

DIALOG

DIALOG GROUP BERHAD

198901001388 (178694-V)

FOCUS ON STRENGTH

ANNUAL REPORT 2025
FINANCIAL STATEMENTS



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This Annual Report is available at
www.dialogasia.com

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding company incorporated to manage various subsidiaries, which serve a wide spectrum of the energy sector. The principal activities of the subsidiaries are the provision of logistic assets & services in tank terminals, upstream assets & services, engineering, procurement, construction, commissioning & fabrication, specialist products & services, plant maintenance & catalyst handling services, petrochemicals, sustainable & renewables business and digital technology & solutions.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	309,706	96,847
Attributable to:		
Owners of the parent	303,825	96,847
Non-controlling interests	5,881	-
	309,706	96,847

DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

- Final cash dividend of 2.80 sen per ordinary share, amounting to RM157,995,173 in respect of financial year ended 30 June 2024 was paid on 20 December 2024; and
- Interim cash dividend of 1.30 sen per ordinary share, amounting to RM73,354,904 in respect of financial year ended 30 June 2025 was paid on 26 June 2025.

The Directors recommended a final cash dividend of 1.80 sen per ordinary share, amounting to approximately RM102,000,000 in respect of the financial year ended 30 June 2025, subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 5,645,947,782 to 5,646,019,682 by way of issuance of 71,900 new ordinary shares pursuant to the options exercised under the Employees' Share Option Scheme ("ESOS") at exercise price of RM2.39 per ordinary share for cash.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issues of shares during the financial year.

The Company has not issued any debentures during the financial year.

DIRECTORS' REPORT

EMPLOYEES' SHARE OPTION SCHEME

The ESOS was approved by the shareholders at the Annual General Meeting held on 14 November 2018 and came into effect on 3 December 2018. The ESOS shall be in force for a period of ten (10) years until 2 December 2028 ("the option period").

The main features of the ESOS are as follows:

- (a) The ESOS is made available to eligible employees and full-time Executive Directors who are confirmed employees of the Company and its subsidiaries as defined in the Companies Act 2016 in Malaysia, as amended from time to time, and any re-enactment thereof;
- (b) The total number of shares offered under the ESOS shall not, in aggregate, exceed 10% of the total issued ordinary shares of the Company (excluding treasury shares, if any) at any time during the existence of the ESOS;
- (c) The option price under the ESOS shall be the five-day weighted average market price of the shares as quoted on the Main Market of Bursa Malaysia Securities Berhad at the time the option is granted with a discount of not more than 10% if deemed appropriate;
- (d) The maximum number of shares, which may be offered to any eligible employee shall be at the discretion of the ESOS Committee after taking into consideration, amongst others, the eligible employee's position, performance and length of service in the Company and its subsidiaries respectively, or such other matters that the ESOS Committee may in its discretion deem fit, subject to the following:
 - (i) not more than 50% of the shares available under the ESOS shall be allocated in aggregate to Executive Directors and senior management of the Company and its subsidiaries; and
 - (ii) not more than 10% of the shares available under the ESOS shall be allocated to any individual Executive Director or eligible employee who, either singly or collectively through persons connected with that Executive Director or eligible employee, holds 20% or more of the issued ordinary shares of the Company (excluding treasury shares, if any).
- (e) An option granted under the ESOS may be exercised by the grantee upon achieving the vesting conditions set by the ESOS Committee; and
- (f) The shares shall on issue and allotment rank pari passu in all respects with the then existing issued shares of the Company.

The number of unissued ordinary shares under the option scheme was as follows:

Option price	Number of options over ordinary shares					
	Balance as at 1.7.2024	Granted	Retracted*	Exercised	Balance as at 30.6.2025	Exercisable as at 30.6.2025
RM2.69	23,653,461	-	(1,537,896)	-	22,115,565	21,827,845
RM2.93	36,330,940	-	(2,214,200)	-	34,116,740	27,079,192
RM2.39	20,258,500	-	(1,770,440)	(71,900)	18,416,160	7,896,736
	80,242,901	-	(5,522,536)	(71,900)	74,648,465	56,803,773

* Due to resignation

DIRECTORS' REPORT

EMPLOYEES' SHARE OPTION SCHEME (CONTINUED)

Since the implementation of the ESOS, a total of 113,543,320 options had been granted to the eligible employees of the Group of which a total of 7,916,000 options had been granted to the Executive Directors of the Company and persons connected to the Executive Directors. A total of 4,377,379 options had been exercised since implementation of the ESOS until the end of the financial year of which 561,200 options had been exercised by the Executive Directors of the Company and persons connected to the Executive Directors.

