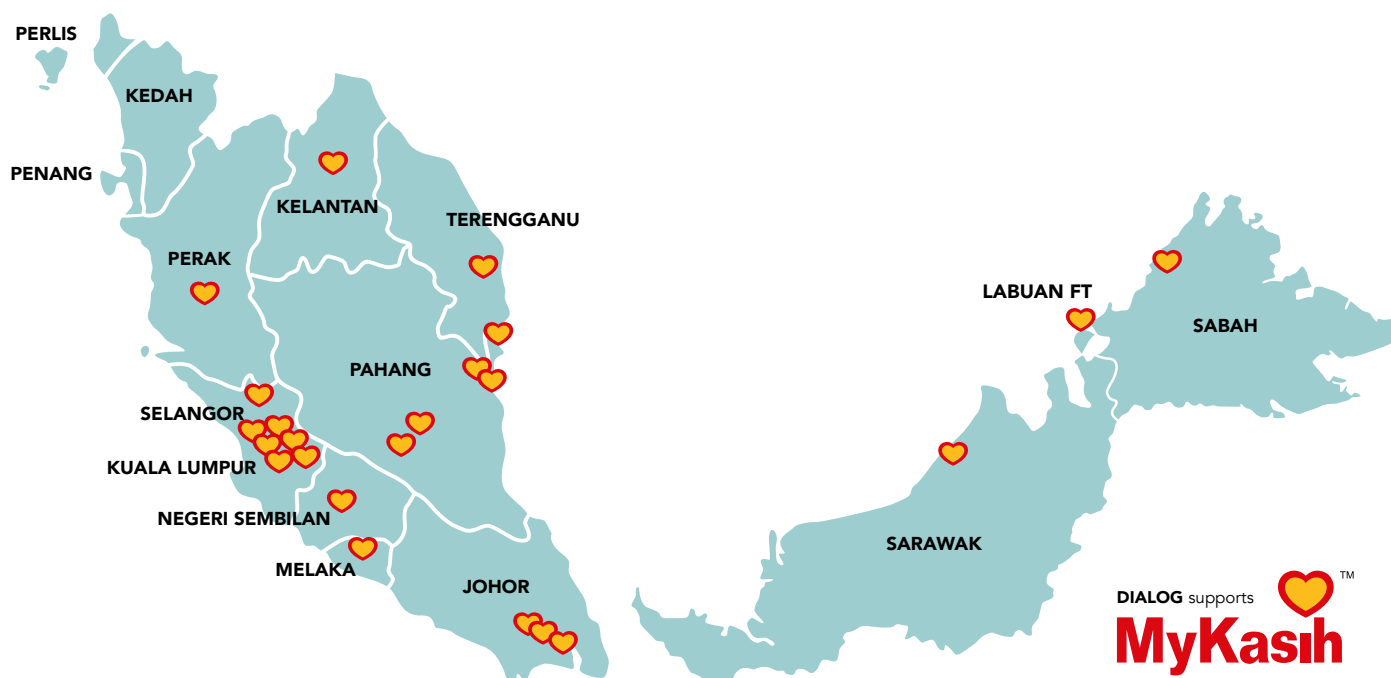
CORPORATE SOCIAL RESPONSIBILITY ("CSR")



DIALOG firmly believes in not only giving back, but also to actively invest in the growth of the communities where it operates. Positively impacting these communities will ultimately contribute to the sustainability of the Group's business, given that the majority of the Group's workforce is local. In FY2018, DIALOG contributed 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.



RM2.7
MILLION
CONTRIBUTION
IN FY2018



1,416

MyKasih 'Love My Neighbourhood' (LMN) families in 13 locations nationwide received monthly food aid in 2018

1,366

MyKasih 'Love My Neighbourhood' (LMN) families in 15 locations nationwide received monthly food aid in 2017



843

MyKasih 'Love My School' (LMS) student beneficiaries in 10 schools received monthly bursaries in 2018

594

MyKasih 'Love My School' (LMS) student beneficiaries in 7 schools received monthly bursaries in 2017

RM2.3
MILLION
CONTRIBUTION
IN FY2017

SUSTAINABILITY REPORT

**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 MyKasih smartcard, to disburse aid to targeted beneficiaries in a secure, efficient and transparent manner.

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. Donors also have the assurance that 100% of their donations are channelled directly to the beneficiaries and used for their intended purposes.

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, RM240 million worth of aid has been disbursed by the MyKasih Foundation to aid financially-challenged families and students, using this platform.

In addition to pioneering the cashless system that manages MyKasih's welfare distribution, DIALOG and its joint venture company – Pengerang Independent Terminals Sdn Bhd ("PITSB"), are also donors of MyKasih's flagship 'Love My Neighbourhood' food aid and 'Love My School' student bursary programmes.

In FY2018, DIALOG contributed RM2.7 million to support 2,259 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 Neighbourhood' ("LMN") Food Aid Programme

DIALOG allocated RM980,000 of its RM2.7 million donation to support 1,016 families across 13 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 10 product categories, like rice, cooking oil, beverages, noodles, eggs, flour, biscuits, seasonings, canned food 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.

Echoing the Group's community outreach efforts, PITSB contributed RM340,000 to support 350 families in Pengerang, Johor, through monthly food aid, while Langsat Terminal (One) Sdn Bhd and Langsat Terminal (Two) Sdn Bhd contributed RM78,000 to support 50 families in Pasir Gudang, Johor, with food aid and tuition classes for their school-going children.



All 117 students of Sekolah Kebangsaan Tasik Cini in Pahang are beneficiaries of the MyKasih 'Love My School' bursary programme

SUSTAINABILITY REPORT

**MyKasih 'Love My School' ('LMS') Student Bursary Programme**

In line with the Group's increasing focus on children's education, DIALOG adopted three more schools this year under the MyKasih 'Love My School' cashless student bursary programme, namely Sekolah Kebangsaan Sungai Rual in Kelantan, Sekolah Kebangsaan Tasik Cini in Pahang, and Sekolah Kebangsaan Kampung Tunku in Selangor.

In total, DIALOG has allocated RM620,000 to support 843 students in its ten adopted schools with cashless bursaries, out of which 550 students are Orang Asli (indigenous) who are studying in four dedicated Orang Asli primary schools.

Student beneficiaries under the MyKasih 'Love My School' student bursary programme use their MyKad-linked student smartcard to draw on monthly allowances of RM60 - RM80 to buy food and drinks at their school canteen, as well as books and stationery at the school bookstore.

