## Group’s 10 Year Financial Summary

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<tr>
<td>Revenue (RM' million)</td>
<td>1,104.5</td>
<td>790.5</td>
<td>476.6</td>
<td>349.4</td>
<td>253.9</td>
<td>185.3</td>
<td>223.8</td>
<td>367.4</td>
<td>321.8</td>
<td>316.6</td>
</tr>
<tr>
<td>Profit before tax (RM' million)</td>
<td>123.5</td>
<td>97.2</td>
<td>59.0</td>
<td>53.2</td>
<td>35.5</td>
<td>40.8</td>
<td>36.1</td>
<td>67.8</td>
<td>56.0</td>
<td>51.0</td>
</tr>
<tr>
<td>Profit after tax (RM' million)</td>
<td>101.5</td>
<td>81.6</td>
<td>51.6</td>
<td>46.9</td>
<td>32.6</td>
<td>37.3</td>
<td>30.8</td>
<td>54.3</td>
<td>41.4</td>
<td>36.8</td>
</tr>
<tr>
<td>Net earnings per share (sen)</td>
<td>6.6</td>
<td>5.4</td>
<td>3.5</td>
<td>3.3</td>
<td>2.4</td>
<td>2.9</td>
<td>2.4</td>
<td>4.3</td>
<td>3.3</td>
<td>3.0</td>
</tr>
<tr>
<td>Shareholders’ equity (RM’ million)</td>
<td>440.6</td>
<td>379.2</td>
<td>324.5</td>
<td>313.6</td>
<td>291.2</td>
<td>275.8</td>
<td>223.5</td>
<td>196.8</td>
<td>145.9</td>
<td>110.9</td>
</tr>
<tr>
<td>Return on shareholders’ equity (%)</td>
<td>22.4</td>
<td>21.5</td>
<td>15.4</td>
<td>14.8</td>
<td>11.5</td>
<td>15.0</td>
<td>14.7</td>
<td>31.7</td>
<td>32.2</td>
<td>38.5</td>
</tr>
<tr>
<td>Net cash dividend payment (RM’ million)</td>
<td>37.7</td>
<td>32.1</td>
<td>22.5</td>
<td>20.9</td>
<td>18.7</td>
<td>16.7</td>
<td>11.6</td>
<td>10.3</td>
<td>6.5</td>
<td>5.4</td>
</tr>
<tr>
<td>Cash dividend rate (%)</td>
<td>36.0</td>
<td>31.0</td>
<td>22.0</td>
<td>21.0</td>
<td>19.0</td>
<td>17.0</td>
<td>15.0</td>
<td>13.0</td>
<td>10.5</td>
<td>13.0</td>
</tr>
<tr>
<td>Cash dividend payout ratio (%)</td>
<td>41.1</td>
<td>42.4</td>
<td>45.6</td>
<td>46.7</td>
<td>57.3</td>
<td>44.7</td>
<td>37.6</td>
<td>19.0</td>
<td>15.7</td>
<td>14.6</td>
</tr>
<tr>
<td>Net assets per share (sen)</td>
<td>31.5</td>
<td>27.1</td>
<td>23.3</td>
<td>23.0</td>
<td>21.3</td>
<td>21.1</td>
<td>17.6</td>
<td>15.7</td>
<td>11.8</td>
<td>9.1</td>
</tr>
<tr>
<td>Net cash per share (sen)</td>
<td>12.8</td>
<td>5.7</td>
<td>4.3</td>
<td>6.8</td>
<td>4.9</td>
<td>5.0</td>
<td>4.6</td>
<td>6.5</td>
<td>6.4</td>
<td>7.0</td>
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Mission Statement

We, at Dialog Group Berhad (DIALOG or the Group), shall continuously enhance our competitiveness, competence and leadership positions in the provision of services to the oil, gas and petrochemical industry, namely:

- Logistic Services – Tank Terminals & Supply Base,
- Specialist Products and Services,
- Catalyst Handling Services,
- Plant Maintenance,
- Engineering & Construction,
- Fabrication,
- ePayment Technology & Solutions.

We shall honour our commitment to our clients based upon a corporate culture which is driven by a total commitment to quality, timely job completion and unfailing protection to health, safety and the environment.

We shall, as a responsible and caring corporate citizen, always actively support the Nation’s aspirations and serve the best interest of the communities in which we work and live.

We shall continuously develop and retain a highly skilled, motivated and professional workforce which will generate the dynamics for extending the boundaries of our core competencies, thereby propelling the Group’s business into strategic growth areas with a global reach and a diversified long term sustainable earnings base.
Since its commencement in 1984, DIALOG has grown into one of Malaysia’s leading integrated specialist technical services providers to the oil, gas and petrochemical industry. The services provided range from upstream to downstream activities encompassing:

- Logistic Services – Tank Terminals & Supply Base,
- Specialist Products and Services,
- Catalyst Handling Services,
- Plant Maintenance,
- Engineering & Construction,
- Fabrication,
- ePayment Technology & Solutions.

Based in Kuala Lumpur, with offices and facilities in Malaysia, Singapore, Thailand, Indonesia, Vietnam, China, Hong Kong, Australia, Saudi Arabia, United Kingdom and USA, DIALOG has business interests and customers throughout the Asia Pacific region, the Middle East, Europe, Africa and USA. Among its customers are multi-national oil majors, national oil companies as well as multi-national engineering and services providers.

DIALOG was first listed on 6 May 1996 on the Second Board of the Kuala Lumpur Stock Exchange (KLSE) under the sector of Trading/Services. Four years later on 21 March 2000, DIALOG was transferred to the Main Board of the KLSE [now known as Main Market, Bursa Malaysia Securities Berhad] and was included as a component stock of the Kuala Lumpur Composite Index from 22 April 2002 to 5 July 2009 prior to the conversion of the KLCI to FBM KLCI on 6 July 2009.
Board of Directors

From left to right

CHEW ENG KAR
Director, Corporate Services

DATUK OH CHONG PENG
Independent Non-Executive Director

SITI KHAIRON BT SHARIFF
Non-Independent Non-Executive Director

TAN SRI DATO’ SERI MEGAT NAJMUDDIN BIN DATUK SERI DR HAJI MEGAT KHAS
Independent Non-Executive Director

NGAU BOON KEAT
Chairman and Group Managing Director

CHAN YEW KAI
Deputy Group Managing Director

ZAINAB BINTI MOHD SALLEH
Group Financial Controller and Joint Company Secretary

DATO’ MOHAMED ZAKRI BIN ABDUL RASHID
Independent Non-Executive Director

DR JUNID BIN ABU SAHAM
Independent Non-Executive Director
Chairman’s Statement

DIALOG achieved a record revenue of RM1.1 billion, a 40% growth from last year with profit after tax increased by 24% to a record profit of RM101.5 million, as compared to RM81.6 million last year.

DEAR SHAREHOLDERS,

I am pleased to report that DIALOG has achieved another outstanding financial performance for the financial year ended 30 June 2009 (FY2009).

FINANCIAL PERFORMANCE

DIALOG achieved a record revenue of RM1.1 billion, a 40% growth from last year with profit after tax increased by 24% to a record profit of RM101.5 million, as compared to RM81.6 million last year. This is the first time the Group recorded a revenue exceeding RM1 billion and profit after tax exceeding RM100 million.

The outstanding financial results were contributed by all divisions, in particular the Specialist Products & Services Divisions, both in Malaysia and overseas.

Earnings per share improved to 6.57 sen from 5.40 sen and return on shareholders’ equity for FY2009 was 22.4%. The Group’s balance sheet continued to strengthen with total net assets expanded by 16% to RM440.6 million from RM379.2 million a year ago with net cash balances stood at RM126.7 million.
DIVIDENDS

For FY2009, the Board of Directors recommends a final cash dividend of 24% less tax (FY2008: 20% less tax) per ordinary share of RM0.10 each. In addition, the Board also recommends a share dividend of 1 for 50 as a special dividend to commensurate with the 25th anniversary of DIALOG. Both these dividends are subject to the approvals of the shareholders at the forthcoming AGM.

The total cash dividend declared for FY2009 is 36% less tax per ordinary share of RM0.10 each. Including the special share dividend, the total payout ratio for FY2009 is 74%, which exceeds DIALOG’s dividend policy of having a dividend payout ratio of at least 40% of annual profits attributable to shareholders. The compounded annual dividend growth rate since public listing in 1996 is 35%.

BUSINESS DEVELOPMENT

In June 2009, DIALOG signed a Memorandum of Understanding ("MOU") with the State Government of Johor Darul Ta’zim and the State Secretary, Johor (Incorporated). The MOU is to conduct a detailed feasibility study and an environmental impact assessment to develop an independent deepwater storage terminal for crude oil and petroleum products with port facilities capable of handling very large crude carriers with a water depth of up to 26 metres. Pengerang is located at the southern tip of Johor state, close to international shipping routes and Singapore’s international petroleum hub.

In July 2009, DIALOG then signed a Memorandum of Understanding with Vopak Asia Pte Ltd, which is part of the Royal Vopak Group ("VOPAK") which enables VOPAK to become a strategic business partner in the development of the above independent deepwater storage terminal.

In August 2009, Dialog Services Saudi Arabia Company Limited secured from Saudi Ports Authority, Jubail Commercial Port a 34,500 sqm leased land to be developed into a Jubail Supply Base for integrated logistic services. This base will serve as a one-stop, integrated offshore logistic hub and resource centre for oilfield services, equipment and supplies, supporting the active and growing offshore oil and gas development in the Arabian Gulf.
In anticipation of business growth potential, DIALOG will follow up with Phase 2 development from which an additional 28 hectares of land within the Jubail Commercial Port will be sought in later years. The proposed Jubail Supply Base once fully developed will occupy a total of about 31 hectares.

**GENERAL REVIEW OF OPERATIONS**

Our associated company, Kertih Terminals Sdn Bhd, continued to register sustainable profits for FY2009 whilst the development of the 400,000 cubic meters tank terminals in joint venture partnerships with MISC Bhd and Puma Energy Asia Pacific B.V. at the Tanjung Langsat Port is well in progress with the first phase comprising of MD/Naphtha tanks with storage capacity of 130,000 cubic meters which has commenced operations and has received its first product shipment in September 2009.

Sales of specialist products and services recorded another good year with sales revenue far exceeding the sales of last financial year. Demand for Shell MDS’ Sarapar/Saraline base oil continued to grow both in Malaysia and overseas. We also delivered our first drilling base oil orders to Australia and the Middle East. During the year, we have also secured the first order of our Mercury Recovery Unit that integrates Johnson Matthey’s mercury absorbent and our own design and fabrication capability. In addition, we had also secured our first sales of Birwelco’s unique design of offshore flare system. We expect demand for our products in these sectors to grow strongly.

The Catalyst Handling division continued to register strong performance with more than 50% growth in revenue for FY2009. Dialog Services, Inc in USA broke new grounds by successfully completing the first major catalyst handling services for Western Refining Inc., El Paso, Texas USA.

The Plant Maintenance division recorded a steady growth in revenue for the current financial year with the completion of shutdown works at PETRONAS Penapisan (Melaka) as well as plant incinerator improvement project in OPTIMAL, Terengganu. Various maintenance, shutdown and turnaround works are currently in progress in Malaysia and Singapore that will provide long term sustainable earnings growth to the Group. The Division has also expanded its operations to Saudi Arabia and has successfully performed bolting works, chemical and steam cleaning works for various companies.

The Engineering & Construction division progressed with the EPCC works for the petroleum products terminal projects for Langsat Terminal (One) Sdn Bhd, the Sabah Sarawak Pipeline project and 65,000m3 Penjuru Phase II project for Vopak Terminals Pte Ltd. During the year, we were awarded the Mercury Removal Unit EPCC project for Petronas Penapisan Terengganu.

Our Fabrication and Advance Composite Piping system division also continued to record steady growth in the current financial year. We had successfully completed fabrication works and manufacturing and installation of advance composite piping system for multi-national oil companies. We have secured our first long term contract with PETRONAS Carigali to replace corroded carbon steel or alloy metal firewater pipes and other failed imported GRE pipes for their existing platforms in Sabah.

**HUMAN RESOURCES DEVELOPMENT**

We will continue to focus on developing our human capital to ensure that our employees are well equipped to deal with every challenge to meet DIALOG’s growth globally. Being an integrated specialist technical services provider to the oil, gas and petrochemical industry, the Group will constantly strive to support, honour and value our staff through dedicated programs that promote continuous learning and growth, in both personal and professional skills.

DIALOG has been running the “Young Graduates Programme” for the last twelve years to train fresh graduates from various fields, mainly those from engineering.

In addition, DIALOG also offers Employees’ Share Option Scheme to employees as part of the Group’s strategies to attract and to retain talents.
HEALTH, SAFETY & ENVIRONMENT

DIALOG recorded a 3.04 million manhours without a Lost Time Injury (LTI) for FY2009 up till February 2009. The cumulative manhours without LTI over the last 5 years was 11.28 million manhours.

During the year, DIALOG’s subsidiaries have been awarded with:

a. PETRONAS Major Contractor Category Silver Award, Malaysia
b. OHSAS 18001:1999 certification, Singapore
c. Safe Star Award by Workplace Safety and Health Council, Singapore.

This high performance, however, was not maintained with 2 LTI recorded in February 2009 and May 2009 and a fatality in August 2009, at the ongoing construction of the Langsat Terminal (One) project. Learning from this painful experience, the Management has taken concerted efforts to put in place stringent measures to improve Health, Safety and Environment (HSE) practices at the work site.