There were no options granted to the Executive Directors and senior management of the Company and its subsidiaries during the financial year. Since the implementation of the ESOS, the Executive Directors and senior management of the Company and its subsidiaries had been granted 11% of the total options available under the ESOS as at the end of the financial year.

TREASURY SHARES

The Company has the rights to retain, cancel, resell and/or distribute treasury shares as dividends. As treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended. Of the total 5,646,019,682 (2024: 5,645,947,782) issued and fully paid ordinary shares as at 30 June 2025, 3,335,032 (2024: 3,335,032) ordinary shares purchased for RM3,624,613 (2024: RM3,624,613) are held as treasury shares by the Company. The number of outstanding ordinary shares in issue after deducting the treasury shares is 5,642,684,650 (2024: 5,642,612,750).

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Tan Sri Dr. Ngau Boon Keat
 Chan Yew Kai
 Chin Kwai Fatt
 Dato' Ismail Bin Karim
 Juniwati Rahmat Hussin
 Badrul Hisham Bin Dahalan
 Tan Sri Datuk Dr. Rebecca Fatima Sta Maria
 Bernard Rene Francois Di Tullio
 Zainab Binti Mohd Salleh

In accordance with Clause 91 of the Company's Constitution, Chan Yew Kai, Zainab Binti Mohd Salleh and Badrul Hisham Bin Dahalan retire from the Board by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

The Company has been granted a relief order pursuant to Section 255(1) of the Companies Act, 2016 relieving the Company's Directors from full compliance to the requirements under Section 253(2) of the Companies Act, 2016.

The names of Directors of subsidiaries are set out in the respective subsidiary's directors' report and audited financial statements and the said information is deemed incorporated herein by such reference and made a part hereof.

DIRECTORS' REPORT

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year ended 30 June 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	←----- Number of ordinary shares -----→			
	Balance as at 1.7.2024	Bought	Sold	Balance as at 30.6.2025
Shares in the Company				
<u>Direct interests:</u>				
Tan Sri Dr. Ngau Boon Keat	28,145,103	-	-	28,145,103
Chan Yew Kai	32,384,767	-	-	32,384,767
Zainab Binti Mohd Salleh	7,214,479	-	-	7,214,479
Juniwati Rahmat Hussin	8,345	-	-	8,345
<u>Indirect interests:</u>				
Tan Sri Dr. Ngau Boon Keat	1,050,443,442	63,959,352	(1,000,000)	1,113,402,794
Chan Yew Kai	3,000,000	-	-	3,000,000
Zainab Binti Mohd Salleh	200,000	100,000	(150,000)	150,000
Juniwati Rahmat Hussin	47,340	-	-	47,340

	←----- Number of options over ordinary shares -----→			
	Balance as at 1.7.2024	Granted	Exercised	Balance as at 30.6.2025
Share options in the Company				
<u>Direct interests:</u>				
Tan Sri Dr. Ngau Boon Keat	2,360,000	-	-	2,360,000
Chan Yew Kai	1,903,000	-	-	1,903,000
Zainab Binti Mohd Salleh	1,233,400	-	-	1,233,400
<u>Indirect interest:</u>				
Tan Sri Dr. Ngau Boon Keat	1,858,400	-	-	1,858,400

By virtue of Tan Sri Dr. Ngau Boon Keat's substantial interest in the shares of the Company, he is deemed to have interest in the shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than the following:

- (a) a Director who may be deemed to derive benefits by virtue of trade transactions entered into with a company in which the Director has substantial financial interests; and
- (b) certain Directors who received remunerations from the subsidiaries as Directors/Executives of the subsidiaries.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the share options granted pursuant to the ESOS.

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 30 June 2025 were as follows:

	Group RM'000	Company RM'000
Directors of the Company:		
Executive:		
Emoluments other than fees	8,916	-
Non-Executive:		
Fees	993	993
Other emoluments	750	618
Total	10,659	1,611

The estimated monetary value of benefits-in-kind provided to the Executive Directors of the Company is RM158,000.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains Directors' and Officers' liability insurance for the purpose of Section 289 of the Companies Act 2016, throughout the financial year, which provides appropriate insurance cover for the Directors and Officers of the Company and of the Group. The amount of insurance premium paid or payable during the financial year, which was borne by the Company, has been accounted for in the financial statements of the Company, amounted to RM274,240.