In addition to the cashless student bursaries, DIALOG supported supplementary programmes in schools such as tuition and study camps for the Year 6 students, Back-To-School items for all students, 21st Century Classroom equipment (computers and ICT facilities), an edible garden outdoor classroom project, sponsorship of their annual sports carnival and the school's under-12 rugby team, Lanjan Tigers.

The Group contributed RM200,000 to furnish three Orang Asli primary schools with computer labs in accordance with the 21st Century Classroom Transformation Project, a project endorsed by the Ministry of Education.

An additional donation of RM17,500 was made to SK Tasik Cini to refurbish a dilapidated student dormitory which caters to Primary Year 6 students who live far away from the school.

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. In September 2017, DIALOG sponsored the Lanjan Tigers trip and sports equipment amounting to RM4,500 to compete in the 'Rimau Lavender-KGV Rugby Championship 2017' that was held on 23 September 2017 at the prestigious SMK King George V, Seremban. The Lanjan Tigers emerged as champions in the Bowl category.

DIALOG encouraged Lanjan Tigers to host, for the first time, the Selangor Under-12 Rugby Championship in their SK Bukit Lanjan school in May 2018. With financial support of RM18,800, SK Bukit Lanjan hosted 24 rugby teams from 21 primary schools. Lanjan Tigers were champions in the Shield category.

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 RM15,500 to support the annual Sports Day events in two of its adopted Orang Asli schools - SK Bukit Lanjan in Damansara Perdana, Selangor, and SK Penderas in Temerloh, Pahang, in November 2017 and February 2018 respectively.



Lanjan Tigers of SK Bukit Lanjan. The under-12 Rugby Team was formed in 2015 and remains today as the only Orang Asli rugby team in Selangor

SUSTAINABILITY REPORT



On 5 November 2017, 50 DIALOG staff volunteered during the SK Bukit Lanjan annual Sports Day event as facilitators to ensure the smooth-running of the sports event. The volunteers took up tasks such as score recorders, track timekeepers, photographers, as well as coordinators for meals, sports equipment, prizes, sports houses and participants.

DIALOG Mid-Year Review Teambuilding

Led by the Group's Executive Chairman himself, the 71-strong delegation representing DIALOG's senior management team from six countries spent the afternoon of 25 January 2018 in SK Bukit Lanjan in Damansara Perdana, Selangor.

The delegates spent half the day redecorating classrooms, organising the school library, replanting the school's edible garden, painting of the school's walkway and painting the exterior and interior classroom walls of the pre-school located adjacent to the primary school.

Sunday Market

DIALOG staff also volunteered their time in Desa Temuan Bukit Lanjan's 'Sunday Market' to help raise funds for the community and its kindergarten. The Sunday Market ran on one Sunday every month from July 2017 to December 2017. DIALOG volunteers manned stalls selling pre-loved clothes which they collected from office colleagues and the funds raised were donated back to the community.

Friendly Football Match

As part of its community engagement activities, DIALOG Sports Club organised a friendly football match with the Temuan Orang

Asli of Bukit Lanjan in October 2017. The match was part of DIALOG's continuous efforts to nurture closer ties with the Bukit Lanjan community.

Charity Musicals 2017

DIALOG contributed RM53,000 to host "That's Entertainment" on 18 August 2017, a charity concert which raised RM117,000 for MyKasih Foundation through cash donations and ticket sales.

On 2 December 2017, DIALOG contributed another RM30,000 and hosted the "December Love" charity musical, which raised RM153,870 for MyKasih Foundation through ticket sales, cash donations and an auction.

MyKasih Charity Golf 2017

On 30 September 2017, 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 the foundation reaches out to. The golf fundraiser successfully collected RM1,167,010 in cash donations.

Other Charity Events

In the financial year under review, DIALOG also contributed RM80,000 to support events organised by other organisations in the name of charity. They include the Yayasan Universiti Teknologi PETRONAS' (YUTP) Tapestry of Colours 2017, Orchid Fun Run Ride 2017 organised by PETRONITA, Voices for Hospices Gala Dinner 2017 by Hospis Malaysia and Dewan Filharmonik PETRONAS' Family and Friends Charity Concert.



Let's give these walls a fresh coat of paint



Tan Sri Dr Ngau Boon Keat and Puan Sri Jean Ngau with the performers of December Love

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 SHAREHOLDER 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 the 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;
- (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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 business strategies and new ventures. Tan Sri Dr Ngau and Mr Chan Yew Kai each have more than 30 years' experience in the oil, gas and petrochemical industry and their track record demonstrates that their 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 is 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 are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016. One of them is a member of Malaysian Institute of Accountants whilst the other two are members of 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 Committees 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 2018 ("FY2018"), five (5) 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.

The attendance of the members of the board at all meetings were recorded during FY2018, details of which are set out as below:-

Name	No. of meetings attended
Tan Sri Dr Ngau Boon Keat	5/5
Chan Yew Kai	5/5
Datuk Oh Chong Peng	5/5
Kamariyah Binti Hamdan	5/5
Ja'afar Bin Rihan*	3/3
Siti Khairon Binti Shariff	5/5
Dato' Ismail Bin Karim**	2/2
Tunku Alizakri Bin Raja Muhammad Alias***	2/2
Chew Eng Kar	5/5
Zainab Binti Mohd Salleh	5/5

* Ja'afar Bin Rihan resigned on 31 January 2018.

** Dato' Ismail Bin Karim was appointed on 24 November 2017.

*** Tunku Alizakri Bin Raja Muhammad Alias was appointed on 1 February 2018.

The schedule of meetings calendar which provides the tentative dates for meetings of the Board, Audit Committee and Annual General Meeting is circulated to 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 encompasses 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.

The Company intends to adopt a whistle blowing policy which will provide a platform to raise concerns on any suspected wrongdoings, misconducts and unethical practices.

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.

2. BOARD COMPOSITION

During FY2018, the presence of independent directors on the Board was further strengthened with the appointment of Dato' Ismail Bin Karim, as an additional Independent Non-Executive Director. 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.

DIALOG believes that the current Board's composition and size is an effective team for the Group. There is a good balance due to the presence of the five (5) Non-Executive Directors, where they are free of management obligations and free from any relationships that could materially interfere with the exercise of their independent judgment.