DIALOG shall strive for HSE excellence in its pursuit of its future projects and businesses. Additional resources and HSE Management System are being progressively introduced to the various business units of the Group including OHSAS 18001:2007 and MS ISO 14001:2004 certification as appropriate.

QUALITY ASSURANCE

Most of DIALOG’s subsidiaries are accredited with ISO certifications and also awarded with “U”, “U2” and “S” certificates by ASME and “NB” and “R” certificates by the National Board of Boiler & Pressure Vessel Inspectors.

Dialog Systems Sdn Bhd and Pacific Advance Composites Sdn Bhd have been awarded the newly revised ISO9001:2008 certification by SIRIM endorsed by United Kingdom Accreditation Services and The International Certification Network.

CORPORATE GOVERNANCE

DIALOG’s 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. The principles and best practices of corporate governance are practiced 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 sustainable shareholders’ value and the Group’s financial performance as well as protecting stakeholders’ interests.

PROSPECTS

Based on the recent International Energy Agency report, the global oil demand is revised up nearly 0.5 mb/d for both 2009 and 2010, to 84.4 mb/d and 85.7 mb/d respectively, mostly stronger than expected data in Organisation for Economic Corporate & Development (OECD) North America and non-OECD Asia. The global economy is stabilising and most nations will begin to return to trend growth within the next 12 to 24 months.

Being an integrated specialist technical services provider to the oil, gas and petrochemical industry, the Group remains focused on the recurring business in plant maintenance and catalyst handling services and the provision of the specialist products and services which are growing despite the current challenging economic situation. In addition, the Group shall continue to seek opportunities to grow its business with long term sustainable income, such as its investments in tank terminals and supply base business.

With the above proven business model, the Group concentrates to invest heavily in human capital in order to meet the growing business demand from our customers worldwide. The Group will continue to strengthen and widen its presence in existing markets and penetrate new ones in the Middle East, USA, Europe, Africa and South America.

Barring any unforeseen circumstances, the Group is optimistic that its performance will be favourable for the financial year ending 30 June 2010.
Chairman’s Statement

APPRECIATION AND ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I welcome Datuk Oh Chong Peng, our new Independent Director to the Board. With his wealth of experience and knowledge, I am confident that Datuk Oh will contribute significantly to DIALOG’s continued growth.

The Board of Directors and I also wish to express our sincere appreciation to our customers, principals, technology partners and business partners and associates for their continued support and confidence in the Group.

As always, our heartfelt thanks to our management and staff for their dedication, contribution and untiring commitment to the Group. Your undivided support to the Group over the last years has positioned the Group well to continue to take on new challenges and also to achieve new milestones.

Finally, our deepest appreciation to you, our shareholders, for your invaluable trust, confidence in and continuing support to the Group.

NGAU BOON KEAT
Chairman and Group Managing Director
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 Chairman and Group Managing Director of DIALOG, Chairman of the Remuneration Committee and ESOS Committee. He is also a board member of Kertih Terminals Sdn Bhd and Centralised Terminals Sdn Bhd. He is also the founder and director of MyKasih Foundation and a director of WGC 2012.

He is a Malaysian, aged 61, and holds a Bachelor Degree (Hons.) in Mechanical 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 Malaysia from 1975 to 1980 where he held various positions from Production Engineer to Engineering Manager. He has more than 37 years of working experience in both upstream and downstream of the oil, gas and petrochemical industry.

CHAN YEW KAI was appointed as the Deputy Group Managing Director of DIALOG on 23 September 2005.

He is a Malaysian, aged 55 and holds a first class honours degree in Chemical Engineering from the University of Malaya. He is a member of the Institute of Engineers, Malaysia and is a Professional Engineer registered with the Board of Engineers, Malaysia.

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 has over 31 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.

DATO’ MOHAMED ZAKRI BIN ABDUL RASHID was appointed to the DIALOG Board on 18 June 1999 and is an Independent Non-Executive Director. He is the Chairman of the Audit Committee and Nomination Committee, and a member of the Remuneration Committee and ESOS Committee.

He is a Malaysian, aged 66, and holds a Bachelor of Arts Degree with Honours and a Diploma in Public Administration from the University of Malaya. He also holds a Masters Degree in Public Administration from the University of Southern California, U.S.A.

He retired from government service in 1998 as the Director General of the Department of Immigration of Malaysia after having served the department for more than 4 years. Previously he had served the Government in various capacities in the Ministry of Transport, Ministry of Finance and the Prime Minister’s Department for more than 30 years. He is also a director of Hartalega Holdings Bhd.
DR JUNID BIN ABU SAHAM was appointed to the DIALOG Board on 29 June 1995 and is an Independent Non-Executive Director. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee, and is also the Chairman of the Risk Advisory Committee.

He is a Malaysian, aged 67 and graduated with Bachelor and Masters Degrees in Economics from the University of Canterbury, New Zealand. He also holds a Ph.D. (Economics) from the University of Hull, United Kingdom.

He has vast working experience in audit, banking, finance and business consulting spanning a period of over nearly 35 years. He was formerly with Arab-Malaysian Merchant Bank (now known as AmInvestment Bank Berhad) for 16 years, and for 10 years as director of Kepner-Tregoe (M) Sdn Bhd, a constituent company of Kepner-Tregoe Inc. a Princeton, N.J. U.S.A. based corporate consulting and training firm. Throughout his business consulting years, he has acted as corporate adviser to a number of companies in the finance, information, communication and technology industries. Currently, he is also a director of Industronics Berhad, Master-Pack Group Berhad (formerly known as Hunza Consolidation Berhad) and Areca Capital Sdn Bhd, a fund management company.

TAN SRI DATO’ SERI MEGAT NAJMUDIN BIN DATUK SERI DR HAJI MEGAT KHAS was appointed as an Independent Non-Executive Director of DIALOG on 18 April 2002. He is also a member of the Audit Committee.

He is a Malaysian, aged 65, and holds an Honours Degree in Law from the University of Singapore. He is active in the corporate sector and holds several important posts. He is the President of both the Federation of Public Listed Companies Berhad and the Malaysian Institute of Corporate Governance. He is currently also active in the Malaysian Institute of Integrity.

He currently sits as the Non-Executive Chairman of 4 public listed companies, ie. Asian Pac Holdings Berhad, Formis Resources Berhad, Tradewinds Corporation Berhad and MajuPerak Holdings Berhad. He sits as an Independent Non-Executive Director on the Board of SEG International Bhd and Salcon Berhad.

He is an Adjunct Professor of Law at University Utara Malaysia. A Veteran UMNO state root, he has been a member of the political party’s Disciplinary Committee since its establishment in 2002.

DATUK OH CHONG PENG was appointed as an Independent Non-Executive Director of DIALOG on 9 January 2009. He is also a member of the Audit Committee.

He is a Malaysian, aged 65. 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 (MICPA) 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 Alliance Financial Group Berhad (Chairman), British American Tobacco (Malaysia) Berhad, IJM Corporation Berhad, IJM Plantations Berhad, Kumpulan Europlus Berhad and Malayan Flour Mills Berhad. He is also the Trustee of UTAR Education Foundation and a Member of the Labuan Offshore Financial Services Authority. He also serves on the Listing Committee of Bursa Malaysia.
CHEW ENG KAR is the Director, Corporate Services of DIALOG. He was appointed to the DIALOG Board on 24 February 1998.

He is a Malaysian, aged 50, and 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 he was appointed to his current position. He has more than 25 years of working experience in corporate and financial management.

SITI KHAIROON BT SHARIFF was appointed as a Non-Independent Non-Executive Director of the DIALOG Board on 17 February 2005, representing Employees Provident Fund Board (“EPF”), which is a substantial shareholder of DIALOG.

She is a Malaysian, aged 55, and holds a Bachelor of Economics (Hons.) Degree from University Malaya and MA (Econs) Degree from University of Philippines. She retired from EPF in 2008 as the General Manager, Fund Investment Department after having served the department for 12 years. She was a lecturer at University Putra Malaysia for 16 years prior to joining the EPF.

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

She is a Malaysian, aged 43, and 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 Financial Controller and Joint Company Secretary. She has over 21 years of working experience in auditing and financial management.

Mr Ngau Boon Keat is a deemed major shareholder of DIALOG. None of the Directors has any family relationship with any director and/or major shareholder of DIALOG, any conflict of interest with DIALOG and any conviction for offences within the past 10 years.
Senior Management’s Profile (Malaysia)

MUSTAFFA KAMAL ABU BAKAR joined DIALOG in 2001 and is the Chief Executive Officer of Dialog E & C Sdn Bhd and Dialog Plant Services Sdn Bhd. He holds a Bachelor of Science Degree in Chemical Engineering from the Nevada-Reno University, USA. He has more than 22 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 & specialised services.

JAMAL KAMALUDIN joined DIALOG in 1995 and is the Chief Executive Officer, New Ventures. He is currently involved in DIALOG’s ventures in tank terminals business on build, own and operate basis, both locally and overseas. He holds a Bachelor of Science Degree in Chemical Engineering from the University of Aston in Birmingham, United Kingdom and is a Professional Engineer registered with the Board of Engineers, Malaysia. He has more than 27 years of working experience in the oil, gas and petrochemical industry, in both upstream and downstream activities and was formerly with Esso Production Malaysia Inc. for 13 years.

NG YEE SIANG joined DIALOG in 1991 and presently is the Technical Advisor to E&C Division. He holds a Bachelor Degree in Engineering (Mechanical) from Monash University, Australia and is a Registered Professional Engineer with the Board of Engineers Malaysia. He has over 35 years of EPCC project management experience in both upstream / downstream of the oil, gas and petrochemical industry. Prior to joining DIALOG, he worked with Singapore Petroleum Co. Refinery for 2 years, PETRONAS upstream exploration & production for 13 years and 4 years as General Manager of Shapadu on hook up / commissioning work.

CHAN FOK KYONG joined DIALOG in 1996 and is the Vice President, Technical for centralised tankage facility business. He holds a Diploma in Mechanical Engineering and has more than 34 years of experience in project management and construction of oil and gas facilities. He was formerly with Brunei Shell Petroleum Co. and Esso Production Malaysia Inc.

ALIZAN ABDUL MANAN joined DIALOG in 1998 and is the Head of Marketing and Business Development responsible for the Malaysian Operations. He holds a Bachelor Degree in Chemical Engineering from Loughborough University of Technology, United Kingdom and a Master Degree in Business Administration from Ohio University. He is a member of the Institution of Engineers, Malaysia and a registered professional engineer in Malaysia. He has over 27 years of working experience in plant operations, project feasibility study, engineering design and project management and was formerly with Esso Production Malaysia Inc., KTA Tenaga and Tenaga Nasional Berhad.
NG CHONG WAH joined DIALOG in April 2007 and is the Director, Corporate Planning. He graduated in Chemical Engineering from the University of Malaya in 1974. He worked in Singapore Petroleum Company (Refinery) for two years before he joined PETRONAS in 1976. He worked for 28 years with PETRONAS and his experience spanned from technical, commercial, marketing, business development, business planning, business evaluation and acquisition, corporate planning, international to senior management before he retired in 2003.

HO KAM YONG joined DIALOG in 2000 and is the Director, Corporate Development. She holds a Master of Business Administration and a Bachelor Degree in Corporate Finance from University of North Texas, U.S.A. She has more than 17 years of working experience in the development of macro strategies and risk management. Prior to joining DIALOG, she was a Strategic Planning Manager for the Hong Leong Group Malaysia assisting the Executive Chairman in the development of macro strategies to ensure future implications of all decisions are taken into consideration covering all the risk factors.

TAN KONG SENG joined DIALOG in 2009 and is the Head of HSE for the Group. He holds a Bachelor of Engineering from the Canterbury, New Zealand and a Management Diploma from the New Zealand Institute of Management. He is a member of the National Institute of Occupational Safety and Health (Malaysia) and Social of Petroleum Engineers. He has over 36 years of experience in the oil, gas and petrochemical industry, focusing on health, safety and environment for the last 18 years.

SUHAIMI MOHAMED joined DIALOG in 1997 and is the Director of Dialog Services Sdn Bhd. His last assignment was the Director of Dialog Services Saudi Arabia Company Limited where he was based in Al Jubail, Saudi Arabia. He holds a Chemical Engineering Degree from University of Tennessee, U.S.A. He has more than 22 years of working experience in plant turnaround and maintenance work and was formerly with PETRONAS.

LINDSAY TAN joined DIALOG in 1988 and is the Head of Contracts. She holds a Diploma in Technology (Building) and has over 28 years of working experience in the oil, gas and petrochemical industry.
JESSIE KU joined DIALOG in 2007 and is the Head of Human Resources and Administration, for the Group. She holds a Diploma in Personnel Management and has over 26 years of working experience. This was acquired in the operating environments of several multi-national companies within the manufacturing, consultancy and professional services sectors.

JEFFREY GERARD PERERA joined DIALOG in 2008 and is the Managing Director of the ePetrol Group of companies. He is responsible for the development and commercialisation of integrated payment technology, systems, services and solutions, especially those relating to MyKad use. He holds a Diploma in Banking Studies from the Institute of Bankers, London and has 29 years of working experience with HSBC Malaysia, where his last posting was Head of Card Business. Prior to joining e-Petrol, he was Country Manager for Visa International in Malaysia, Brunei and Guam where he served for 4 years.

ROKMANHILI ZAKARIA joined DIALOG in 1998 and is the Business Development Manager responsible for business development activities for DIALOG’s centralised tankage facility services business. He holds a Bachelor of Science in Chemical Engineering from Purdue University, U.S.A. He has more than 13 years of working experience in the oil, gas and petrochemical industry.