There was no indemnity given to or insurance effected for Auditors of the Company in accordance with Section 289 of the Companies Act 2016.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than as follows:

	Group RM'000	Company RM'000
Property, plant and equipment written off	90,700	-
Advances to subsidiaries written off	-	105,472
Impairment on investment in subsidiaries	-	42,406
Total	90,700	147,878

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
- (i) which would render the amount written off of bad debts or the amount of the provision for doubtful debt inadequate to any material extent in the financial statements of the Group and of the Company;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
- (i) there has not arisen any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONTINUED)

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) In August 2024, Dialog (Labuan) Ltd., a wholly owned indirect subsidiary, had entered into an agreement to dispose off its entire 60% equity interest in Dialog Jubail Supply Base Company Limited ("DJSB") for a sale consideration of SAR3,000,000 (equivalent to approximately RM3,559,000) and dividends of SAR44,500,000 (equivalent to approximately RM51,600,000). The disposal was completed in June 2025 and DJSB ceased to be a subsidiary of the Group.
- (b) In December 2024, Dialog Resources Sdn. Bhd. ("DRSB"), a wholly owned subsidiary, signed a RAJA Cluster Small Field Asset Production Sharing Contract with Petroliaam Nasional Berhad ("PETRONAS") through Malaysia Petroleum Management to assume 100% participating interest and the role of operator.
- (c) In January 2025, Dialog Equity (Three) Sdn. Bhd. ("DE3SB"), a wholly owned subsidiary, entered into a Share Subscription Agreement with PG Cold Energy 1 Sdn. Bhd. (formerly known as Regas Terminal (Pengerang) Sdn. Bhd.) ("PGCE 1") to subscribe for 500 ordinary shares at a subscription price of RM500,000 and 9,724 redeemable preference shares at RM9,724,000, representing 27.78% shareholdings in PGCE 1. DE3SB also entered into a Shareholders' Agreement with PETRONAS Gas Berhad and PGCE 1 to undertake a project to design, build, and lease Air Separation Unit Facility.
- (d) In February 2025, Dialog Malic Acid Sdn. Bhd., a wholly owned indirect subsidiary, had discontinued the engineering, procurement, construction and commissioning of a malic acid plant in Gebeng, Kuantan, Pahang Darul Makmur, Malaysia. This was due to the continued volatility and challenging global chemicals market, and the uncertain macro-economic environment. The total capital expenditure incurred and committed of RM90,700,000 had been written off during the financial year.
- (e) In June 2025, DRSB was awarded the Mutiara Cluster Small Field Asset Production Sharing Contract ("Mutiara Cluster") under the Malaysia Bid Round 2025 through Malaysia Petroleum Management, PETRONAS to assume 100% participating interest and the role of operator.

DIRECTORS' REPORT

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) Following the award for Mutiara Cluster, DRSB had on 3 July 2025 entered into a Memorandum of Understanding ("MOU") with PETRONAS to form a strategic collaboration aimed at accelerating and enabling the Mutiara Cluster development, with targeted First Gas Date earlier than the first quarter of 2029 to support the growing market demand in Sabah, particularly for power generation. The MOU shall remain in force for one year from the date of signing.
- (b) In July 2025, Pengerang Terminals (Two) Sdn. Bhd. ("PT2SB"), a 25% indirectly owned joint venture company, signed a Terminal Usage Agreement ("TUA") with Pengerang Biorefinery Sdn. Bhd. ("PBSB"), to provide storage and handling facilities for PBSB's feedstocks and products. PT2SB will develop a storage capacity of about 272,000 cbm which is dedicated to PBSB at a total investment of approximately USD330,000,000 including costs associated with shared facilities at the terminal.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

AUDITORS' REMUNERATION

Auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2025 were as follows:

	Group RM'000	Company RM'000
Statutory audit	1,489	75
Non-statutory audit	4	4
Total	1,493	79

Signed on behalf of the Board in accordance with a resolution of the Directors.