The Non-Executive Directors provide a strong independent element on the Board where all matters are reviewed with balance and fairness. Among the Non-Executive Directors is a representative from the 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.

The Board is mindful of the Code's recommendation on the composition of the Board. 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.

For FY2018, the Nomination Committee comprised of two (2) Independent Non-Executive Directors. The Committee is chaired by Datuk Oh Chong Peng, a Senior Independent Non-Executive Director and the other member is Puan Kamariyah Binti Hamdan. In September 2018, Cik Siti Khairon Binti Shariff was appointed as an additional member of the Nomination Committee.

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:

- 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 judgment to board deliberations.

During FY2018, the Nomination Committee met once to review the composition of the Board, 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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

independence of Independent Directors. The Independent Directors namely Datuk Oh Chong Peng, Puan Kamariyah Binti Hamdan, Cik 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 annual general meeting. The Nomination Committee met twice to review the recommendations for appointment of new directors.

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 Annual General Meeting 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 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 FY2018, 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 from many areas, which include leadership managements, corporate governance, risk management and internal control, financial reporting, tax, strategic planning, developments in the oil and gas industry, finance and economic outlook. Conferences, seminars, dialogues, briefings and training programmes attended by the Directors include the following:

- Companies Act 2016
- Mental Health & Well-Being
- Business Planning with a Businessman in the White House
- Sharing Session - HSE & QA/QC Excellence
- Secrets of Transformational Leadership
- Commercial Crime
- Health & Aging
- Emerging Trends in the Automotive Landscape and its possible impact on the Oil & Gas Industry
- ASEAN Economic Community : Opportunities and Challenges
- Offshore Technology Conference Asia (OTC Asia) 2018
- The Hazards Asia Pacific 2017 Symposium
- Block Chain Technology
- IT Risks and Corporate Governance Updates
- Corporate Governance Briefing Sessions: MCCG Reporting & CG Guide
- CG Breakfast Series - Board Excellence: How to Engage and Enthuse Beyond Compliance with Sustainability

- CG Breakfast Series Entitled: Integrating an Innovation Mindset with Effective Governance
- BNM Governor's Address on the Malaysian Economy & Panel Discussion
- Mandatory Accreditation Programme
- Leading Digital Business Transformation
- Premier Shariah Registered Financial Planning
- MSCI Presentation to Listed Companies
- Bursa Briefing on ESG Engagement for the FTSE4Good Bursa Malaysia Index
- Briefing on Bank Negara Malaysia's Annual Report 2017 and Financial Stability and Payment Systems Report 2017
- Indirect Tax Talk - GST vs SST
- Overview of Gross National Income - Concept, Calculations & Applications
- 2018 Budget : Implications to the Malaysian Economy and Capital Market
- BDO Tax Forum Series - Strategic Decision Making in Today's Fiscal Environment
- Deloitte International Tax Symposium 2018
- MFRS Technical Training
- EPF Investment Seminar
- EPF Vision Mission Shared Value
- Leadership Energy Summit

The Board has assessed the trainings attended by the Directors during FY2018 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.

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 financials and the individual's performance.

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 FY2018.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The directors' remuneration which include the executive directors who are also senior management for FY2018 is presented below:-

(RM'000)	← COMPANY →		← GROUP →			TOTAL
	Fees	Meeting allowance	Salary and allowance	Bonus and incentive	Benefits in kind	
Tan Sri Dr Ngau Boon Keat	-	-	1,731	4,712	127	6,570
Chan Yew Kai	-	-	1,374	1,276	20	2,670
Datuk Oh Chong Peng	156	30	-	-	-	186
Kamariyah Binti Hamdan	141	26	-	-	-	167
Siti Khairon Binti Shariff	135	19	-	-	-	154
Dato' Ismail Bin Karim	100	6	53	-	-	159
Tunku Alizakri Bin Raja Muhammad Alias	100	6	-	-	-	106
Chew Eng Kar	-	-	1,122	1,038	16	2,176
Zainab Binti Mohd Salleh	-	-	964	819	13	1,796
Ja'afar Bin Rihaan	-	11	-	-	-	11
Total	632	98	5,244	7,845	176	13,995

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), Puan Kamariyah Binti Hamdan, Cik Siti Khairon Binti Shariff and Dato' Ismail Bin Karim.

The summary of work of the Audit Committee relating to the FY2018 are highlighted on pages 70 to 71 of this Annual Report.

2. RISK MANAGEMENT & INTERNAL CONTROLS

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

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 control, 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 72 to 73 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,

CORPORATE GOVERNANCE OVERVIEW STATEMENT

investors and media representatives to give them a better understanding of the business and financial performance of the Group. In FY2018, the Executive Chairman and the Executive Directors met with more than 300 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.

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).

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, the Group has established transparent and appropriate relationship with the Group's auditors. The Audit Committee had convened two (2) meetings with the external auditors without the presence of executive directors and officers to discuss the audit process and findings for FY2018.

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 2018, 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 judgments 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 2018, 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.

This statement is made in accordance with a resolution of the Board on 25 September 2018.

AUDIT COMMITTEE REPORT



THE AUDIT COMMITTEE PROVIDE 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)

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

Note:

Dato' Ismail Bin Karim, an Independent Non-Executive Director, was appointed as a member of the Audit Committee effective 14 September 2018.

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 two (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 five (5) times during the financial year 2018. 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 2018 are as follows:

No	Name	No. of Meetings Attended	Percentage of Attendance (%)
1	Datuk Oh Chong Peng	5/5	100
2	Kamariyah Binti Hamdan	5/5	100
3	Siti Khairon Binti Shariff	5/5	100

AUTHORITY

The Audit 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.

The Audit 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 2018

The Audit Committee carried out the following work in the discharge of its functions and duties through reviews and deliberations during Audit Committee meetings for the financial year 2018:

- Reviewed the quarterly financial statements and annual audited financial statement of the Group;
- Reviewed the scope, functions and resources of the internal audit function;

AUDIT COMMITTEE REPORT

- 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; and
- i) Reviewed with the external auditors their audit scope, procedures and reporting requirements. Convened 2 meetings on 16 August 2017 and 16 May 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 IAD 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 and the Committee of Sponsoring Organisation of the Treadway Commission'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 2018, the IAD was staffed by three (3) internal auditors and, supported by internal guest auditors, conducted a total of 16 audit reviews and 14 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 2018 amounted to RM650,049.

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 operating 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

A 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

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.