MOHD AFFANDI YUSUF joined DIALOG in 2008 and is the Director, Business Development of Dialog Systems Sdn Bhd. He holds a Bachelor of Engineering Degree, majoring in Mechanical Engineering from Lakehead University, Canada. He has more than 19 years of working experience in the oil and gas industry. He was formerly with PETRONAS Carigali Sdn Bhd for 6 years and with other oil and gas related companies in project management, onshore fabrication, offshore hook up / commissioning and business development.

ANDREW LAI joined DIALOG in 1986. He is a Director of P.T. Dialog Sistemindo and Marketing Director responsible for business strategy and development of our locally-manufactured FIBERBOND® FRP Piping System covering Asia and Australia regions. He is also the Senior Sales Manager for specialty products and services. He has more than 27 years of working experience in the oil, gas, petrochemical and marine industry.
Senior Management’s Profile (International)

CHONG CHONG WooI joined DIALOG in 1986 and is the Chief Executive Officer, Catalyst Handling division and President of the Group’s Singapore and International Operations. He holds a Bachelor of Science Degree in Civil Engineering from the University of Aston in Birmingham, United Kingdom. He has over 26 years of working experience in the oil, gas and petrochemical industry.

TAN LEK LEK joined DIALOG in 1995 and is the Director of Operations, Construction & Maintenance. He is also the Director of Technical Audit for the Group. 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 a Registered Professional Engineer in Malaysia and Singapore. He has more than 32 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 joined DIALOG in 1986 and is the Director for Special Function for the Group and Chairman of Toh Teck Seng Engineering & Construction Pte Ltd. 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 37 years of working experience in the oil, gas and petrochemical industry and was formerly with Mobil for 3 years and Western Geophysical for 5 years.

LING KUI MUK joined DIALOG in 2007 and is the Head of Engineering for the Group. He holds dual degree from the University of New South Wales, Australia with a Bachelor of Engineering and a Master of Engineering Science. He is a member of the Institution of Engineers, Singapore and a Registered Professional Engineer in Singapore. He has more than 20 years of professional design experience in mechanical engineering in the oil and gas industry.

LIM DAW WOEI joined DIALOG in 1998 and is the Fabrication Director for the fabrication business unit. He holds an Honours Degree in Mechanical Engineering and a Master Degree in Business Administration from Strathclyde University, United Kingdom. He has 15 years of working experience in the oil, gas and petrochemical industry.
STEPHEN JOHN WILLIAMS joined DIALOG in 2001 and is the Executive Director of Catalyst Handling division. He graduated from the British Gas Technical College, United Kingdom. He has more than 31 years of working experience in all aspects of catalyst handling and related activities both onshore and offshore of the oil, gas and petrochemical industry.

YOSHIYUKI HIRAOKA is the Managing Director of OTEC Holdings Pte Ltd and holds a Bachelor Degree from Kogakuin University, Tokyo, Japan. He has over 38 years of working experience in engineering design and project management in the oil, gas and petrochemical industry and was formerly with Fuji Kantetsu Kogyo Co Ltd, Japan.

LEE HAM is Director of OTEC Holdings Pte Ltd. He is a Fellow of the Chartered Institute of Management Accountants, United Kingdom and also a Chartered Accountant with the Malaysian Institute of Accountants. He has over 33 years of working experience in finance and administration management in the manufacturing and oil, gas and petrochemical industry.

TOH TECK SENG is the Managing Director of Toh Teck Seng Engineering & Construction Pte Ltd since 1991. He has over 28 years of working experience in the oil, gas and petrochemical industry including specialisation in practical know-how of tank cleaning and desludging works in process industry for over two decades in Singapore.

TAN CHEE WAH is Director of Toh Teck Seng Engineering & Construction Pte Ltd. He has over 22 years of working experience for various project planning and execution in the oil, gas and petrochemical industry in Singapore.
TOH CHEE SENG joined DIALOG in 1995 and is currently the Senior Vice President, International Marketing and Sales. He holds a Bachelor of Science Degree in Chemical Engineering from Mississippi State University, USA. He has more than 14 years of working experience in the oil, gas and petrochemical industry.

STEVEN TEOW YEE joined DIALOG in 2004 and is the Marketing Manager of Dialog Systems Pte Ltd. 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 11 years of working experience in the sales and marketing of specialty chemicals and catalysts. He was formerly with GE Plastics in Shanghai, China.

EDISON SINAGA joined DIALOG in 2000 and is the Director of PT. Dialog Sistemindo, Indonesia. He holds a Bachelor Degree in Chemical Engineering from Institute Technology Bandung, Indonesia. He has more than 16 years of working experience in the oil, gas and petrochemical industry in Indonesia and was formerly with ICI.

SITTICHAI TALAPNAK joined DIALOG in 2002 and is the Country Manager of Dialog Systems (Thailand) Limited, Thailand. He holds a Bachelor Degree in Electrical Engineering from Mahanakorn University of Technology Bangkok, Thailand. He has 18 years of working experience in project engineering, project management, plant maintenance and business development for oil, gas and petrochemical industry. He was formerly with PTT Gas for 6 years and Samsung Engineering for 5 years.

ANDY COPLAND joined DIALOG in 1995 and is the General Manager of Dialog Services Pty Ltd, Australia and also the Head of QA/QC activities for the Group. He holds extensive inspection qualifications, a Certificate of Quality Assurance from New Zealand and is a Lead Quality Systems Auditor. He has over 23 years of worldwide working experience in a variety of roles in the oil, gas and petrochemical industry.
TAN NGEE MENG joined DIALOG in 2007 and is the Country Manager for Dialog Services Saudi Arabia Company Limited. He has 16 years of working experience in Saudi Arabia covering variety of discipline that includes logistics, procurement, sales and marketing of industrial products & services for the oil, gas and petrochemical industry.

MD NASIR BIN AHMAD joined DIALOG in 2009 and is the General Manager of Jubail Supply Base Saudi Arabia. He holds a Bachelor of Science in Maritimes Studies and International Transport from University of Wales, Cardiff, United Kingdom and a Diploma in International Trade from University Darul Iman of Terengganu, Malaysia. He has 13 years of working experience in the supply base business and fabrication industry. He was formerly with Kemaman Supply Base for 12 years and with Mushtari of EPIC Group for a year.

FANG MIN joined DIALOG in 2009 and is the Country Manager for China. He holds a Bachelor Degree in Geology from Jianghan Petroleum Institute, Hubei, China and a Master Degree in Economics from University of International Business and Economics, Beijing, China. He has more than 15 years of working experience in the oil and gas industry. He was formerly with CNOOC, Halliburton, Wood Mackenzie and ION in Beijing, China.

DAVID MORGAN joined DIALOG in 1997 as the General Manager for Dialog Technivac for catalyst services in United Kingdom. He has a total of 25 years of working experience in the oil, gas and petrochemical industry worldwide. With his vast experience, he is responsible for the operations of the growing catalyst market of United Kingdom, Europe and North Africa.

RAYMUNDO ALAMOS joined DIALOG in 2008 and is the General Manager for Dialog Services, Inc for North America. He brings with him 18 years of working experience in the North American petrochemical and refinery catalyst field. His management skills have been developed by managing established companies as well as being on the frontline of major projects throughout the US and abroad.
Corporate Structure  as at 30 September 2009

- The remaining 49% is held by EC-Dialog Pte Ltd
- The remaining 50% is held by OTEC Holdings Pte Ltd
- The remaining 49% is held by ePetrol Holding Sdn Bhd
QUALITY ASSURANCE & QUALITY CONTROL
Dialog Systems Sdn Bhd and Pacific Advance Composites Sdn Bhd have been awarded the newly revised ISO9001:2008 certification by SIRIM QAS International Sdn Bhd, endorsed by United Kingdom Accreditation Services (UKAS) and The International Certification Network (IQNet). Dialog Systems Sdn Bhd and Pacific Advance Composites Sdn Bhd are the first two DIALOG subsidiaries to achieve the new ISO9001:2008 certification.


For the Quality Control section, Dialog Plant Services Sdn Bhd is the holder of "U", "U2" and "S" certificates from The American Society of Mechanical Engineers (ASME) and; “NB” and “R” certificates from the National Board of Boiler & Pressure Vessel Inspectors. Overseas Manufacturing (Johor) Sdn Bhd is also the holder of the ASME “U” and “U2” certificates.

On the composites pipe business, Pacific Advance Composites Sdn Bhd is the holder of ABS Product Type Approval (PTA) certificates and ABS Manufacturing Assessment (MA) certificate, both awarded by American Bureau of Shipping (ABS).

By securing and maintaining the various quality certification, DIALOG has demonstrated a clear commitment to continuously providing and upholding the highest quality of products and services to our customers.

HEALTH, SAFETY & ENVIRONMENT
DIALOG recorded a 3.04 million manhours without a Lost Time Injury (LTI) for FY2009 up till February 2009. The cumulative manhours without LTI over the last 5 years was 11.28 million manhours.

During the year, DIALOG’s subsidiaries have been awarded with:-

a. PETRONAS Major Contractor Category Silver Award, Malaysia
b. OHSAS 18001:1999 certification, Singapore
c. Safe Star Award by Workplace Safety and Health Council, Singapore.

This high performance, however, was not maintained with 2 LTI recorded in February 2009 and May 2009 and a fatality in August 2009, at the ongoing construction of the Langsat Terminal (One) project. Learning from this painful experience, the Management has taken concerted efforts to put in place stringent measures to improve Health, Safety and Environment (HSE) practices at the work site.

DIALOG shall strive for HSE excellence in its pursuit of its future projects and businesses. Additional resources and HSE Management System are being progressively introduced to the various business units of the group including OHSAS 18001:2007 and MS ISO 14001:2004 certification as appropriate.
LOGISTIC SERVICES - TANK TERMINALS & SUPPLY BASE

Our associated company, Kertih Terminals Sdn Bhd (KTSB), continued to register sustainable profits for FY2009. KTSB has a total of 42 tanks with a combined storage capacity of about 400,000 cubic meters. Total throughput tonnage for FY2009 was 2.7 million metric tons.

The development of the 400,000 cubic meters tank terminals in joint venture partnerships with MISC Bhd and Puma Energy Asia Pacific B.V. on a “build, own, operate and transfer” basis at the Tanjung Langsat Port is well in progress. The first phase of the development comprising of MD/Naphtha tanks of 130,000 cubic meters storage capacity has commenced operations and has received its first product shipment in September 2009. The second phase consisting of fuel oil tanks of 270,000 cubic meters storage capacity is under construction and expected to commence operation in the first half of 2010.

At Pengerang, in southern Johor, we are carrying out a detailed feasibility study and an environmental impact assessment to develop an independent deepwater storage terminal for crude oil and petroleum products with port facilities capable of handling very large crude carriers with a water depth of up to 26 metres. This venture is being undertaken with the Johor State Government and a strategic business partner, Vopak Asia Pte Ltd.

SPECIALIST PRODUCTS AND SERVICES

Sales of specialist products and services recorded another good year with sales revenue far exceeding the sales of last financial year. Demand for Shell MDS’ Sarapar/Saraline base oil continued to grow both in Malaysia and overseas. Major customers in Malaysia include Sarawak Shell, Talisman, PETRONAS Carigali, MI Drilling, Petrofac and Newfield. Internationally, we have managed to secure our first drilling base oil orders from Australia and the Middle East which we believe would serve as the key entry point to the growing market in these regions. Other international customers like PTTEP, Chevron Indonesia, ConocoPhillips, Brunei Shell, Cairn Energy, ONGC, CPOC and many others from India, Thailand, Myanmar, Indonesia and Brunei have given us repeated orders.

The other major contributor was the Johnson Matthey’s Mercury Removal Absorbents for offshore and onshore gas treatment activities. We have secured new customers, ie Carigali Hess and received repeat orders from Chevron/PTTEP in Thailand and ConocoPhillips in Indonesia.

Sales of other specialist products such as @Balance Managed Pressure Drilling, Enventure Global Technology’s Solid Expandable Tubulars (SET™), Lisega’s dynamic pipe supports and hangers continued to remain strong.

A significant breakthrough was achieved when we secured the first order of our Mercury Recovery Unit that integrates Johnson Matthey’s mercury absorbent and our own design and fabrication capability. In addition we had also secured our first sales of Birwelco’s unique design of offshore flare system. We expect demand for our products in these sectors to grow strongly.
The business unit is well positioned to offer a wide range of specialist services in the growing upstream sector, in particular, in the next growth sector of tertiary enhanced oil recovery from matured oil and gas fields. We will continue to seek more technology partners so that we can explore and develop new technologies to enhance our existing technologies to better serve our customers.

**TRACERCO Process Diagnostic & Specialist Measurement Instruments**

Tracerco Asia Sdn Bhd, a jointly owned entity, had registered steady growth in revenue during the year under review. We were awarded the contract to supply TRACERCO Profiler™ for Petronas Carigali Angsi and Cairn India’s Mangala Terminal project in Rajasthan.

We had also performed the first mercury level measurement at the mercury-trap vessel for Shell Philippines and rendered our Pig Tracking service to Murphy for its Kikeh operation. In addition, we had successfully completed the TRACERCO Diagnostics™ Wet Gas Meter Calibration for Talisman Malaysia.

Our first analytical laboratory in the Asia Pacific region is now in operation in Petaling Jaya, Selangor. This laboratory is equipped with state-of-art analytical instruments and endorsed by Tracerco’s Tracer Technology Centre in the UK, a body accredited with ISO standards.