Tan Sri Dr. Ngau Boon Keat
Director

25 September 2025



Chin Kwai Fatt
Director

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 15 to 94 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,



Tan Sri Dr. Ngau Boon Keat
Director



Chin Kwai Fatt
Director

25 September 2025

STATUTORY DECLARATION

I, Zainab Binti Mohd Salleh (CA 7672), being the Director primarily responsible for the financial management of Dialog Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 15 to 94 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly
declared by the abovenamed at
Petaling Jaya in the state of
Selangor Darul Ehsan this
25 September 2025



Zainab Binti Mohd Salleh
Director

Before me:



3 Damansara Shopping Mall
3, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DIALOG GROUP BERHAD (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dialog Group Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 15 to 94.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of the financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters of the Group

1. Revenue recognition on engineering and construction activities

As disclosed in Note 25 to the financial statements, revenue of the Group amounted to RM2,501,606,000, of which revenue generated from engineering and construction activities amounted to RM1,059,885,000 for the financial year ended 30 June 2025.

The Group has determined that certain performance obligations in relation to engineering and construction activities are satisfied over time and thus recognised revenue from these activities over time.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DIALOG GROUP BERHAD (Incorporated in Malaysia)

Key Audit Matters (continued)

Key Audit Matters of the Group (continued)

1. Revenue recognition on engineering and construction activities (continued)

We determined this to be a key audit matter as the recognition of revenue and profit from engineering and construction activities is complex and involved the use of significant judgements and estimates by management in the following areas:

- (i) estimation of the total budgeted contract costs to complete including the Group's obligation to contract variations, claims and cost contingencies;
- (ii) determination of the progress towards satisfaction of the performance obligations and overall progress of the Group's project; and
- (iii) evaluation of whether any liquidated ascertained damages ("LAD") is required for engineering and construction contracts.

Audit response

The audit procedures, with the involvement of component auditors, included the following:

- (i) reviewed major contracts with customers to identify distinct and material performance obligations;
- (ii) recomputed profit recognised and checked calculation of the percentage of completion;
- (iii) inspected documentation certified by in-house consultants to support the contract work performed by the Group to-date;
- (iv) verified progress billing issued and actual costs incurred for the financial year on a sampling basis to supporting documents;
- (v) assessed the reasonableness of estimated costs to complete to supporting documents, budgets, contract variations and cost contingencies; and
- (vi) evaluated management's assessment on provision for LAD is required through supporting documents such as the engineering and construction agreements for the rates and work progress report indicating the reasons for the delay and efforts to catch up for phases whereby actual progress is behind planned progress.

2. Recognition of deferred tax assets

As disclosed in Note 13 to the financial statements, the Group has deferred tax assets of RM63,306,000 as at 30 June 2025, where RM38,779,000 is subject to estimates of future profitability of the subsidiaries concerned.

The determination of recognition of deferred tax assets is highly subjective as significant judgement is required to determine the probability that future taxable profits will be available against which temporary differences can be utilised.

Audit response

The audit procedures included the following:

- (i) considered tax related documentation to determine the tax benefits available;
- (ii) compared profit forecasts and projections against recent performance to assess reliability of management's forecasting process as well as to challenge the key assumptions used in the forecasts and projections; and
- (iii) evaluated the appropriateness of estimates and assumptions used in determining the profit forecasts and projections by comparing to available external industry sources of data.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DIALOG GROUP BERHAD (Incorporated in Malaysia)

Key Audit Matters (continued)

Key Audit Matter of the Company

Impairment assessment of carrying amounts of investments in subsidiaries

As disclosed in Note 9 to the financial statements, the carrying amounts of investments in subsidiaries amounted to RM2,865,632,000 as at 30 June 2025, of which RM252,403,000 relates to subsidiaries with impairment indicators.

The management assessed the recoverable amounts of the investments in subsidiaries by determining the value-in-use of the subsidiaries using the discounted cash flow method.

The determination of value-in-use is highly subjective as significant judgement is required to determine the appropriate future cash flow projections, operating profit margins, discount rates and growth rates.

Audit response

The audit procedures included the following:

- (i) performed retrospective review on the outcome of the prior year's accounting estimates;
- (ii) assessed and evaluated the key assumptions in forecasting revenue, profit margin and growth rates;
- (iii) assessed appropriateness of pre-tax discount rate used by management by comparing to the market data, weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact to the recoverable amounts.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DIALOG GROUP BERHAD (Incorporated in Malaysia)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DIALOG GROUP BERHAD (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
25 September 2025