For the financial year ended 30 June 2018, the Risk Management Committee, chaired by the Executive Chairman and comprised of senior management within the Group, reviewed the effectiveness of the risk management process and reports arising from risk management activities and deliberated the risks identified, controls and risk mitigation strategies.

Subsequent to the end of the financial year 2018, the Risk Management Committee composition has been revised to consist of all independent directors.

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

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.

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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Centralised Functions

Centralised control of selected key functions of the Group such as finance, accounts, Health, Safety and Environment, quality assurance/quality control, contracting, procurement, legal, human resource, 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 and safety, technical training as well as soft skills, both locally and overseas to ensure staff of all levels are proficient and competent in handling their job functions. Training programmes are also conducted for risk awareness and on implementation of total risk management process 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. 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.

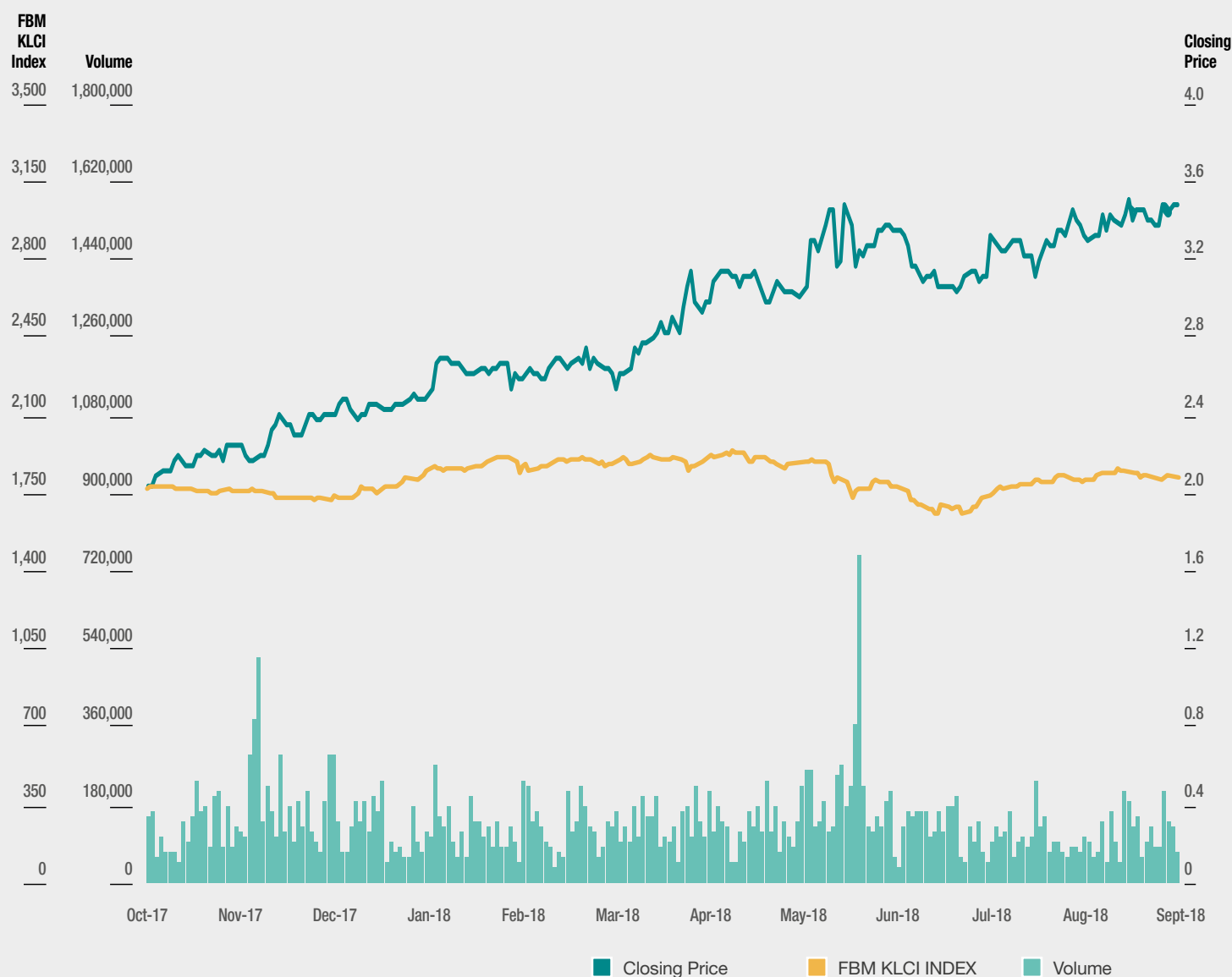
CONCLUSION

The Risk Management and Internal Control system is in place, 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 operational risks and its mitigating controls are disclosed on page 44 of this Annual Report.

SHARE PERFORMANCE



SUMMARY OF MONTHLY SHARE INFORMATION FOR THE PERIOD FROM 1 OCTOBER 2017 TO 18 SEPTEMBER 2018

	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Opening Price (RM)	2.00	2.25	2.41	2.51	2.58	2.66	3.07	3.05	3.22	3.10	3.32	3.49
Highest Price (RM)	2.30	2.49	2.54	2.78	2.80	3.11	3.20	3.57	3.46	3.34	3.56	3.53
Lowest Price (RM)	2.00	2.16	2.39	2.49	2.49	2.47	2.91	2.96	3.06	3.00	3.25	3.35
Closing Price (RM)	2.26	2.41	2.51	2.56	2.65	3.07	3.08	3.25	3.09	3.32	3.48	3.49
Volume (Board Lot of 100 units)	2,771,473	4,432,464	2,405,367	2,682,915	2,453,207	2,879,621	2,919,147	4,025,663	2,952,241	2,615,742	2,217,286	1,029,331

ENHANCING SHAREHOLDER VALUE

22-YEAR RETURN TO SHAREHOLDERS

Compounded Annual Growth Rate on return to shareholders is 33% from IPO in 1996 to 2018

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 FY2018 based on closing price as at 18 September 2018)	RM856,910
Compounded Annual Growth Rate from IPO in 1996 to 2018	33%

SHAREHOLDINGS INFORMATION

AS AT 18 SEPTEMBER 2018

Share Capital	: RM1,684,286,771.70 comprising 5,641,642,303 ordinary shares
No. of Shareholders	: 15,756
Class of the Shares	: Ordinary Shares
Voting Rights	: One Vote per ordinary share (On a poll)

DISTRIBUTION SCHEDULE OF SHARES AS AT 18 SEPTEMBER 2018

No of Holders	Total Holdings	Holdings*	%*
2,114	Less than 100	85,129	0.00
2,748	100 to 1,000	1,260,184	0.02
5,658	1,001 to 10,000	25,581,575	0.46
3,669	10,001 to 100,000	113,042,460	2.00
1,562	100,001 to less than 5% of issued shares	3,955,332,875	70.15
4	5% and above of issued shares	1,543,005,048	27.37
15,755		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 18 September 2018.