**CATALYST HANDLING SERVICES**

This division continued to register strong performance with more than 50% growth in revenue for FY2009. Our excellent safe practices and professional catalyst handling services have gained industry wide acceptance and recognition by our existing customers as well as oil majors worldwide. This has led to the establishment of numerous long term service agreements with existing customers. Our other new customers are Ethylene and FPG Oleochemicals in Malaysia and Alliance Refining Company, Thailand, TOTAL & SABIC in UK, Gassco in Germany, In Amenas & El Gassi in Algeria, NGL in Qatar and Coastal Chemical in USA.

In November 2008, our new set up, Dialog Services, Inc in USA broke new grounds by successfully completing the first major catalyst handling services for Western Refining Inc., El Paso, Texas USA.

The division will continue to capitalise on its strength and market the one-stop solution on advanced catalyst handling technology to potential customers. On this premise, the business unit has recruited more skilled workers and equipped them with necessary training to cater for the expansion in the catalyst handling business.
On Health, Safety and Environment record, the business unit has achieved zero LTI since the start of the catalyst handling business. This is a testimony of our continuous efforts in improving and promoting safety in the catalyst handling services industry.

**PLANT MAINTENANCE**

The division recorded a steady growth in revenue for the current financial year.

The works completed included the shutdown works at PETRONAS Penapisan (Melaka) Sdn Bhd (PP(M)SB) as well as plant incinerator improvement project in OPTIMAL, Terengganu. The works currently in progress are the revamp, maintenance and project works for Malaysian Refining Company and turnaround packages and plant improvement projects at PP(M)SB.

In addition, we were awarded with the turnaround package at PETRONAS Methanol Labuan and the work is in progress.

The experienced team has earned the business unit numerous on-going long term maintenance service contract from clients namely PP(M)SB, OPTIMAL and BP Chemical which provides steady income stream. These contracts are well supported by our regional workshops strategically located in Kertih, Labohan, Gebeng and our new workshop in Sg Udang, Melaka.

Toh Teck Seng Engineering & Construction Pte Ltd (TTS), a subsidiary of DIALOG, in Singapore has performed well in the areas of minor construction and tank cleaning services through term contracts. The base work load for TTS is well supported by the on-going term contracts with multinational clients such as ExxonMobil, Vopak, SRC, Caltex and others.

The Division has also expanded its operations to Saudi Arabia and had successfully performed bolting works, chemical and steam cleaning works for various companies.

**ENGINEERING & CONSTRUCTION**

During the financial year, the division progressed with the petroleum products terminal projects for Langsat Terminal (One) Sdn Bhd, a joint venture development between DIALOG, MISC and PUMA. The construction works for the first phase of the development comprising of MD/Naphtha tanks of 130,000 cubic meters storage capacity has been completed. The construction of the second phase consisting of fuel oil tanks of 270,000 cubic meters storage capacity is in progress.

The engineering, procurement & construction works for the Sabah Sarawak Pipeline project are progressing in stages with pipelines being laid out and major equipments had been procured for the project.
We were also awarded the Mercury Removal Unit EPCC project for Petronas Penapisan Terengganu in May 2009. The project is progressing well and is anticipated to be completed by July 2010.

Internationally, we have successfully completed the tankage project for Dung Quat Refinery, Vietnam for Technip and plant modification works in Singapore for Denka Advantech and DIC Alkyphenol. The EPCC of 65,000m³ Penjuru Phase II project for Vopak Terminals Pte Ltd which was awarded in last financial year is near completion and other ongoing projects including tank fabrication at Jurong Island for Chevron, installation of rotary dryer for Denka, tank erection works for APECO and pipeline construction for Vopak.

**FABRICATION**

During the financial year, we had successfully completed projects including the special pipe spools and flare and cooling water for ABB Lummus, Naphtha Stripper Columns for Malaysia Refining Company, vessels fabrication for Kansai Chemical Engineering and the special large diameter piping for CB&I Lummus.

We had also secured a number of projects during the year including exotic piping material prefabrication works for Melaka Refining Company, launcher receiver for the SSGP project and shop fabrication of Mercury Removal Unit vessel for Petronas Penapisan Terengganu.

**Advance Composite Piping System**

FIBERBOND® Advance Composite Piping System continues to gain recognition from existing and new customers given its long term benefits, safety record and proven reliability. All our composite pipes and fittings are made in our Nilai manufacturing facility, which is ISO 9001:2000 and American Bureau of Shipping certified.

During the financial year, we have secured our first long term contract with PETRONAS Carigali to replace corroded carbon steel or alloy metal firewater pipes and other failed imported GRE pipes for their existing platforms in Sabah.

We have also successfully completed the installation of fire water piping for Talisman Malaysia’s Bunga Raya “A” CPP Topside Platform through Sime Darby Engineering.

Several new projects orders were received for Sarawak Shell E & P projects and we also made our first break through with Murphy Oil-Malaysia with an order for their West Patricia Water Injection Upgrade project.

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*Filtration skid for Murphy Oil, Offshore Sarawak*

*Pressure Vessels for Oil Distillation Plant at Port Klang*
Technology Partners

Shell MDS
ConocoPhillips
Johnson Matthey
Tracerco

Enventure
balance
SWELLfix
SensorNet

ITT
Lisega
Peco
Technivac

FiberBond
Equinox Energy
Birwelco

Grace Davison
Poweltec

Caltec
Quest
Maxoil
ePetrol
Calendar of Events

15 October 2008
DIALOG’s Open House at Sime Darby Convention.

10 November 2008
Blood Donation Campaign held at DIALOG’s headquarters.

14-15 November 2008
Strategic Management Meeting at Holiday Inn Glenmarie.

19 November 2008
DIALOG’s Twentieth Annual General Meeting.

3-5 December 2008
International Petroleum Technology Conference at Kuala Lumpur Convention Centre.

18-19 February 2009
Strategic Business Meeting in Singapore.

25-27 May 2009
3rd International R&D Forum on Oil, Gas & Petrochemicals at Putrajaya Marriot IOI Resort.

8 June 2009
Signing of Memorandum of Understanding with the State Government of Johor Darul Ta’zim and the State Secretary, Johor (Incorporated).

10-12 June 2009
12th Asian Oil, Gas and Petrochemicals Engineering Exhibition (OGA 2009) at Kuala Lumpur Convention Centre.

17-18 July 2009
Strategic Business Meeting in Kuala Lumpur.

20 July 2009
Signing of Memorandum of Understanding with Vopak Asia Pte Ltd.

19 September 2009
Langsat Terminal (One) received first product shipment.
DIALOG Group Bhd plans to set up South-East Asia's first independent deepwater crude oil and petroleum products storage and blending terminal in Pengerang, Johor, costing US$1 billion (RM3.52 billion).

Upon completion, the facility will be capable of handling, storing, blending and distributing up to five billion cubic metres of crude oil and petroleum products. It will also be able to handle very large carriers (VLCCs) with water depths of up to 20 metres.

The oil and gas services company yesterday signed a memorandum of understanding (MoU) with the Pengerang Industrial Development Authority (PIDRA) and SETRAP (the elderly, disabled and settler rehabilitation programme) to establish Dialog's $1 billion US$1b oil
dedicated terminal.

Since 1989, Dialog has been building, maintaining and servicing tankers and sea containers. The company also provides terminal services such as handling, storage and blending of crude oil and petroleum products, as well as other services for the oil and gas industry. The company is also involved in ship repair.

PETALING JAYA: DIALOG 2008 "This is a great achievement," said DIALOG chairman Datuk Edmund Tong. "We have been in the business for 20 years and we are constantly striving to improve our services and to meet the needs of our customers. We are confident that our commitment to quality and customer satisfaction will continue to be a strong driver of our growth. We look forward to continuing our success in the coming years."
Human Resource (as at 30 June 2009)

Distribution by Qualification

<table>
<thead>
<tr>
<th>Qualification</th>
<th>No</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Technical Degree</td>
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<td>19</td>
</tr>
<tr>
<td>Technical Diploma</td>
<td>141</td>
<td>9</td>
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<tr>
<td>Technical Certificate</td>
<td>277</td>
<td>18</td>
</tr>
<tr>
<td>Non Technical Degree</td>
<td>113</td>
<td>7</td>
</tr>
<tr>
<td>Non Technical Diploma</td>
<td>71</td>
<td>4</td>
</tr>
<tr>
<td>Non Technical Certificate</td>
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<td>3</td>
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<td>Skilled Worker</td>
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<tr>
<td>Non Skilled Worker</td>
<td>53</td>
<td>3</td>
</tr>
<tr>
<td>Total Staff</td>
<td>1,567</td>
<td>100</td>
</tr>
</tbody>
</table>

Human Resource Growth

- 2000: 311
- 2001: 460
- 2002: 518
- 2003: 368
- 2004: 465
- 2005: 455
- 2006: 643
- 2007: 1,105
- 2008: 1,304
- 2009: 1,567
DIALOG’s integration of corporate social responsibility practices with its conduct of doing business has progressed.

COMMUNITY

DIALOG will continue to serve the interest of the community at large as well as the interest of the communities in which we work and live.

The recent adoption of the MyKasih Foundation provides an avenue for DIALOG to contribute its funds allocated for community initiatives to the MyKasih ‘Love My Neighbourhood’ programme initiated by the Foundation. The programme taps on a leading edge technology to ensure a more efficient delivery of welfare aid to the poor and needy by ensuring that every ringgit donated will be channeled in full to the recipients in terms of aid provided.

The technology payment solution is developed by ePetrol Holding Sdn Bhd and uses MyKad as a payment tool.

The MyKasih ‘Love My Neighbourhood’ programme recognises that community services should not stop at food aid. It will also focus on the need to rehabilitate the poor and needy through training on financial literacy and budgeting as well as education for the children to break the poverty cycle.

DIALOG came on board as the first corporate donor to provide funding for the programme reaching out to the communities in Selayang, Selangor and an orang asli community at Janda Baik, Pahang. A total of 75 families were sponsored amounting to RM100,000 with the support of Caltex Selayang petrol station as the first retail partner.
The programme will also be extended to communities where DIALOG operates for instance in Kertih, Melaka, Nilai, Banting, Johor and Labuan.

In addition, a blood donation campaign was held at our headquarters where a total of 72 DIALOG’s staff participated in this good cause in collaboration with Transfusion Medicine Unit of University Malaya Medical Center.

**WORKPLACE**

We will continue to emphasis on human capital development. Throughout the year under review, DIALOG conducted several in-house trainings and enrolled its staff for various technical training programmes to keep them abreast with the latest technical developments in the industry. For FY2009, DIALOG incurred RM0.755 million of training expenses for employees’ training.

To align our employees’ goals towards DIALOG’s strategic plans and performance, the Group Human Resources Department conducts dedicated engaging dialogues with the employees to create the awareness among them to meet this ultimate objective. In line with DIALOG’s performance-oriented culture, the management continues to recognise high performers and rewards them accordingly.
DIALOG also continued into its 12th year of the “Young Graduates Programme”, an internship where opportunities of employment and practical training are given to fresh graduates. In FY2009, DIALOG recruited 20 graduates on salaried base where these students were exposed to a variety of work within DIALOG during their internship. The programme provided them with valuable experiences and knowledge besides the opportunity to fulfil their university requirements.

We continued with our Financial Assistance Programme, a subsidy program to assist and support those lower income employees with school going children, and the Academic Achievers Reward Programme to instil the importance of education among the children of our employees. These programmes have been effective and have shown positive impact, as evidenced by a steady growth in the amount of awards given since its launch two years ago.

In DIALOG, we believe in creating a working environment that enables us to socialise as well as to work hard together. DIALOG’s sports committee was formed back in January 2008 and this committee has been organising sporting and social events to strengthen employees’ integration and to have fun. The committee has been and will be run by the employees for the employees.

**ENVIRONMENT**

Our plant maintenance and catalyst handling operations conform to the environmental standards with Dialog Plant Services Sdn Bhd and Dialog Catalyst Services Sdn Bhd accredited with Environmental Management System MS ISO 14001:2004 by SIRIM QAS International and UKAS. Our quality loading and unloading of catalysts via our Clam Flow technology minimises pollution with zero dust emission and zero spillage.

**MARKETPLACE**

The Annual General Meeting will remain the principal forum for dialogue and interaction between our directors and management with our shareholders. Throughout the year, DIALOG has attended to numerous visits from the investing fraternity, such as fund managers and analysts who seek regular updates on the Company.