Tan Seong Yuh

03314/07/2027 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		Group		Company	
		30.6.2025 RM'000	30.6.2024 RM'000	30.6.2025 RM'000	30.6.2024 RM'000
Note					
ASSETS					
Non-current assets					
Property, plant and equipment	5	2,644,036	2,794,139	-	-
Development of tank terminals	7	727,297	712,786	-	-
Intangible assets	8	926,901	992,968	-	-
Investments in subsidiaries	9	-	-	2,865,632	2,972,435
Investments in joint ventures and associates	10	1,794,934	1,727,687	392	-
Inventories	11	249,376	284,442	-	-
Other investments	12	33,809	42,297	-	-
Deferred tax assets	13	63,306	80,216	-	-
Amounts owing by subsidiaries	14	-	-	737,638	838,396
		6,439,659	6,634,535	3,603,662	3,810,831
Current assets					
Inventories	11	73,700	94,711	-	-
Trade and other receivables	15	403,512	677,794	944	1,008
Amounts owing by subsidiaries	14	-	-	96	11,475
Amounts owing by joint ventures and associates	17	14,971	52,689	1,550	-
Current tax assets		20,066	32,306	-	-
Other investments	12	228	6,769	-	-
Cash and bank balances	18	1,669,918	1,572,757	415,112	257,681
		2,182,395	2,437,026	417,702	270,164
TOTAL ASSETS		8,622,054	9,071,561	4,021,364	4,080,995
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	19	1,698,645	1,698,431	1,698,645	1,698,431
Treasury shares	19	(3,625)	(3,625)	(3,625)	(3,625)
Reserves	20	4,046,284	4,249,378	1,158,425	1,317,194
		5,741,304	5,944,184	2,853,445	3,012,000
Perpetual Sukuk Wakalah	21	498,940	498,940	498,940	498,940
Non-controlling interests		3,486	64,472	-	-
TOTAL EQUITY		6,243,730	6,507,596	3,352,385	3,510,940

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	Group		Company	
		30.6.2025 RM'000	30.6.2024 RM'000	30.6.2025 RM'000	30.6.2024 RM'000
LIABILITIES					
Non-current liabilities					
Borrowings	22	361,118	1,074,810	-	33,000
Senior Sukuk Wakalah	21	500,000	500,000	500,000	500,000
Lease liabilities	6	15,598	18,864	-	-
Deferred tax liabilities	13	5,236	4,923	-	-
		881,952	1,598,597	500,000	533,000
Current liabilities					
Trade and other payables	23	720,832	763,282	13,503	13,188
Amount owing to a subsidiary	14	-	-	129,245	-
Borrowings	22	747,351	127,745	23,292	20,000
Lease liabilities	6	9,267	7,265	-	-
Current tax liabilities		18,922	67,076	2,939	3,867
		1,496,372	965,368	168,979	37,055
TOTAL LIABILITIES		2,378,324	2,563,965	668,979	570,055
TOTAL EQUITY AND LIABILITIES		8,622,054	9,071,561	4,021,364	4,080,995

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	25	2,501,606	3,151,926	252,888	511,945
Cost of sales and services		(2,247,721)	(2,699,530)	-	-
Gross profit		253,885	452,396	252,888	511,945
Other operating income		68,552	91,814	49,394	42,930
Marketing and distribution costs		(1,714)	(1,988)	-	-
Administration expenses		(66,262)	(75,141)	(2,917)	(3,518)
Other operating expenses		(122,932)	(33,022)	(171,170)	-
Finance costs		(48,831)	(64,808)	(25,516)	(23,734)
Share of profit of joint ventures and associates, net of tax		293,167	309,865	-	-
Profit before tax	26	375,865	679,116	102,679	527,623
Tax expense	28	(66,159)	(73,753)	(5,832)	(10,944)
Profit for the financial year		309,706	605,363	96,847	516,679
Profit for the financial year attributable to:					
Owners of the parent		303,825	575,032	96,847	516,679
Non-controlling interests		5,881	30,331	-	-
		309,706	605,363	96,847	516,679

Earnings per ordinary share attributable to equity holders of the Company:

Basic earnings per ordinary share (sen)	29	5.38	10.19
Diluted earnings per ordinary share (sen)	29	5.38	10.19

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the financial year	309,706	605,363	96,847	516,679
Other comprehensive income:				
Item that may not be reclassified subsequently to profit or loss				
Fair value gain/(loss) on other investments	2,501	(7,722)	-	-
Items that may be reclassified subsequently to profit or loss				
Foreign currency translations	(174,975)	4,606	-	-
Fair value loss on cash flow hedge	(11,350)	(9,792)	-	-
Share of other comprehensive (loss)/income of joint ventures and an associate	(74,578)	2,470	-	-
	(260,903)	(2,716)	-	-
Other comprehensive loss for the financial year	(258,402)	(10,438)	-	-
Total comprehensive income for the financial year	51,304	594,925	96,847	516,679
Total comprehensive income attributable to:				
Owners of the parent	48,790	563,586	96,847	516,679
Non-controlling interests	2,514	31,339	-	-
	51,304	594,925	96,847	516,679