THIRTY SECURITIES ACCOUNT HOLDERS HAVING THE LARGEST NUMBER OF ORDINARY SHARES AS AT 18 SEPTEMBER 2018

No.	Name	Holdings	%*
1	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	421,069,900	7.47
2	CIMSEC NOMINEES (TEMPATAN) SDN BHD < PLEDGED SECURITIES ACCOUNT FOR AZAM UTAMA SDN BHD >	395,651,380	7.02
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD < EMPLOYEES PROVIDENT FUND BOARD >	367,730,416	6.52
4	CIMSEC NOMINEES (TEMPATAN) SDN BHD < PLEDGED SECURITIES ACCOUNT FOR WIDE SYNERGY SDN BHD >	358,553,352	6.36
5	CARTABAN NOMINEES (ASING) SDN BHD < GIC PRIVATE LIMITED FOR GOVERNMENT OF SINGAPORE (C) >	167,666,272	2.97
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD < MAYBANK TRUSTEES BERHAD FOR PUBLIC ITTIKAL FUND (N14011970240) >	110,000,000	1.95
7	DB (MALAYSIA) NOMINEE (ASING) SDN BHD < BNYM SA/NV FOR PEOPLE'S BANK OF CHINA (SICL ASIA EM) >	89,334,300	1.58
8	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD < GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1) >	86,572,200	1.54
9	CARTABAN NOMINEES (ASING) SDN BHD < EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67) >	82,035,090	1.45
10	CARTABAN NOMINEES (TEMPATAN) SDN BHD < PAMB FOR PRULINK EQUITY FUND >	79,436,370	1.41
11	HSBC NOMINEES (ASING) SDN BHD < JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND >	72,363,400	1.28
12	ABDUL RASHID HUSSAIN	71,116,400	1.26

SHAREHOLDINGS INFORMATION
AS AT 18 SEPTEMBER 2018

**THIRTY SECURITIES ACCOUNT HOLDERS HAVING THE LARGEST NUMBER OF ORDINARY SHARES AS AT
18 SEPTEMBER 2018 (continued)**

No.	Name	Holdings	%*
13	AMANAHRAYA TRUSTEES BERHAD < AMANAH SAHAM BUMIPUTERA >	67,500,000	1.20
14	HSBC NOMINEES (ASING) SDN BHD < JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND >	67,410,544	1.20
15	CITIGROUP NOMINEES (TEMPATAN) SDN BHD < EXEMPT AN FOR AIA BHD. >	65,687,558	1.17
16	AMANAHRAYA TRUSTEES BERHAD < PUBLIC ITTIKAL SEQUEL FUND >	61,901,976	1.10
17	AMANAHRAYA TRUSTEES BERHAD < PUBLIC ISLAMIC DIVIDEND FUND >	57,478,090	1.02
18	CIMSEC NOMINEES (TEMPATAN) SDN BHD < CIMB BANK FOR NGAU BOON KEAT (MM0592) >	51,116,491	0.91
19	AZAM UTAMA SDN BHD	50,000,000	0.89
20	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD < PLEDGED SECURITIES ACCOUNT FOR WIDE SYNERGY SDN BHD > (CORPBANKING-5)	50,000,000	0.89
21	CIMSEC NOMINEES (TEMPATAN) SDN BHD < CIMB BANK FOR IMPRESIF MATRIK SDN BHD (MY1150) >	48,327,456	0.86
22	AMANAHRAYA TRUSTEES BERHAD < AMANAH SAHAM MALAYSIA >	47,100,000	0.84
23	MAYBANK NOMINEES (TEMPATAN) SDN BHD < MAYBANK TRUSTEES BERHAD FOR PUBLIC REGULAR SAVINGS FUND (N14011940100)>	44,406,130	0.79
24	AMANAHRAYA TRUSTEES BERHAD < PUBLIC ISLAMIC SECTOR SELECT FUND >	40,000,000	0.71
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD < MTRUSTEE BERHAD FOR CIMB ISLAMIC DALI EQUITY GROWTH FUND (UT-CIMB-DALI) (419455) >	37,831,352	0.67
26	AMANAHRAYA TRUSTEES BERHAD < PUBLIC ISLAMIC EQUITY FUND >	37,773,736	0.67
27	PERMODALAN NASIONAL BERHAD	36,255,000	0.64
28	CARTABAN NOMINEES (ASING) SDN BHD < GIC PRIVATE LIMITED FOR MONETARY AUTHORITY OF SINGAPORE (H) >	34,159,266	0.61
29	AMANAHRAYA TRUSTEES BERHAD < AMANAH SAHAM DIDIK >	33,413,400	0.59
30	AMANAHRAYA TRUSTEES BERHAD < PUBLIC ISLAMIC SELECT ENTERPRISES FUND>	29,543,964	0.52

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 18 September 2018.

SHAREHOLDINGS INFORMATION AS AT 18 SEPTEMBER 2018

INFORMATION ON SUBSTANTIAL SHAREHOLDERS (EXCLUDING BARE TRUSTEES) AS AT 18 SEPTEMBER 2018

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No.	%*	No.	%*
Azam Utama Sdn Bhd	467,563,330 ¹	8.29	-	-
Wide Synergy Sdn Bhd	441,970,688 ¹	7.84	-	-
Kumpulan Wang Persaraan (Diperbadankan)	421,069,900 ¹	7.47	39,600,233 ³	0.70
Employees Provident Fund Board	404,603,816 ¹	7.18	-	-
Tan Sri Dr Ngau Boon Keat	65,904,103 ¹	1.17	1,063,445,842 ²	18.86

Notes:

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

² Deemed interested by virtue of his interest 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 Shares are held by KWAP fund manager.

* Excluding a total of 3,335,032 shares bought-back by DIALOG Group Berhad and retained as treasury shares as at 18 September 2018.