We remain committed to our responsible business practices and would adhere to the highest ethical standards in our business approach with our customers, suppliers and the Government.
### Share Performance

#### Summary of Monthly Share Information for the period from October 2008 to September 2009

<table>
<thead>
<tr>
<th></th>
<th>OCT 08</th>
<th>NOV 08</th>
<th>DEC 08</th>
<th>JAN 09</th>
<th>FEB 09</th>
<th>MAR 09</th>
<th>APR 09</th>
<th>MAY 09</th>
<th>JUN 09</th>
<th>JUL 09</th>
<th>AUG 09</th>
<th>SEP 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Price (RM)</td>
<td>1.01</td>
<td>0.77</td>
<td>0.88</td>
<td>0.79</td>
<td>0.87</td>
<td>0.88</td>
<td>0.85</td>
<td>1.10</td>
<td>1.14</td>
<td>1.08</td>
<td>1.19</td>
<td>1.19</td>
</tr>
<tr>
<td>Highest Price (RM)</td>
<td>1.02</td>
<td>0.95</td>
<td>0.89</td>
<td>0.89</td>
<td>0.92</td>
<td>0.88</td>
<td>1.12</td>
<td>1.23</td>
<td>1.31</td>
<td>1.23</td>
<td>1.23</td>
<td>1.27</td>
</tr>
<tr>
<td>Lowest Price (RM)</td>
<td>0.53</td>
<td>0.77</td>
<td>0.73</td>
<td>0.77</td>
<td>0.82</td>
<td>0.77</td>
<td>0.85</td>
<td>1.08</td>
<td>1.00</td>
<td>1.03</td>
<td>1.14</td>
<td>1.17</td>
</tr>
<tr>
<td>Closing Price (RM)</td>
<td>0.76</td>
<td>0.90</td>
<td>0.80</td>
<td>0.89</td>
<td>0.92</td>
<td>0.85</td>
<td>1.09</td>
<td>1.13</td>
<td>1.09</td>
<td>1.17</td>
<td>1.20</td>
<td>1.23</td>
</tr>
<tr>
<td>Volume (Board Lot of 100 units)</td>
<td>728,037</td>
<td>640,680</td>
<td>363,132</td>
<td>585,824</td>
<td>264,186</td>
<td>360,918</td>
<td>1,433,385</td>
<td>976,365</td>
<td>1,623,972</td>
<td>742,537</td>
<td>738,044</td>
<td>665,396</td>
</tr>
</tbody>
</table>
DISCLOSURE IN ANNUAL REPORT
IN COMPLIANCE WITH APPENDIX 12D OF THE LISTING REQUIREMENTS

During FY2009, DIALOG purchased 875,000 of its own ordinary shares from the open market. All the shares purchased were retained as treasury shares and none of the treasury shares held were resold nor cancelled by the Company in FY2009. As at 30 June 2009, a total of 15,534,593 ordinary shares were held as treasury shares. Details of the purchases of own shares for FY2009 are as follows:

<table>
<thead>
<tr>
<th>MONTH</th>
<th>NO. OF SHARES PURCHASED</th>
<th>PURCHASE PRICE PER SHARE</th>
<th>AVERAGE COST PER SHARE*</th>
<th>TOTAL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>LOWEST RM</td>
<td>HIGHEST RM</td>
<td>RM</td>
</tr>
<tr>
<td>July 2008</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>August 2008</td>
<td>20,000</td>
<td>1.110</td>
<td>1.110</td>
<td>1.118</td>
</tr>
<tr>
<td>September 2008</td>
<td>60,000</td>
<td>0.895</td>
<td>1.050</td>
<td>0.980</td>
</tr>
<tr>
<td>October 2008</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>November 2008</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>December 2008</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>January 2009</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>February 2009</td>
<td>20,000</td>
<td>0.845</td>
<td>0.845</td>
<td>0.851</td>
</tr>
<tr>
<td>March 2009</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>April 2009</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>May 2009</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>June 2009</td>
<td>775,000</td>
<td>1.000</td>
<td>1.080</td>
<td>1.051</td>
</tr>
<tr>
<td>TOTAL FOR FY2009</td>
<td>875,000</td>
<td>0.845</td>
<td>1.110</td>
<td>1.043</td>
</tr>
</tbody>
</table>

* Average cost per share is inclusive of transaction costs.

Subsequent to FY2009, between 1 July 2009 and 30 September 2009, the Company purchased an additional 5,058,700 of its own ordinary shares from the open market for a total consideration of RM6,113,309.

As a result, a balance of 20,593,293 ordinary shares were retained as treasury shares on 30 September 2009.

The Board of Directors recommends a Proposed Special Share Dividend on the basis of one (1) treasury share for every fifty (50) existing ordinary shares of RM0.10 each held in the Company, totaling approximately 27,710,000 treasury shares to be distributed, for the financial year ended 30 June 2009 for shareholders’ approval at the forthcoming 21st Annual General Meeting.
## Enhancing Shareholders’ Value

<table>
<thead>
<tr>
<th>FINANCIAL YEAR</th>
<th>PARTICULARS</th>
<th>NEW SHARES ISSUED TO A SHAREHOLDER</th>
<th>CUMULATIVE NUMBER OF SHARES HELD BY A SHAREHOLDER</th>
<th>INITIAL COST OF INVESTMENT OF A SHAREHOLDER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>Initial Public Offer at RM2.75 per share</td>
<td></td>
<td>1,000</td>
<td>RM2,750</td>
</tr>
<tr>
<td>2000</td>
<td>Bonus issue : 4 for 5</td>
<td>800</td>
<td>1,800</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Bonus issue : 2 for 3</td>
<td>1,200</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>Bonus issue : 2 for 5</td>
<td>1,200</td>
<td>4,200</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>Bonus issue : 1 for 5</td>
<td>840</td>
<td>5,040</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>Bonus issue : 1 for 5</td>
<td>1,008</td>
<td>6,048</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>Share split of 1 into 10</td>
<td>N/A</td>
<td>60,480</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>Special share dividend : 1 for 50</td>
<td>1,209</td>
<td>61,689</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Special share dividend : 1 for 50 ^</td>
<td>1,233</td>
<td>62,922</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>CURRENT INVESTMENT OF A SHAREHOLDER</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of shares of RM0.10 each held</td>
<td>62,922</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing price on 30 September 2009</td>
<td>1.23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value of shares held</td>
<td>77,394</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative gross dividends received / receivable (FY1996 to FY2009)</td>
<td>12,579</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total value as at 30 September 2009</td>
<td>89,973</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total returns over 14 years (gross)**

3,172%

**Compounded annual growth rate (“CAGR”) from 1996 to 2009**

31%

*Note:*

^ Subject to shareholders’ approval at the forthcoming 21st Annual General Meeting.
Shareholders’ Information
as at 30 September 2009

Authorised Share Capital : RM250,000,000
Issued and Paid-up Share Capital : RM141,323,824
No. of Shareholders : 18,155
Class of the Shares : Ordinary shares of RM0.10 each
Voting Rights : One vote per ordinary share (On a poll)

Distribution Schedule of Shares as at 30 September 2009

<table>
<thead>
<tr>
<th>NO. OF HOLDERS</th>
<th>TOTAL HOLDINGS</th>
<th>HOLDINGS*</th>
<th>%*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,127</td>
<td>Less than 100</td>
<td>46,670</td>
<td>0.00</td>
</tr>
<tr>
<td>2,524</td>
<td>100 to 1,000</td>
<td>2,045,033</td>
<td>0.15</td>
</tr>
<tr>
<td>10,312</td>
<td>1,001 to 10,000</td>
<td>49,268,484</td>
<td>3.54</td>
</tr>
<tr>
<td>3,540</td>
<td>10,001 to 100,000</td>
<td>109,121,358</td>
<td>7.83</td>
</tr>
<tr>
<td>647</td>
<td>100,001 to less than 5% of issued shares</td>
<td>831,385,064</td>
<td>59.70</td>
</tr>
<tr>
<td>3</td>
<td>5% and above of issued shares</td>
<td>400,778,338</td>
<td>28.78</td>
</tr>
<tr>
<td>18,153</td>
<td></td>
<td>1,392,644,947</td>
<td>100.00</td>
</tr>
</tbody>
</table>

NOTE:
* Excluding a total of 20,593,293 shares bought-back by Dialog Group Berhad and retained as treasury shares as at 30 September 2009.

Thirty Securities Account Holders Having the Largest Number of Ordinary Shares as at 30 September 2009

<table>
<thead>
<tr>
<th>NAME OF ACCOUNT HOLDERS</th>
<th>HOLDINGS</th>
<th>%*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employees Provident Fund Board</td>
<td>165,324,984</td>
<td>11.87</td>
</tr>
<tr>
<td>2. Cimsec Nominees (Tempatan) Sdn Bhd</td>
<td>133,439,454</td>
<td>9.58</td>
</tr>
<tr>
<td>&lt; Pledged Securities Account for Wide Synergy Sdn Bhd &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Cimsec Nominees (Tempatan) Sdn Bhd</td>
<td>102,013,900</td>
<td>7.33</td>
</tr>
<tr>
<td>&lt; Pledged Securities Account for Azam Utama Sdn Bhd &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Lembaga Tabung Haji</td>
<td>34,760,200</td>
<td>2.50</td>
</tr>
<tr>
<td>5. Azam Utama Sdn Bhd</td>
<td>34,699,820</td>
<td>2.49</td>
</tr>
</tbody>
</table>
Thirty Securities Account Holders Having the Largest Number of Ordinary Shares as at 30 September 2009 (cont’d)

<table>
<thead>
<tr>
<th>NAME OF ACCOUNT HOLDERS</th>
<th>HOLDINGS</th>
<th>%*</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Hasanuddin Bin Abdul Hamid</td>
<td>28,793,444</td>
<td>2.07</td>
</tr>
<tr>
<td>7. Permodalan Nasional Berhad</td>
<td>24,443,100</td>
<td>1.76</td>
</tr>
<tr>
<td>8. Abdul Rashid Hussain</td>
<td>22,290,000</td>
<td>1.60</td>
</tr>
<tr>
<td>9. Amsec Nominees (Tempatan) Sdn Bhd</td>
<td>19,453,000</td>
<td>1.40</td>
</tr>
<tr>
<td>&lt; Amtrustee Berhad for CIMB Islamic Dali Equity Growth Fund (UT-CIMB-DALI) &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Amanah Raya Nominees (Tempatan) Sdn Bhd</td>
<td>19,395,170</td>
<td>1.39</td>
</tr>
<tr>
<td>&lt; As 1Malaysia &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Citigroup Nominees (Tempatan) Sdn Bhd</td>
<td>19,231,200</td>
<td>1.38</td>
</tr>
<tr>
<td>&lt; CMS Trust Management Berhad for Employees Provident Fund &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. SBB Nominees (Tempatan) Sdn Bhd</td>
<td>18,227,300</td>
<td>1.31</td>
</tr>
<tr>
<td>&lt; Employees Provident Fund Board &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Valuecap Sdn Bhd</td>
<td>17,700,000</td>
<td>1.27</td>
</tr>
<tr>
<td>14. Azam Utama Sdn Bhd</td>
<td>17,665,947</td>
<td>1.27</td>
</tr>
<tr>
<td>15. Cimsec Nominees (Tempatan) Sdn Bhd</td>
<td>16,000,000</td>
<td>1.15</td>
</tr>
<tr>
<td>&lt; Pledged Securities Account for Impresif Matrik Sdn Bhd &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. F.I.T Nominees (Asing) Sdn Bhd</td>
<td>14,255,000</td>
<td>1.02</td>
</tr>
<tr>
<td>&lt; Pledged Securities Account for Grandfine International Ltd (ZZ612-006) &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Impresif Matrik Sdn Bhd</td>
<td>14,000,000</td>
<td>1.01</td>
</tr>
<tr>
<td>18. SBB Nominees (Tempatan) Sdn Bhd</td>
<td>13,550,900</td>
<td>0.97</td>
</tr>
<tr>
<td>&lt; Kumpulan Wang Persaraan (Diperbadankan) &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. GMC Sdn Bhd</td>
<td>11,500,000</td>
<td>0.83</td>
</tr>
<tr>
<td>20. HSBC Nominees (Asing) Sdn Bhd</td>
<td>10,124,400</td>
<td>0.73</td>
</tr>
<tr>
<td>&lt; Exempt an for JPMorgan Chase Bank, National Association (Norges Bank) &gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Alliancegroup Nominees (Tempatan) Sdn Bhd</td>
<td>9,232,772</td>
<td>0.66</td>
</tr>
</tbody>
</table>
Thirty Securities Account Holders Having the Largest Number of Ordinary Shares as at 30 September 2009 (cont’d)

<table>
<thead>
<tr>
<th>NAME OF ACCOUNT HOLDERS</th>
<th>HOLDINGS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>22. Cimsec Nominees (Tempatan) Sdn Bhd</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
< CIMB Bank for Ngau Boon Keat (MM0592) >                      | 8,674,049| 0.62|
| 23. Public Nominees (Tempatan) Sdn Bhd                       |          |    |
< Pledged Securities Account for GMC Sdn Bhd (S14) >           | 8,500,000| 0.61|
| 24. Public Nominees (Tempatan) Sdn Bhd                       |          |    |
< Pledged Securities Account for Wide Synergy Sdn Bhd (S14) >  | 8,500,000| 0.61|
| 25. Citigroup Nominees (Tempatan) Sdn Bhd                    |          |    |
< ING Insurance Berhad (INV-IL PAR) >                          | 8,466,500| 0.61|
| 26. CIMB Group Nominees (Tempatan) Sdn Bhd                   |          |    |
< Amtrustee Berhad for CIMB Islamic Dali Equity Theme Fund >   | 7,962,100| 0.57|
| 27. SBB Nominees (Tempatan) Sdn Bhd                          |          |    |
< Pertubuhan Keselamatan Sosial >                              | 7,136,400| 0.51|
| 28. SBB Nominees (Tempatan) Sdn Bhd                          |          |    |
< Kumpulan Wang Persaraan (CAFMA/C 1) >                        | 6,940,236| 0.50|
| 29. Shaukat Ali Bin Mahmud                                    |          |    |
| 30. Loy Ah Wei                                                |          |    |

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 20,593,293 shares bought-back by Dialog Group Berhad and retained as treasury shares as at 30 September 2009.
**Information on Substantial Shareholders (Excluding Bare Trustees) as at 30 September 2009**

<table>
<thead>
<tr>
<th>NAME OF SUBSTANTIAL SHAREHOLDERS</th>
<th>DIRECT INTEREST</th>
<th>DEEMED INTEREST</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NO.</td>
<td>%*</td>
</tr>
<tr>
<td>Employees Provident Fund Board</td>
<td>226,450,256 1</td>
<td>16.26</td>
</tr>
<tr>
<td>Azam Utama Sdn Bhd</td>
<td>154,379,667 1</td>
<td>11.09</td>
</tr>
<tr>
<td>Wide Synergy Sdn Bhd</td>
<td>145,539,454 1</td>
<td>10.45</td>
</tr>
<tr>
<td>Ngau Boon Keat</td>
<td>18,657,524 1</td>
<td>1.34</td>
</tr>
</tbody>
</table>

**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 and GMC Sdn Bhd and interest held by his spouse and children.
* Excluding a total of 20,593,293 shares bought-back by Dialog Group Berhad and retained as treasury shares as at 30 September 2009.