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Group	Note	Non-distributable						Distributable	Total attributable to owners of the parent RM'000	Perpetual Sukuk Wakalah RM'000	Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Exchange translation reserve RM'000	Hedging reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000				
Balance as at 1 July 2024		1,698,431	(3,625)	27,256	405,898	37,242	11,315	3,767,667	5,944,184	498,940	64,472	6,507,596
Profit for the financial year		-	-	-	-	-	-	303,825	303,825	-	5,881	309,706
Foreign currency translations		-	-	-	(171,608)	-	-	-	(171,608)	-	(3,367)	(174,975)
Fair value loss on cash flow hedge		-	-	-	-	(11,350)	-	-	(11,350)	-	-	(11,350)
Fair value gain on other investment		-	-	-	-	-	2,501	-	2,501	-	-	2,501
Share of other comprehensive loss of joint ventures and an associate		-	-	-	(41,027)	(33,551)	-	-	(74,578)	-	-	(74,578)
Total comprehensive income		-	-	-	(212,635)	(44,901)	2,501	303,825	48,790	-	2,514	51,304
Transactions with owners												
Previous financial year:												
- Final dividend	30	-	-	-	-	-	-	(157,995)	(157,995)	-	-	(157,995)
Current financial year:												
- Interim dividend	30	-	-	-	-	-	-	(73,355)	(73,355)	-	-	(73,355)
Share options reversed under ESOS		-	-	(3,528)	-	-	-	-	(3,528)	-	54	(3,474)
Issuance of ordinary shares pursuant to ESOS exercised		214	-	(42)	-	-	-	-	172	-	-	172
Profit distribution paid to holders of Perpetual Sukuk Wakalah		-	-	-	-	-	-	(20,750)	(20,750)	-	-	(20,750)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	-	(42,456)	(42,456)
Disposal of a subsidiary	9(g)	-	-	-	-	-	-	-	-	-	(2,959)	(2,959)
Acquisition of shares from non-controlling interests	9(h)	-	-	-	-	-	-	3,786	3,786	-	(19,098)	(15,312)
Increase shares by non-controlling interests		-	-	-	-	-	-	-	-	-	959	959
Total transactions with owners		214	-	(3,570)	-	-	-	(248,314)	(251,670)	-	(63,500)	(315,170)
Balance as at 30 June 2025		1,698,645	(3,625)	23,686	193,263	(7,659)	13,816	3,823,178	5,741,304	498,940	3,486	6,243,730

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Group	Note	Non-distributable						Distributable	Total attributable to owners of the parent RM'000	Perpetual Sukuk Wakalah RM'000	Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Exchange translation reserve RM'000	Hedging reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000				
Balance as at 1 July 2023		1,698,323	(3,625)	16,386	392,925	53,939	19,037	3,399,144	5,576,129	498,940	85,248	6,160,317
Profit for the financial year		-	-	-	-	-	-	575,032	575,032	-	30,331	605,363
Foreign currency translations		-	-	-	3,598	-	-	-	3,598	-	1,008	4,606
Fair value loss on cash flow hedge		-	-	-	-	(9,792)	-	-	(9,792)	-	-	(9,792)
Fair value loss on other investment		-	-	-	-	-	(7,722)	-	(7,722)	-	-	(7,722)
Share of other comprehensive income of joint ventures and an associate		-	-	-	9,375	(6,905)	-	-	2,470	-	-	2,470
Total comprehensive income		-	-	-	12,973	(16,697)	(7,722)	575,032	563,586	-	31,339	594,925
Transactions with owners												
Previous financial year:												
- Final dividend		-	-	-	-	-	-	(135,422)	(135,422)	-	-	(135,422)
Current financial year:												
- Interim dividend	30	-	-	-	-	-	-	(84,639)	(84,639)	-	-	(84,639)
Share options granted under ESOS		-	-	10,895	-	-	-	-	10,895	-	66	10,961
Issuance of ordinary shares pursuant to ESOS exercised		108	-	(25)	-	-	-	-	83	-	-	83
Profit distribution paid to holders of Perpetual Sukuk Wakalah		-	-	-	-	-	-	(20,807)	(20,807)	-	-	(20,807)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	-	(50)	(50)
Acquisition of shares from non-controlling interests	9(j)	-	-	-	-	-	-	34,359	34,359	-	(52,131)	(17,772)
Total transactions with owners		108	-	10,870	-	-	-	(206,509)	(195,531)	-	(52,115)	(247,646)
Balance as at 30 June 2024		1,698,431	(3,625)	27,256	405,898	37,242	11,315	3,767,667	5,944,184	498,940	64,472	6,507,596