DIRECTORS' SHAREHOLDINGS AS AT 18 SEPTEMBER 2018

Name of Directors	Direct Interest		Deemed Interest	
	No.	%*	No.	%*
Tan Sri Dr Ngau Boon Keat	65,904,103 ¹	1.17	1,063,445,842 ²	18.86
Chan Yew Kai	35,384,767 ¹	0.63	-	-
Datuk Oh Chong Peng	-	-	-	-
Kamariyah Binti Hamdan	1,938,614 ¹	0.03	268,158 ³	0.00
Siti Khairon Binti Shariff	-	-	-	-
Dato' Ismail Bin Karim	-	-	63,472 ³	0.00
Tunku Alizakri Bin Raja Muhammad Alias	-	-	-	-
Chew Eng Kar	11,611,760 ¹	0.21	10,038,607 ⁴	0.18
Zainab Binti Mohd Salleh	7,391,879 ¹	0.13	-	-

Notes:

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

² Deemed interested by virtue of his interest 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/her spouse's interest.

⁴ Deemed interested by virtue of his interest 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 18 September 2018.

LIST OF TOP TEN PROPERTIES

AS AT 30 JUNE 2018

	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 18 RM'000
DIALOG PROPERTIES SDN BHD DIALOG TOWER No. 15, Jalan PJU 7/5 Mutiar Damansara 47810 Petaling Jaya Selangor Darul Ehsan	Corporate Office	Freehold land and building	02-Apr-07	5 years	53,508	129,086
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-11	4 years	5,126,141/ 311,672	106,319
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-Sep-17	9 years	1,743,751/ 55,972	77,857
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-Nov-17	10 years	1,531,972/ 7,026	69,169
FITZROY ENGINEERING GROUP LIMITED Devon Road, Private Bag 2053 New Plymouth 4342 New Zealand	Workshop and Office	Freehold land and building	03-Feb-14	44 years	348,535/ 77,274	17,385
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-Sep-17	-	463,494	16,458

LIST OF TOP TEN PROPERTIES
AS AT 30 JUNE 2018

	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 18 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-Apr-00	-	86,112	5,232
DIALOG FABRICATORS SDN BHD Lot 3739, Mukim Kertih Daerah Kemaman Terengganu Darul Iman	Regional Office and Workshop	Freehold land and building	16-Jan-02	13 years	215,601	4,579
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 Jan 2019	01-May-17	2 years	136,305	4,487
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-Apr-11	32 years	307,214/ 37,084	4,324

GROUP CORPORATE DIRECTORY

MALAYSIA

Head Office

DIALOG TOWER
No. 15, Jalan PJU 7/5
Mutiar 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 & 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

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**

333/87 6th Floor
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Kampaengpet 6 Road
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10210 Thailand
Tel : 66 2 576 1707-9
Fax : 66 2 576 1710

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**

P.O. Box 10990
Jubail Industrial City
31961 Kingdom of Saudi Arabia
Tel : 966 1 3340 7740/42
Fax : 966 1 3340 7741

Supply Base

P.O. Box 10990
Jubail Industrial City
31961 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

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 THIRTIETH ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT the Thirtieth 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, 14 November 2018 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 2018 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 1.8 sen per ordinary share in respect of the financial year ended 30 June 2018. | (Resolution 1) |
| 3. To re-elect Tan Sri Dr Ngau Boon Keat, the director retiring pursuant to Article 96 of the Company's Constitution. | (Resolution 2) |
| 4. To re-elect Puan Zainab Binti Mohd Salleh, the director retiring pursuant to Article 96 of the Company's Constitution. | (Resolution 3) |
| 5. To re-elect Dato' Ismail Bin Karim, the director retiring pursuant to Article 101 of the Company's Constitution. | (Resolution 4) |
| 6. To re-elect Tunku Alizakri Bin Raja Muhammad Alias, the director retiring pursuant to Article 101 of the Company's Constitution. | (Resolution 5) |
| 7. To approve the payment of Directors' fees and Board Committees' fees of RM632,000 in respect of the financial year ended 30 June 2018 (2017: RM471,000). | (Resolution 6) |
| 8. To approve Directors' benefits (other than Directors' fees and Board Committees' fees) up to an amount of RM600,000 from 15 November 2018 to the next Annual General Meeting of the Company. | (Resolution 7) |
| 9. To re-appoint Messrs BDO as auditors of the Company and to authorise the Directors to fix their remuneration. | (Resolution 8) |
| 10. Special Business:- | |

To consider and if thought fit, to pass the following resolutions:

(A) ORDINARY RESOLUTION 1

- CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"**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."

(Resolution 9)

(B) ORDINARY RESOLUTION 2

- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"**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.

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING
AND DIVIDEND ENTITLEMENT

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.”

(Resolution 10)

(C) ORDINARY RESOLUTION 3

- **PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES OF THE COMPANY ("DIALOG SHARES") (EXCLUDING TREASURY SHARES, IF ANY) FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF DIALOG AND ITS NON-DORMANT SUBSIDIARIES ("PROPOSED ESOS")**

"**THAT** subject to the approvals of all relevant regulatory authorities, including but not limited to, the approval of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and/or parties (where required) being obtained, approval be and is hereby given to the Directors of the Company to:-

- (a) establish, implement and administer the Proposed ESOS, for the benefit of all eligible employees and eligible directors of the Company and its subsidiaries (excluding subsidiaries which are dormant) ("DIALOG Group") ("Eligible Persons"), in accordance with the provisions of the by-laws for the Proposed ESOS as set out in Appendix I of Part C of the Circular and Statement to Shareholders dated 15 October 2018 ("By-Laws") and to give effect to the Proposed ESOS with full power to consent to and to adopt such conditions, modifications, variations, and/or amendments as it may deem fit and/or as may be required by the relevant regulatory authorities;
- (b) allot and issue such number of new DIALOG Shares from time to time as may be required pursuant to the exercise of the options under the Proposed ESOS ("Options") provided that the aggregate number of new DIALOG Shares to be allotted and issued shall not at any point in time in aggregate exceed ten percent (10%) of the total number of issued ordinary shares of the Company (excluding treasury shares, if any) and such new DIALOG Shares shall, upon issuance and allotment rank pari passu in all respects with the then existing DIALOG Shares, except that the new DIALOG Shares so issued and allotted shall not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid to the Shareholders, for which the entitlement date is prior to the date the new DIALOG Shares are credited into the relevant Central Depository System accounts of the Eligible Persons maintained by Bursa Malaysia Depository Sdn Bhd;
- (c) amend and/or modify all or any part of the Proposed ESOS from time to time provided that such amendments and/or modifications are effected in accordance with the provisions of the By-Laws;
- (d) make such applications as may be necessary at the appropriate time or times to Bursa Malaysia for the listing of and quotation for the new DIALOG Shares which may hereafter from time to time be issued and allotted pursuant to the exercise of the Options to be granted under the Proposed ESOS; and
- (e) do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds and undertakings and to make such rules or regulations or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and terms of the By-Laws;