**Directors’ Shareholdings as at 30 September 2009**

<table>
<thead>
<tr>
<th>NAME OF DIRECTOR</th>
<th>DIRECT INTEREST</th>
<th>DEEMED INTEREST</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NO.</td>
<td>%*</td>
</tr>
<tr>
<td>Ngau Boon Keat</td>
<td>18,657,524 1</td>
<td>1.34</td>
</tr>
<tr>
<td>Chan Yew Kai</td>
<td>3,406,243 1</td>
<td>0.24</td>
</tr>
<tr>
<td>Dato’ Mohamed Zakri Bin Abdul Rashid</td>
<td>908,467 1</td>
<td>0.07</td>
</tr>
<tr>
<td>Dr Junid Bin Abu Saham</td>
<td>2,199,273 1</td>
<td>0.16</td>
</tr>
<tr>
<td>Tan Sri Dato’ Seri Megat Najmuddin Bin</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Datuk Seri Dr Haji Megat Khas</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Datuk Oh Chong Peng</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Chew Eng Kar</td>
<td>825,000 1</td>
<td>0.06</td>
</tr>
<tr>
<td>Siti Khairon Bt Shariff</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Zainab Binti Mohd Salleh</td>
<td>861,120 1</td>
<td>0.06</td>
</tr>
</tbody>
</table>

**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 and GMC Sdn Bhd and interest held by his spouse and children.
3 Deemed interested by virtue of his spouse’s interest.
4 Deemed interested by virtue of his son’s interest.
5 Deemed interested by virtue of his interest in CEKinvt Sdn Bhd.
* Excluding a total of 20,593,293 shares bought-back by Dialog Group Berhad and retained as treasury shares as at 30 September 2009.
Dialog Group Berhad’s 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. The principles and best practices of corporate governance are practiced 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 sustainable shareholders’ value and the Group’s financial performance as well as protecting stakeholders’ interests.

BOARD OF DIRECTORS
Board Composition and Balance
The current Board has nine (9) members, comprising five (5) Non-Executive Directors of which four (4) are independent, and four (4) Executive Directors. DIALOG believes that the current Board’s composition and size is deemed to be an effective team for the Group. There is a good balance due to the presence of the four (4) Independent Directors and one (1) Non Executive Director who is a representative from the Employees Provident Fund (EPF). All the Non-Executive Directors are free of management obligations and free from any relationships that could materially interfere with the exercise of their independent judgment.

The Independent Non-Executive Directors provide a strong independent element on the Board where all matters will be reviewed with balance and fairness. These directors’ independent judgments are important in ensuring that the strategies proposed by Management are fully discussed and intently deliberated, and thus in the long term interest of all stakeholders of the Group is safeguarded.

The Directors with their different backgrounds and specialisation, 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 business in the oil, gas and petrochemical industry. A brief profile of each Director is presented on pages 10 to 12 of this Annual Report.

Mr Ngau Boon Keat holds the roles of Chairman and the Managing Director of the Group. Given his capability to show leadership and entrepreneurship skills, business acumen and his vast experience in the oil, gas and petrochemical industry, the Board continues to maintain this arrangement which is in the best interest of the Group.

Dato’ Mohamed Zakri Bin Abdul Rashid has served the Group as a senior independent non-executive Director, and should there be any concerns pertaining to the Group, he will be the main contact person. Any concerns or queries may be sent to the DIALOG’s registered address, or to Dato’ Mohamed Zakri’s e-mail address at zakri@dialogasia.com.

Meetings
During the year under review FY2009, six meetings of the Board were held and all Directors have complied with the requirement in respect of board meetings attendance as provided in the DIALOG’s Articles of Association.
Details of the Directors’ attendance from July 2008 to June 2009 are set out below:

<table>
<thead>
<tr>
<th>Name</th>
<th>No. of meetings attended</th>
<th>Percentage of attendance (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ngau Boon Keat</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Chan Yew Kai</td>
<td>5/6</td>
<td>83</td>
</tr>
<tr>
<td>Dato’ Mohamed Zakri Bin</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Abdul Rashid</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Dr Junid Bin Abu Saham</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Tan Sri Dato’ Seri Megat Najmuddin</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Bin Datuk Seri Dr Haji Megat Khas</td>
<td>2/2*</td>
<td>100</td>
</tr>
<tr>
<td>Datuk Oh Chong Peng</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Chew Eng Kar</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Siti Khairon Bt Shariff</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Zainab Binti Mohd Salleh</td>
<td>6/6</td>
<td>100</td>
</tr>
<tr>
<td>Ho Kam Binti Binti Salleh</td>
<td>4/4**</td>
<td>100</td>
</tr>
</tbody>
</table>

* Datuk Oh Chong Peng was appointed as an Independent Director since 9 January 2009.
** Ms Ho Kam Yong resigned as a Director effective 9 January 2009.

Information is provided to the Board in the form of quarterly financial results, progress reports of the core businesses, corporate development reports, regulatory updates, business development and audit reports. Chief Executive Officers of various operating subsidiaries are invited to provide additional insights to their areas of responsibilities during the Board meetings.

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 core business, corporate development, regulatory update, business development and audit reports, are circulated to all Directors.

All Directors have direct access to the advice and services of the Company Secretaries. This will ensure that they have ready and unrestricted access to all information within the Group. The Directors are also able to receive advice and services from the external auditors and other independent professionals upon their request.

The Board has delegated specific responsibilities to six subcommittees, namely the Audit Committee, Management Committee, Nomination Committee, Remuneration Committee, Risk Advisory Committee and Employees’ Share Option Scheme (ESOS) Committee to assist the Board in managing the Group’s business.

**Supply and Access to Information**

Information supplied to the Board is relevant and timely. These information not only contains historical, bottom line and financial oriented but are also broader in nature and of intrinsic value to enable the Board to review matters to be deliberated and to participate in the discussions during meetings.

**Appointments to the Board**

The Nomination Committee has been established to take on the responsibility of making recommendations for appointments to the Board. The Nomination Committee will annually evaluate the effectiveness of the Board and also the performance of the Directors. They are also responsible for
corporate governance statement

assessing the suitability of proposed board members and to submit their recommendations to the Board.

The Nomination Committee comprises two independent non-executive directors. The committee is chaired by Dato’ Mohamed Zakri Bin Abdul Rashid, while the other member is Dr Junid Bin Abu Saham.

For FY2009, the committee met twice to review the composition of the Board, the mix of skills and experience of the Board members and their individual performance for the past year and new appointments to the Board and Audit Committee.

Directors’ Training

For FY2009, the Directors have attended various seminars and briefings to enhance their knowledge with the latest development in the industry and to better enable them to fulfil their responsibilities. These seminars and training programmes range from many areas, which include corporate governance issues, financial reporting, tax, strategic planning, developments in the oil and gas industry, and economic outlook. The Board acknowledges that continuous education is essential for the Directors to keep abreast with the dynamic environment in which the Group operates. The Directors will continue to undergo relevant training programmes to further enhance their skills and knowledge that inevitably can contribute to the development of the Group.

Re-election of Directors

DIALOG’s Articles of Association 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 (AGM) but are eligible for re-election.

The Remuneration Committee met once during FY2009.

The remuneration awarded to the Executive Directors consists of salary, allowance, employers’ contribution to the Employees Provident Fund, bonus, incentive, ESOS and other benefits accorded such as company cars, drivers, insurance, hospitalisation and club membership.

Non-Executive Directors’ remuneration package includes director fees, allowances and other benefits.

The directors’ remuneration for FY2009 is presented in DIALOG’s Audited Financial Statements on pages 80 and 81. The Board considers that the transparency and accountability aspects of corporate governance as applicable to directors’ remuneration are appropriately served by the “band disclosure” mode.

DIRECTORS’ REMUNERATION

The Level and Make-up of Remuneration

The Group has a remuneration policy for the directors to remunerate them for their responsibilities and contributions in leading and managing the Group’s business operations. The remuneration package is structured to reward in tandem with the Group’s financials and the individual’s performance.

Remuneration Procedure

The Remuneration Committee is responsible for recommending to the Board a remuneration framework for the Executive Directors and senior management with the objective of providing the remuneration packages necessary to attract, retain and motivate key personnel needed for the continual success of the Group. This Committee is chaired by Mr Ngau Boon Keat and comprises a majority of non-executive directors namely Dato’ Mohamed Zakri Bin Abdul Rashid and Dr Junid Bin Abu Saham.

RELATION WITH SHAREHOLDERS

Dialogue Between DIALOG and Investors

The Group recognises the importance of effective constant 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 meetings, 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.

Interpersonal communication is also important to DIALOG. Therefore regular company and site visits, briefings, meetings, dialogues and teleconferences were conducted with institutional investors, fund managers, analysts, investors and media representatives to give them a better understanding of the business and financial performance of the Group. In FY2009, the Chairman and the Executive Directors met with 95 representatives from various fund management and investment companies, investment banks and other stakeholders.

DIALOG has an established homepage, www.dialogasia.com, where shareholders and investors can have access to information on the Group. The homepage 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 homepage. The homepage has an e-news section where shareholders and anyone who is interested may register to obtain DIALOG’s announcements via e-mail. Investors’ queries relating to financial performance or company developments can be directed to Mr Chew Eng Kar, Director, Corporate Services (Tel: 603 7959 8168 or Email: ekchew@dialogasia.com) or Puan Zainab Salleh, Group Financial Controller (Tel: 603 7955 1199 or Email: zainabs@dialogasia.com), and other company related queries can be directed to Ms Chay Siew Kim, Company Secretary (Tel: 603 7959 8130 or Email: kim@dialogasia.com).

**Annual General Meeting**

The 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 regard 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 core business, corporate strategies, performance and major developments.

**ACCOUNTABILITY AND AUDIT**

**Audit Committee**

The members of the Audit Committee consist of four (4) Independent Non-Executive Directors. They are Dato’ Mohamed Zakri Bin Abdul Rashid (Chairman), Tan Sri Dato’ Seri Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas, Dr Junid Bin Abu Saham and Datuk Oh Chong Peng. For FY2009 the terms of reference of the Audit Committee is highlighted on pages 45 and 46.

**Risk Advisory Committee**

The Risk Advisory Committee is responsible for the establishment of policies and recommends measures thus providing advice to the Audit Committee on Risk Management issues pertaining to the Group. The Risk Advisory committee is chaired by Dr Junid Bin Abu Saham.

The Committee also oversees the promotion of risk management related education and training for the Group’s employees.
Financial Reporting
The Board is committed to the preparation of financial statements that present a balanced and meaningful assessment of the Group’s operations 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 the quality of its financial reporting.

Internal Control
The Internal Control System of the Group is considered to be more than adequate and has not experienced any material losses, contingencies or uncertainties during financial year 2009 that would require disclosure in the Group’s financial statements. The Group will continue with the process of undertaking rigorous risk assessments on all existing business and new business opportunities.

The Internal Control Statement set out on pages 48 to 49 of this Annual Report provides an overview of the state of internal controls within the Group.

Relationship with the Auditors
Through the Audit Committee of the Board, 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 audit plans and findings.

DIRECTORS’ RESPONSIBILITY IN FINANCIAL REPORTING
The Board is satisfied that in preparing the financial statements of the Group for the financial year ended 30 June 2009, the Group has:
- ensured compliance with the approved applicable accounting standards.
- adopted and consistently applied appropriate accounting policies.
- made estimates and judgments which are reasonable and prudent.

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 in taking reasonable steps to safeguard the assets of the Group and to detect as well as prevent fraud and other irregularities.

CONCLUSION
DIALOG has complied with the Code for the financial year under review save for the disclosure of details of the remuneration of each director, which the Board is of the view that the transparency and accountability aspects of corporate governance as applicable to directors’ remuneration are appropriately served by the “band disclosure” mode.
Audit Committee Report

The Audit Committee provides assistance to the Board of Directors in ensuring that the financial, accounting records, internal control systems and the reporting practices of the Group are at the acceptable level based on the legislation and requirements set by the local authorities with regards to a listed company.