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Company	Note	Non-distributable			Distributable	Perpetual Sukuk Wakalah RM'000	Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Retained earnings RM'000		
Balance as at 1 July 2024		1,698,431	(3,625)	27,665	1,289,529	498,940	3,510,940
Profit for the financial year		-	-	-	96,847	-	96,847
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income		-	-	-	96,847	-	96,847
Transactions with owners							
Previous financial year:							
- Final dividend	30	-	-	-	(157,995)	-	(157,995)
Current financial year:							
- Interim dividend	30	-	-	-	(73,355)	-	(73,355)
Share options reversed under ESOS		-	-	(3,474)	-	-	(3,474)
Issuance of ordinary shares pursuant to ESOS exercised		214	-	(42)	-	-	172
Profit distribution paid to holders of Perpetual Sukuk Wakalah		-	-	-	(20,750)	-	(20,750)
Total transactions with owners		214	-	(3,516)	(252,100)	-	(255,402)
Balance as at 30 June 2025		1,698,645	(3,625)	24,149	1,134,276	498,940	3,352,385

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Company	Note	Non-distributable			Distributable	Perpetual Sukuk Wakalah RM'000	Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Retained earnings RM'000		
Balance as at 1 July 2023		1,698,323	(3,625)	16,729	1,013,718	498,940	3,224,085
Profit for the financial year		-	-	-	516,679	-	516,679
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income		-	-	-	516,679	-	516,679
Transactions with owners							
Previous financial year:							
- Final dividend		-	-	-	(135,422)	-	(135,422)
Current financial year:							
- Interim dividend	30	-	-	-	(84,639)	-	(84,639)
Share options granted under ESOS		-	-	10,961	-	-	10,961
Issuance of ordinary shares pursuant to ESOS exercised		108	-	(25)	-	-	83
Profit distribution paid to holders of Perpetual Sukuk Wakalah		-	-	-	(20,807)	-	(20,807)
Total transactions with owners		108	-	10,936	(240,868)	-	(229,824)
Balance as at 30 June 2024		1,698,431	(3,625)	27,665	1,289,529	498,940	3,510,940

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		375,865	679,116	102,679	527,623
Adjustments for:					
Amortisation of intangible assets	8	186,707	172,075	-	-
Depreciation of property, plant and equipment	5	142,636	161,580	-	-
Fair value loss on other investment		1,249	18,036	-	-
Gain on disposal of property, plant and equipment		(4,771)	(1,525)	-	-
Gain on disposal of a subsidiary	9(g)	(1,049)	-	-	-
Gain on disposal of land under development of tank terminals		(3,872)	-	-	-
Gain on lease reassessments		-	(51)	-	-
Loss/(Gain) on foreign exchange - unrealised		5,501	701	11	(1)
Loss on disposal of other investments		3,132	-	-	-
Advances to subsidiaries written off		-	-	105,472	-
Amount owing by a joint venture written off		1,368	-	-	-
Inventories written down to net realisable value	11(d)	15,025	-	-	-
Impairment on investment in subsidiaries	9	-	-	42,406	-
Impairment on investment in a joint venture	10(b)	-	22,500	-	-
Provision for credit loss on financial guarantee		23,292	-	23,292	-
Interest expense		48,400	63,736	25,516	23,734
Interest income		(42,006)	(44,833)	(39,081)	(42,929)
Property, plant and equipment written off	5	90,790	88	-	-
Share of profit of joint ventures and associates		(293,167)	(309,865)	-	-
Share options (reversed)/granted under ESOS		(3,474)	10,961	-	-
Operating profit before working capital changes		545,626	772,519	260,295	508,427
Decrease/(Increase) in inventories		21,752	(32,920)	-	-
Decrease in trade and other receivables		224,119	113,618	64	317
Decrease/(Increase) in amounts owing by joint ventures and associates		36,350	(14,292)	(1,550)	-
(Decrease)/Increase in trade and other payables		(9,564)	(107,660)	315	168
Cash generated from operations		818,283	731,265	259,124	508,912
Dividends received from joint ventures and associates		230,697	473,067	-	-
Interest received		42,006	44,833	9,664	11,709
Tax paid		(80,313)	(82,245)	(6,850)	(9,258)
Tax refunded		1,755	7,148	90	-
Net cash from operating activities		1,012,428	1,174,068	262,028	511,363