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

AND THAT the Directors be and are hereby authorised to give effect to the Proposed ESOS with full power to consent to and to adopt any such conditions, modifications, variations and/or amendments (including adopting such modifications, variations and/or amendments to the By-Laws) as it may deem fit and/or as may be required by the relevant regulatory authorities;

AND THAT the proposed By-Laws which is in compliance with the Main Market Listing Requirements of Bursa Malaysia ("Listing Requirements"), be and is hereby approved."

(Resolution 11)

(D) ORDINARY RESOLUTION 4

- PROPOSED ALLOCATION OF ESOS OPTIONS TO TAN SRI DR NGAU BOON KEAT

"**THAT** subject to the passing of Ordinary Resolution 3 above and for so long as this approval remains in force, approval be and is hereby given to the committee of the Proposed ESOS ("ESOS Committee"), at any time and from time to time, to offer and to grant to Tan Sri Dr Ngau Boon Keat, the Executive Chairman of the Company, Options to subscribe for such number of new DIALOG Shares to be issued under the Proposed ESOS PROVIDED THAT:

- (a) not more than ten percent (10%) of the new DIALOG Shares available under the Proposed ESOS shall be granted to any individual Eligible Person, who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more of the issued DIALOG Shares (excluding treasury shares, if any);
- (b) not more than fifty percent (50%) of the total number of DIALOG Shares to be issued under the Proposed ESOS will be allocated, in aggregate to him, other Executive Directors and senior management of DIALOG Group; and
- (c) he must not be allowed to participate in the deliberation or discussion of his own allocation of Options to be issued to him under the Proposed ESOS, and in respect of allocation to persons connected with him under the Proposed ESOS;

AND THAT subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS."

(Resolution 12)

(E) ORDINARY RESOLUTION 5

- PROPOSED ALLOCATION OF ESOS OPTIONS TO CHAN YEW KAI

"**THAT** subject to the passing of Ordinary Resolution 3 above and for so long as this approval remains in force, approval be and is hereby given to the ESOS Committee, at any time and from time to time, to offer and to grant to Chan Yew Kai, the Executive Deputy Chairman of the Company, Options to subscribe for such number of new DIALOG Shares to be issued under the Proposed ESOS PROVIDED THAT:

- (a) not more than ten percent (10%) of the new DIALOG Shares available under the Proposed ESOS shall be granted to any individual Eligible Person, who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more of the issued DIALOG Shares (excluding treasury shares, if any);
- (b) not more than fifty percent (50%) of the total number of DIALOG Shares to be issued under the Proposed ESOS will be allocated, in aggregate to him, other Executive Directors and senior management of DIALOG Group; and
- (c) he must not be allowed to participate in the deliberation or discussion of his own allocation of Options to be issued to him under the Proposed ESOS, and in respect of allocation to persons connected with him under the Proposed ESOS;

AND THAT subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS."

(Resolution 13)

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING
 AND DIVIDEND ENTITLEMENT

(F) ORDINARY RESOLUTION 6

- PROPOSED ALLOCATION OF ESOS OPTIONS TO CHEW ENG KAR

"**THAT** subject to the passing of Ordinary Resolution 3 above and for so long as this approval remains in force, approval be and is hereby given to the ESOS Committee, at any time and from time to time, to offer and to grant to Chew Eng Kar, the Executive Director of the Company, Options to subscribe for such number of new DIALOG Shares to be issued under the Proposed ESOS PROVIDED THAT:

- (a) not more than ten percent (10%) of the new DIALOG Shares available under the Proposed ESOS shall be granted to any individual Eligible Person, who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more of the issued DIALOG Shares (excluding treasury shares, if any);
- (b) not more than fifty percent (50%) of the total number of DIALOG Shares to be issued under the Proposed ESOS will be allocated, in aggregate to him, other Executive Directors and senior management of DIALOG Group; and
- (c) he must not be allowed to participate in the deliberation or discussion of his own allocation of Options to be issued to him under the Proposed ESOS, and in respect of allocation to persons connected with him under the Proposed ESOS;

AND THAT subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS."

(Resolution 14)

(G) ORDINARY RESOLUTION 7

- PROPOSED ALLOCATION OF ESOS OPTIONS TO ZAINAB BINTI MOHD SALLEH

"**THAT** subject to the passing of Ordinary Resolution 3 above and for so long as this approval remains in force, approval be and is hereby given to the ESOS Committee, at any time and from time to time, to offer and to grant to Zainab Binti Mohd Salleh, the Group Chief Financial Officer and Joint Company Secretary of the Company, Options to subscribe for such number of new DIALOG Shares to be issued under the Proposed ESOS PROVIDED THAT:

- (a) not more than ten percent (10%) of the new DIALOG Shares available under the Proposed ESOS shall be granted to any individual Eligible Person, who, either singly or collectively through persons connected with her, holds twenty percent (20%) or more of the issued DIALOG Shares (excluding treasury shares, if any);
- (b) not more than fifty percent (50%) of the total number of DIALOG Shares to be issued under the Proposed ESOS will be allocated, in aggregate to her, other Executive Directors and senior management of DIALOG Group; and
- (c) she must not be allowed to participate in the deliberation or discussion of her own allocation of Options to be issued to her under the Proposed ESOS, and in respect of allocation to persons connected with her under the Proposed ESOS;

AND THAT subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS."