COMPOSITION
The members of the Audit Committee are as follows:

(a) Dato' Mohamed Zakri Bin Abdul Rashid
(Chairman, Independent Non-Executive Director)

(b) Tan Sri Dato' Seri Megat Najmuddin Bin Datuk Seri Dr Haji Megat Khas
(Independent Non-Executive Director)

(c) Dr Junid Bin Abu Saham
(Independent Non-Executive Director)

(d) Datuk Oh Chong Peng (appointed effective 9 January 2009)
(Independent Non-Executive Director and a member of the Malaysian Institute of Accountants)

(e) Chew Eng Kar (ceased effective 9 January 2009)
(Director, Corporate Services and a member of the Malaysian Institute of Accountants)

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

TERMS OF REFERENCE
To fulfil its responsibilities and duties, the Committee shall review the following:

(a) The terms of reference for the Committee at least once every 2 years;

(b) The audit scope and plan of the external auditors and the internal auditors, including any changes in the planned scope of the audit plan;

(c) Significant audit findings during the financial year with Management, external auditors and internal audit, including the status of previous audit recommendations;

(d) The external and internal audit reports to ensure that where major deficiencies in control or procedures have been identified, appropriate and prompt remedial actions are taken by Management;

(e) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;

(f) Any nomination, appointment, resignation and performance of the external auditors;

(g) The Internal Audit Charter, budget and staffing;

(h) Business risk assessment and internal control instituted;

(i) The establishment of an appropriate internal control framework, including information systems, and potential enhancements;

(j) Investigation reports on any major defalcations, frauds and thefts from the Group;

(k) The quarterly results and year end financial statements, prior to the approval by the Board, focusing on:
   • changes in or implementation of major accounting policies;
   • significant or unusual events; and
   • compliance with accounting standards and other legal requirements.
(l) Procedures in place to ensure that the Group is in compliance with the Companies Act, 1965, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other legislative and reporting requirements;

(m) Related party transactions and conflict of interest situations that may arise within the Company and/or the Group including any transaction, procedures or course of conduct that raises questions of Management integrity;

(n) Any other activities consistent with its term of reference, as the Committee or the Board deems necessary or appropriate;

(o) The appraisal or assessment of the internal audit function, approval of any appointment or termination of senior staff members and be informed of the staff movement within the internal audit function; and

(p) Where the Committee is of the view that a matter reported by it to the Board, has not been satisfactorily resolved resulting in a breach of the requirement, the Committee must promptly report such matter to the Bursa Malaysia Securities Berhad.

MEETINGS
The Audit Committee met six times during the financial year 2009. The external auditors, other non-executive directors of the Company and the chief executive officers 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 2009 are as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>No. of Meetings</th>
<th>% Of Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dato' Mohamed Zakri Bin Abdul Rashid</td>
<td>6/6</td>
<td>100%</td>
</tr>
<tr>
<td>2</td>
<td>Tan Sri Dato’ Seri Megat Najmuddin Bin Datuk Seri Dr Haji Megat Khas</td>
<td>6/6</td>
<td>100%</td>
</tr>
<tr>
<td>3</td>
<td>Dr Junid Bin Abu Saham</td>
<td>6/6</td>
<td>100%</td>
</tr>
<tr>
<td>4</td>
<td>Datuk Oh Chong Peng</td>
<td>2/2*</td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>Chew Eng Kar</td>
<td>4/4**</td>
<td>100%</td>
</tr>
</tbody>
</table>

* - Dato' Oh Chong Peng was appointed as a member since 9 January 2009
** - Mr Chew Eng Kar ceased as a member effective 9 January 2009

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

ACTIVITIES OF THE AUDIT COMMITTEE RELATING TO FINANCIAL YEAR 2009
The Audit Committee carried out the following activities in the discharge of its functions and duties for the financial year 2009:

(a) Reviewed the quarterly results and final audited financial statements of the Group;

(b) Reviewed the scope, functions and resources of the internal audit function;

TERM OF MEMBERSHIP
Members of the Audit Committee are appointed for an initial term of 2 years after which they may be re-appointed on such terms as may be determined by the Board of Directors.
(c) Reviewed and appraised the Group’s internal control systems and report to the Board of Directors on the Internal Control Statement of the Group;

(d) Reviewed the terms of reference of the audit committee, audit charter, audit procedures and audit plan;

(e) Reviewed the internal audit reports and adequacy and effectiveness of the management response in implementing the recommendations of the Internal Audit department;

(f) Reviewed the total risk management process for managing the risks associated with the Group’s business activities;

(g) Reviewed related party transactions of the Group;

(h) Reviewed with the external auditors their audit scope, procedures and reporting requirements. Convened two (2) meetings with the external auditors without the presence of executive directors and officers; and

(i) Reviewed and verified the allocation of share options under the Dialog Group Employees’ Share Option Scheme (“ESOS”) as being in compliance with the criteria set out in the ESOS by-laws.

STATEMENT OF VERIFICATION ON ALLOCATION OF OPTIONS PURSUANT TO EMPLOYEES’ SHARE OPTION SCHEME (ESOS)

The Audit Committee has verified the allocation of options pursuant to the ESOS for the financial year 2009 and noted its compliance with the criteria for the allocation of options in accordance with the By-Laws of the Dialog Group ESOS.

INTERNAL AUDIT FUNCTION

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

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

(a) The Group’s policies and guidelines have been communicated, implemented and are working as intended; and

(b) Risk areas have been identified and there are effective internal control systems over all aspects of the Group’s business and operations.

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

(a) The 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.

During the financial year 2009, the Internal Audit Department generated a total of five reports. Actions were taken by the management to rectify all weaknesses identified in the reports. The costs incurred for the internal audit function in respect of the financial year 2009 amounted to RM187,451.

Going forward, the internal audit function will enhance its risk based auditing techniques, the level of staff expertise, internal controls and corporate governance processes to assist the Group to achieve its corporate goals.
Internal Control Statement

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

(a) Safeguard shareholders’ investments and Group’s assets;
(b) Ensure that proper accounting records are maintained;
(c) Ensure that the financial information used within the business and for publication to the public is reliable; and
(d) Ensure compliance with applicable laws and regulation.

The internal control system is an ongoing process designed to meet the Group’s particular needs and to manage the risks associated with operations, financial and compliance. The Directors believe that the business and operation environment in DIALOG is conducive and is more than adequate for the Group to accomplish its mission and business objectives.

The Directors are aware that internal controls 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 systems of internal control with the assistance of both the Audit Committee and the Risk Advisory Committee.

KEY INTERNAL CONTROL PROCESSES

The key processes of the Group’s internal control include the following:

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 subject to periodic review throughout the year so as to ensure their suitability for continuous implementation. Policies and procedures on such limits are documented to guide staff at all levels in the performance of their duties.

Risk Management

A fully documented Group Risk Policy Statement and a total risk management process with procedures to identify, assess and manage potential risks faced by the Group. The total risk management process is used to identify and manage uncertainty with the simultaneous objectives of minimising threats as well as maximising opportunities and value for stakeholders.

The Group’s Risk Advisory Committee is chaired by Dr Junid Bin Abu Saham, an Independent Non-Executive Director, and is assisted by the senior management from various business units. The Committee is responsible for preparing policies and guidelines and providing advice to the Audit Committee on risk management issues.

Consolidated Financial Reporting

A financial system, which captures all financial transactions and generates periodic management financial reports for monitoring performance and for decision making.

Budgets and forecasts are used for planning, monitoring and controlling financial performance.

Internal Audit Function

Internal Audit Department is responsible to assist the Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of internal control system 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 risks.
Quality Management System Audit
Annual audit by internal and external quality auditors to ensure compliance with all requirements of the ISO 9001 certifications. The certifications serve as an assurance to customers of the delivery of the highest quality of products and services by the Group.

Centralised Functions
Centralised control of selected key functions of the Group such as finance, accounts, 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
Proactive human resource development in recruitment, training and personal development of staff at all levels. Training is provided on various areas of work such as knowledge on health and safety, technical training, 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.

Management Visit
Directors and senior management conduct regular visits to project sites, overseas offices, customer and principal 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 AUDITORS
Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement for inclusion in the Annual Report for the year ended 30 June 2009 and have reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control of the Group.

CONCLUSION
The Internal Control System of the Group is considered to be more than adequate and has not experienced any material losses, contingencies or uncertainties during financial year 2009 that would require disclosure in the Group’s financial statements. The Group will continue with the process of undertaking risk assessments on all existing business and new business opportunities.

The Directors will continue to seek assurance on the effectiveness of the Group’s system of Internal Control and Risk Management with a view to further enhance their effectiveness and to ensure new and additional risks arising from changes in the business and operating environment are adequately and timely dealt with.
Corporate Information

Board of Directors

Ngau Boon Keat
(Chairman and Group Managing Director)

Chan Yew Kai
(Deputy Group Managing Director)

Dato' Mohamed Zakri Bin Abdul Rashid
(Independent Non-Executive Director)

Dr Junid Bin Abu Saham
(Independent Non-Executive Director)

Tan Sri Dato' Seri Megat Najmuddin Bin Datuk Seri Dr Haji Megat Khas
(Independent Non-Executive Director)

Datuk Oh Chong Peng
(Independent Non-Executive Director)

Chew Eng Kar
(Director, Corporate Services)

Siti Khairon Bt Shariff
(Non-Independent Non-Executive Director)

Zainab Binti Mohd Salleh
(Group Financial Controller)

Audit Committee

Dato’ Mohamed Zakri Bin Abdul Rashid
(Chairman, Independent Non-Executive Director)

Dr Junid Bin Abu Saham
(Independent Non-Executive Director)

Tan Sri Dato’ Seri Megat Najmuddin Bin Datuk Seri Dr Haji Megat Khas
(Independent Non-Executive Director)

Datuk Oh Chong Peng
(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

109, Block G, Phileo Damansara 1
No. 9, Jalan 16/11
46350 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel No. : 603 7955 1199
Fax No. : 603 7955 8989
Homepage : www.dialogasia.com

Share Registrar

Symphony Share Registrars Sdn Bhd
Level 26, Menara Multi Purpose Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Malaysia
Tel No. : 603 2721 2222
Fax No. : 603 2721 2530 / 31

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad

Auditors

BDO Binder Chartered Accountants
12th Floor, Menara Uni-Asia
1008, Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Solicitors

Mah-Kamariyah & Philip Koh
No. 3, Persiaran Hampshire
Off Jalan Ampang
50450 Kuala Lumpur
Malaysia

Shearn Delamore
7th Floor, Wisma Hamzah-Kwong Hing
No. 1, Leboh Ampang
50100 Kuala Lumpur
Malaysia

Principal Bankers

Public Bank Berhad
RHB Bank Berhad
Malayan Banking Berhad
Group Corporate Directory

MALAYSIA

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Fax : 603 7955 8989
Homepage : www.dialogasia.com

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24300 Kertih
Terengganu Darul Iman, Malaysia
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Fax : 609 826 6827

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

Johor Office
Lot PLO 118
Jalan Tengar
Kompleks Perindustrian Tanjung Langsat
Mukim Sg. Tiram
81707 Pasir Gudang
Johor Darul Takzim, Malaysia
Tel : 607 256 2888
Fax : 607 251 4996

Fabrication Yards
Lot 486
Mukim Teluk Panglima Garang
Daerah Kuala Langat
42600 Selangor Darul Ehsan
Malaysia
Tel : 603 3191 4068
Fax : 603 3191 4081

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

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Tebrau Industrial Estate
81100 Johor Bahru
Johor Darul Takzim, Malaysia
Tel : 607 256 2888
Fax : 607 354 1093

THAILAND

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Fax : 66 2 973 5133

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450 Sukhumvit Rd., Huaypong
Muang, Rayong
21150 Thailand
Tel : 66 3 869 2672
Fax : 66 3 869 2670

VIETNAM

Representative Office
Level 8
179 Nguyen Cu Trinh Street
Nguyen Cu Trinh Ward
District 1, Ho Chi Minh City
Vietnam
Tel : 84 8 3838 0139
Fax : 84 8 3838 0133

CHINA

Representative Office
Room 1609, Fanli Plaza
22# Chaowaidajie
Chaoyang District
Beijing, China Post Code:100020
Tel : 86 10 6588 2668
Fax : 86 10 6588 2168

HONG KONG

Office
Suites 4301-5, Tower One,
Times Square
1 Matheson Street
Causeway Bay, Hong Kong
Tel : 852 2598 5234
Fax : 852 2598 7500

AUSTRALIA

Office
7 Burgay Court
Osborne Park
Perth, WA 6017, Australia
Tel : 61 8 9244 9899
Fax : 61 8 9244 9866

SAUDI ARABIA

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

UNITED KINGDOM

Office
Unit 4, Raven Close
Bridgend Industrial Estate
Bridgend, CF31 3RF
Wales, United Kingdom
Tel : 44 1656 645 856
Fax : 44 1656 646 541

UNITED STATES OF AMERICA

Office
2000 N. Hwy 146
La Porte, Houston
TX 77571
United States of America
Tel : 1 713 307 2100
Fax : 1 281 427 9660
# List of Properties as at 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>Existing Use</th>
<th>Tenure</th>
<th>Date of acquisition by the Group</th>
<th>Approximate Age of Building</th>
<th>Land Area/Build Up Area (Sq. Ft.)</th>
<th>Net Book Value as at 30 June 2009 RM’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Office</td>
<td>Freehold land and building</td>
<td>16 August 1995</td>
<td>11 years</td>
<td>18,656</td>
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<td>G9-G, G9-1, G9-2, G9-3, G9-3A, G9-5, G9-6, G9-7 Block G, Phileo Damansara 1 No. 9, Jalan 16/11 46350 Petaling Jaya Selangor Darul Ehsan</td>
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<td>Fabrication Workshop</td>
<td>Leasehold land and building expiring on 20 August 2089</td>
<td>28 December 1990</td>
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<td>P.T 1480 Lot B12, Mukim Setul Kawasan Perindustrian Nilai 71800 Seremban Negeri Sembilan Darul Khusus</td>
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<td>Regional Office and Workshop</td>
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<td>16 January 2002</td>
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<td>5,343</td>
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<td>Lot 3739, Mukim Kertih Daerah Kemaman Terengganu Darul Iman</td>
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<td>Vacant</td>
<td>Leasehold land expiring on 16 April 2063</td>
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<td>Workshop</td>
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<td>1,906</td>
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<tr>
<td></td>
<td>Existing Use</td>
<td>Tenure</td>
<td>Date of acquisition by the Group</td>
<td>Approximate Age of Building</td>
<td>Land Area/Build Up Area (Sq. Ft.)</td>
<td>Net Book Value as at 30 June 2009 RM’000</td>
</tr>
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<td>7</td>
<td>SAGA DIALOG SDN BHD</td>
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<td>8</td>
<td>ORIENTAL VALLEY SDN BHD</td>
<td>Petrol Station</td>
<td>Freehold land and building</td>
<td>17 March 2000</td>
<td>8 years</td>
<td>114,868</td>
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<td>9</td>
<td>CORAK DAHLIA SDN BHD</td>
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<td>10</td>
<td>DIALOG E &amp; C SDN BHD</td>
<td>Fabrication Workshop</td>
<td>Land and building Temporary Occupation License (&quot;TOL&quot;) subject to annual renewal</td>
<td>4 June 1998</td>
<td>10 years</td>
<td>471,115</td>
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<tr>
<td>11</td>
<td>SENYUM BESTARI SDN BHD</td>
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<td>5 years</td>
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<td>CENDANA SUTERA SDN BHD</td>
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<td>Leasehold land and building expiring on 18 July 2075</td>
<td>15 September 2000</td>
<td>6 years</td>
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</table>
### List of Properties as at 30 June 2009