(Resolution 15)

(H) ORDINARY RESOLUTION 8

- PROPOSED ALLOCATION OF ESOS OPTIONS TO NGAU WU WEI

"**THAT** subject to the passing of Ordinary Resolution 3 above and for so long as this approval remains in force, approval be and is hereby given to the ESOS Committee, at any time and from time to time, to offer and to grant to Ngau Wu Wei, person connected to the Executive Chairman, Options to subscribe for such number of new DIALOG Shares to be issued under the Proposed ESOS PROVIDED THAT:

- (a) not more than ten percent (10%) of the new DIALOG Shares available under the Proposed ESOS shall be granted to any individual Eligible Person, who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more of the issued DIALOG Shares (excluding treasury shares, if any);
- (b) not more than fifty percent (50%) of the total number of DIALOG Shares to be issued under the Proposed ESOS will be allocated, in aggregate to him, other Executive Directors and senior management of DIALOG Group; and

NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING
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- (c) he must not be allowed to participate in the deliberation or discussion of his own allocation of Options to be issued to him under the Proposed ESOS, and in respect of allocation to persons connected with him under the Proposed ESOS;

AND THAT subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS."

(Resolution 16)

(I) ORDINARY RESOLUTION 9

- PROPOSED ALLOCATION OF ESOS OPTIONS TO NGAU SUE CHING

"**THAT** subject to the passing of Ordinary Resolution 3 above and for so long as this approval remains in force, approval be and is hereby given to the ESOS Committee, at any time and from time to time, to offer and to grant to Ngau Sue Ching, person connected to the Executive Chairman, Options to subscribe for such number of new DIALOG Shares to be issued under the Proposed ESOS PROVIDED THAT:

- (a) not more than ten percent (10%) of the new DIALOG Shares available under the Proposed ESOS shall be granted to any individual Eligible Person, who, either singly or collectively through persons connected with her, holds twenty percent (20%) or more of the issued DIALOG Shares (excluding treasury shares, if any);
- (b) not more than fifty percent (50%) of the total number of DIALOG Shares to be issued under the Proposed ESOS will be allocated, in aggregate to her, other Executive Directors and senior management of DIALOG Group; and
- (c) she must not be allowed to participate in the deliberation or discussion of her own allocation of Options to be issued to her under the Proposed ESOS, and in respect of allocation to persons connected with her under the Proposed ESOS;

AND THAT subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS."

(Resolution 17)

11. 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 1.8 sen per ordinary share held in DIALOG, if approved, will be paid on 18 December 2018 to shareholders whose names appear in the Record of Depositors at the close of business on 28 November 2018.

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 2018 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
15 October 2018

NOTICE OF THE THIRTIETH 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 5 November 2018 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 8 of the Agenda

The Directors' Benefits (other than Directors' fees and Board Committees' fees) comprise of 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 10 of the Agenda

Resolution 9 – Continuation in office as Independent Non-Executive Director

The proposed Resolution No. 9, if passed, will enable Datuk Oh Chong Peng to continue in office as Independent Non-Executive Director of the Company in line with the practice of the Malaysian Code on Corporate Governance 2017. He has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and has 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 Chong Peng is able to bring independent and objective judgements to the Board as a whole and strongly recommended him to continue to act as an Independent Non-Executive Director of the Company.

Resolution 10 – Proposed Renewal of Share Buy-Back Authority

The proposed Resolution No. 10, 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/Circular to Shareholders dated 15 October 2018 enclosed together with the Company's Annual Report 2018.

Resolution 11 – Proposed ESOS

The proposed Resolution No. 11, if passed, will empower Directors of the Company to allot and issue ordinary shares up to ten percent (10%) of the total number of issued ordinary shares of the Company (excluding treasury shares, if any) under the Proposed ESOS. For further information on the Proposed ESOS, please refer to Part C of the Statement/Circular to Shareholders dated 15 October 2018 enclosed together with the Company's Annual Report 2018.

Resolution 12 to 17 – Proposed Allocation of ESOS Options

The proposed Resolution No. 12 to 17, if passed, will empower the Directors and/or the ESOS Committee of the Company to offer and to grant to Tan Sri Dr Ngau Boon Keat, Chan Yew Kai, Chew Eng Kar, Zainab Binti Mohd Salleh, Ngau Wu Wei and Ngau Sue Ching, options pursuant to the DIALOG Group Berhad Employees' Share Option Scheme. Ngau Wu Wei and Ngau Sue Ching are the son and daughter of Tan Sri Dr Ngau Boon Keat, respectively.

STATEMENT ACCOMPANYING THE NOTICE OF THE THIRTIETH 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 a Director at the Thirtieth Annual General Meeting of the Company.

PROXY FORM

DIALOG**DIALOG GROUP BERHAD**

(Company No. 178694-V)
(Incorporated in Malaysia)

No. of Ordinary Shares Held	
CDS Account No.	

I/We _____

I.C./Passport/Company No. _____

of _____

being a member of **DIALOG GROUP BERHAD** hereby appoint _____

I.C./Passport No. _____

of _____

or failing him, the Chairman of the Meeting as my/our proxy, to attend and vote for me/us on my/our behalf at the Thirtieth 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, 14 November 2018 at 10.00 a.m.** and at any adjournment thereof.

No.	Resolution	For	Against
1.	To approve the payment of a Final Single Tier Cash Dividend of 1.8 sen per ordinary share for the financial year ended 30 June 2018.		
2.	To re-elect Tan Sri Dr Ngau Boon Keat, the director retiring pursuant to Article 96 of the Company's Constitution.		
3.	To re-elect Puan Zainab Binti Mohd Salleh, the director retiring pursuant to Article 96 of the Company's Constitution.		
4.	To re-elect Dato' Ismail Bin Karim, the director retiring pursuant to Article 101 of the Company's Constitution.		
5.	To re-elect Tunku Alizakri Bin Raja Muhammad Alias, the director retiring pursuant to Article 101 of the Company's Constitution.		
6.	To approve the payment of Directors' fees and Board Committees' fees in respect of the financial year ended 30 June 2018.		
7.	To approve the payment of Directors' benefits (other than Directors' fees and Board Committees' fees) from 15 November 2018 to the next Annual General Meeting of the Company.		
8.	To re-appoint Messrs BDO as auditors of the Company and to authorise the Directors to fix their remuneration.		
9.	Special Business – Ordinary Resolution 1		
10.	Special Business – Ordinary Resolution 2		
11.	Special Business – Ordinary Resolution 3		
12.	Special Business – Ordinary Resolution 4		
13.	Special Business – Ordinary Resolution 5		
14.	Special Business – Ordinary Resolution 6		
15.	Special Business – Ordinary Resolution 7		
16.	Special Business – Ordinary Resolution 8		
17.	Special Business – Ordinary Resolution 9		

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 _____ 2018

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 5 November 2018 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

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