<table>
<thead>
<tr>
<th>Property No.</th>
<th>Company Name</th>
<th>Existing Use</th>
<th>Tenure</th>
<th>Date of Acquisition by the Group</th>
<th>Approximate Age of Building</th>
<th>Land Area/Build Up Area (Sq. Ft.)</th>
<th>Net Book Value as at 30 June 2009 RM’000</th>
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</thead>
<tbody>
<tr>
<td>13</td>
<td>IDAMAN TROPIKAL SDN BHD</td>
<td>Petrol Station</td>
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<td>16 August 2001</td>
<td>7 years</td>
<td>76,235</td>
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<td>14</td>
<td>TEMPO SETARA SDN BHD</td>
<td>Vacant</td>
<td>Leasehold land expiring on 17 April 2095</td>
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<td>50,094</td>
<td>4,874</td>
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<td>15</td>
<td>DIALOG SERVICES PTE LTD</td>
<td>Office cum warehouse</td>
<td>Leasehold land expiring on 31 March 2019</td>
<td>10 August 2004</td>
<td>24 years</td>
<td>54,704 / 19,334</td>
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<td>16</td>
<td>OVERSEAS MANUFACTURING (JOHOR) SDN BHD</td>
<td>Vacant</td>
<td>Leasehold land expiring on 14 February 2053</td>
<td>18 April 2006</td>
<td>0</td>
<td>42,194</td>
<td>966</td>
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<td>17</td>
<td>OVERSEAS MANUFACTURING (JOHOR) SDN BHD</td>
<td>Workshop &amp; Office</td>
<td>Leasehold land expiring on 5 September 2051</td>
<td>18 April 2006</td>
<td>16 years</td>
<td>60,497 / 3,782</td>
<td>2,407</td>
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<td>18</td>
<td>OVERSEAS TECHNICAL ENGINEERING AND CONSTRUCTION PTE LTD</td>
<td>Studio Apartment</td>
<td>Leasehold land expiring on 1 December 2074</td>
<td>18 April 2006</td>
<td>30 years</td>
<td>700</td>
<td>627</td>
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<tr>
<td>#</td>
<td>Company Name</td>
<td>Existing Use</td>
<td>Tenure</td>
<td>Date of Acquisition by the Group</td>
<td>Approximate Age of Building</td>
<td>Land Area/Build Up Area (Sq. Ft.)</td>
<td>Net Book Value as at 30 June 2009 RM’000</td>
</tr>
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<td>19</td>
<td>DIALOG PROPERTIES SDN BHD</td>
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<td>20</td>
<td>DIALOG FABRICATORS SDN BHD</td>
<td>Fabrication Workshop</td>
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<td>2 years</td>
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<td>21</td>
<td>DIALOG SYSTEMS PTE LTD</td>
<td>Workshop &amp; Office</td>
<td>Leasehold land expiring on 31 March 2019</td>
<td>5 September 2007</td>
<td>20 years</td>
<td>86,115 / 56,695</td>
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<tr>
<td>22</td>
<td>DIALOG SERVICES SAUDI ARABIA COMPANY LIMITED</td>
<td>Workshop &amp; Office</td>
<td>Leasehold building on rented land expiring on 6 August 2018</td>
<td>17 June 2008</td>
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<tr>
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<td>Workshop &amp; Office</td>
<td>Freehold land and building</td>
<td>13 August 2008</td>
<td>3 years</td>
<td>72,979 / 29,202</td>
<td>3,475</td>
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</tbody>
</table>
Notice of the Twenty-First Annual General Meeting and Dividend Entitlement

NOTICE IS HEREBY GIVEN that the Twenty-First Annual General Meeting of Dialog Group Berhad (“Dialog” or “Company”) will be held at Eastin Hotel, 13, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 19 November 2009 at 10.00 a.m. to consider the following matters:

AGENDA
1. To receive and adopt the audited Financial Statements for the financial year ended 30 June 2009 together with the Reports of the Directors and Auditors thereon. (RESOLUTION 1)

2. To approve the payment of a Final Cash Dividend of 24% per ordinary share of RM0.10 each less income tax at 25% in respect of the financial year ended 30 June 2009. (RESOLUTION 2)

3. To approve the distribution of a Special Share Dividend on the basis of 1 treasury share for every 50 existing ordinary shares of RM0.10 each held in Dialog in respect of the financial year ended 30 June 2009. (RESOLUTION 3)

4. To re-elect Mr Ngau Boon Keat, the director retiring pursuant to Article 96 of the Company’s Articles of Association. (RESOLUTION 4)

5. To re-elect Dr Junid Bin Abu Saham, the director retiring pursuant to Article 96 of the Company’s Articles of Association. (RESOLUTION 5)

6. To re-elect Mr Chew Eng Kar, the director retiring pursuant to Article 96 of the Company’s Articles of Association. (RESOLUTION 6)

7. To re-elect Datuk Oh Chong Peng, the director retiring pursuant to Article 101 of the Company’s Articles of Association. (RESOLUTION 7)

8. To approve the payment of Directors’ fees of RM225,000 in respect of the financial year ended 30 June 2009 (2008: RM160,000). (RESOLUTION 8)

9. To re-appoint Messrs BDO Binder as auditors of the Company and to authorise the Directors to fix their remuneration. (RESOLUTION 9)

10. Special Business:-
   To consider and if thought fit, to pass the following resolutions:-

   (A) ORDINARY RESOLUTION 1
   - AUTHORITy TO ALLOT AND ISSUE SHARES PURSUANT TO THE EMPLOYEES’ SHARE OPTION SCHEME.
   “THAT pursuant to the Dialog Group Employees’ Share Option Scheme (“the Scheme”) which was approved at the Extraordinary General Meeting held on 25 July 2007, approval be and is hereby given to the Directors to offer and grant options to eligible employees and eligible Directors of the Company and its subsidiary companies (“the Group”) and pursuant to Section 132D of the Companies Act, 1965 to allot and issue such number of new ordinary shares of RM0.10 each in the capital of the Company from time to time in accordance with the By-Laws of the Scheme.” (RESOLUTION 10)
(B) ORDINARY RESOLUTION 2
- AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965.

“THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued and paid-up share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

(REOLUTION 11)

(C) ORDINARY RESOLUTION 3
- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY.

“THAT, subject to the Companies Act, 1965, the Memorandum and Articles of Association of the Company and the requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and any other relevant authorities, the Company be and is hereby authorised to purchase and/or hold such number of ordinary shares of RM0.10 each 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 of RM0.10 each purchased pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company (“Proposed Renewal of Share Buy-Back Authority”) and that an amount not exceeding the total audited retained profits and share premium account of the Company at the time of purchase, would be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority.

THAT the authority conferred by this ordinary resolution will commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting).

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 authority be and is hereby given to the Directors of the Company to decide in their discretion to either retain the ordinary shares of RM0.10 each purchased pursuant to the Proposed Renewal of Share Buy-Back Authority as treasury shares and/or to resell the treasury shares and/or to distribute them as share dividends and/or to cancel them.”

(REOLUTION 12)
(D) ORDINARY RESOLUTION 4
- PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

“THAT, subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company and the requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature (“Recurrent Related Party Transactions”) as set out in Section 2.5 of Part B of the Circular to Shareholders dated 26 October 2009 subject further to the following:-

(i) the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and

(ii) disclosure is made in the annual report of the breakdown of the aggregate value of transactions conducted during a financial year and that such approval shall, commence immediately upon the passing of this ordinary resolution and continue to be in force until:-

(a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the forthcoming AGM at which the Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is approved, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

(c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

(iii) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution.”

(REsolution 13)

11. To transact any other ordinary business for which due notice shall have been given.
NOTICE IS ALSO HEREBY GIVEN that the Final Cash Dividend of 24% per ordinary share of RM0.10 each less income tax at 25% and the Special Share Dividend on the basis of 1 treasury share for every 50 existing ordinary shares of RM0.10 each held in Dialog, if approved, will be paid and distributed respectively on 23 December 2009 to shareholders whose names appear in the Record of Depositors at the close of business on 9 December 2009.

A depositor shall qualify for entitlement to the Final Cash Dividend and Special Share Dividend only in respect of:
(a) Shares transferred into the Depositor’s Securities Account before 4.00 p.m. on 9 December 2009 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
26 October 2009

NOTES:
1. APPOINTMENT OF PROXY
   (a) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
   (b) A proxy need not be a member of the Company and a member may appoint any person to be his proxy, and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company.
   (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) The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
   (e) An instrument appointing a proxy must be deposited at the Registered Office of the Company at 109, Block G, Phileo Damansara 1, No. 9, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.
2. SPECIAL BUSINESS – ITEM 10 OF THE AGENDA

(a) The proposed Resolution No. 10, if passed, is to empower the Directors of the Company to allot and issue ordinary shares from the unissued capital of the Company pursuant to the Dialog Group Employees’ Share Option Scheme.

(b) The proposed Resolution No. 11, if passed, will give a renewed mandate to the Directors of the Company, from the date of the above General Meeting, to allot and issue ordinary shares from the unissued capital of the Company pursuant to Section 132D of the Companies Act, 1965. The renewed mandate unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 19 November 2008 and which will lapse at the conclusion of the Twenty-First Annual General Meeting.

The renewed mandate will enable the Directors to take prompt action in case of a need for fund raising activities, including but not limited to placing of shares, in the event of business opportunities arise which involve the issue of shares, and to avoid delay and cost in convening general meetings to approve such issue of shares.

(c) The proposed Resolution No. 12, if passed, will empower Directors of the Company to purchase and/or hold up to ten percent (10%) of the issued and paid-up share capital of the Company. For further information on the Proposed Renewal of Share Buy-Back Authority, please refer to Part A of the Circular to Shareholders dated 26 October 2009 enclosed together with the Company’s Annual Report 2009.

(d) The proposed Resolution No. 13, if passed, will enable the Company and Group to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the day-to-day operations, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. For further information on the Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature, please refer to Part B of the Circular to Shareholders dated 26 October 2009 enclosed together with the Company’s Annual Report 2009.

Statement Accompanying the Notice of the Twenty-First 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 Twenty-First Annual General Meeting of the Company.
Proxy Form

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 vote for me/us on my/our behalf at the Twenty-First Annual General Meeting of the Company to be held at Eastin Hotel, 13, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 19 November 2009 at 10.00 a.m. and at any adjournment thereof.

<table>
<thead>
<tr>
<th>NO.</th>
<th>RESOLUTION</th>
<th>FOR</th>
<th>AGAINST</th>
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<tr>
<td>1.</td>
<td>To receive and adopt the audited Financial Statements for the financial year ended 30 June 2009.</td>
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<td>2.</td>
<td>To approve the payment of a Final Cash Dividend of 24% less tax for the financial year ended 30 June 2009.</td>
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<td>3.</td>
<td>To approve the distribution of a Special Share Dividend of 1 for 50 for the financial year ended 30 June 2009.</td>
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<td>4.</td>
<td>To re-elect Ngau Boon Keat, the director retiring pursuant to Article 96 of the Company’s Articles of Association.</td>
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<td>5.</td>
<td>To re-elect Dr Junid Bin Abu Saham, the director retiring pursuant to Article 96 of the Company’s Articles of Association.</td>
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<td>6.</td>
<td>To re-elect Chew Eng Kar, the director retiring pursuant to Article 96 of the Company’s Articles of Association.</td>
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<td>7.</td>
<td>To re-elect Datuk Oh Chong Peng, the director retiring pursuant to Article 101 of the Company’s Articles of Association.</td>
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<td>8.</td>
<td>To approve the payment of Directors’ fees in respect of the financial year ended 30 June 2009.</td>
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<td>9.</td>
<td>To reappoint Messrs BDO Binder as auditors of the Company and to authorise the Directors to fix their remuneration.</td>
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<td>10.</td>
<td>Special Business – Ordinary Resolution 1</td>
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<td>11.</td>
<td>Special Business – Ordinary Resolution 2</td>
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<td>12.</td>
<td>Special Business – Ordinary Resolution 3</td>
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<tr>
<td>13.</td>
<td>Special Business – Ordinary Resolution 4</td>
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</tbody>
</table>

Dated this _______ day of _______________ 2009

No. of Ordinary Shares Held

CDS Account No.

Signature/Common Seal of Shareholder(s)
Notes

(i) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(ii) A proxy need not be a member of the Company and a member may appoint any person to be his proxy, and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company.

(iii) 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.

(iv) The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

(v) An instrument appointing a proxy must be deposited at the Registered Office of the Company at 109, Block G, Phileo Damansara 1, No. 9, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.

(vi) Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he thinks fit.