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents acquired	9(i)	-	(4,646)	-	-
Additions of:					
- interests in subsidiaries		-	-	(280,107)	(838,173)
- interests in joint ventures and associates		(118,153)	(99,397)	(392)	-
Repayments from subsidiaries		-	-	24,993	286,308
Acquisition of shares from non-controlling interests	9(h),(j)	(15,312)	(17,772)	-	-
Redemption of redeemable preference shares of:					
- subsidiaries		-	-	322,702	9,624
- joint venture and associate		-	5,556	-	-
Development of tank terminals	7(d)	(23,883)	(26,949)	-	-
Interest received		-	-	29,417	31,220
Additions in deposits pledged to licensed banks		(228)	(677)	-	-
Proceeds from disposals of:					
- property, plant and equipment		9,444	2,820	-	-
- other investments		9,768	-	-	-
- a subsidiary, net of cash and cash equivalents disposed	9(g)	(5,371)	-	-	-
- development of tank terminals		13,244	-	-	-
Purchases of:					
- intangible assets	8	(121,735)	(237,770)	-	-
- property, plant and equipment	5(c)	(222,488)	(158,982)	-	-
- other investments	12(g)	(286)	(355)	-	-
Net cash (used in)/from investing activities		(475,000)	(538,172)	96,613	(511,021)
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		(48,400)	(63,736)	(25,516)	(23,734)
Dividends paid to non-controlling interests		(42,456)	(50)	-	-
Dividends paid to ordinary shareholders of the Company		(231,350)	(220,061)	(231,350)	(220,061)
Additional shares subscription from non-controlling interest		959	-	-	-
Advances from a subsidiary		-	-	129,245	-
Proceeds from issuance of ordinary shares pursuant to ESOS exercised		172	83	172	83
Payments of lease liabilities		(7,687)	(7,315)	-	-
Drawdowns of bank loans		84,193	137,639	-	114,600
Repayments of bank loans		(152,314)	(614,395)	(53,000)	(61,600)
Profit distribution to Perpetual Sukuk holders		(20,750)	(20,807)	(20,750)	(20,807)
Net cash used in financing activities		(417,633)	(788,642)	(201,199)	(211,519)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net increase/(decrease) in cash and cash equivalents		119,795	(152,746)	157,442	(211,177)
Effect of exchange rate changes on cash and cash equivalents		(22,850)	4,226	(11)	1
Cash and cash equivalents at beginning of financial year		1,571,977	1,720,497	257,681	468,857
Cash and cash equivalents at end of financial year	18	1,668,922	1,571,977	415,112	257,681

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Bank loans					
Balance as at 1 July		1,202,555	1,662,501	53,000	-
Cash flows:					
- Drawdowns of bank loans		84,193	137,639	-	114,600
- Repayments of bank loans		(152,314)	(614,395)	(53,000)	(61,600)
Non-cash flows:					
- Financial guarantee contract		23,292	-	23,292	-
- Effect of foreign exchange		(49,257)	16,810	-	-
Balance as at 30 June	22	1,108,469	1,202,555	23,292	53,000
Lease liabilities					
Balance as at 1 July		26,129	22,241	-	-
Cash flows:					
- Repayments of lease		(8,568)	(8,717)	-	-
Non-cash flows:					
- Unwinding of interest		881	1,402	-	-
- Acquisitions of property, plant and equipment	5(c)	16,112	10,747	-	-
- Reassessments		92	243	-	-
- Disposal of a subsidiary	9(g)	(6,037)	-	-	-
- Effect of foreign exchange		(3,744)	213	-	-
Balance as at 30 June	6	24,865	26,129	-	-

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

1. CORPORATE INFORMATION

Dialog Group Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at DIALOG Tower, No. 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The consolidated financial statements for the financial year ended 30 June 2025 comprise the Company and its subsidiaries and the Group's interests in joint ventures and associates. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 25 September 2025.

2. PRINCIPAL ACTIVITIES

The Company is principally an investment holding company incorporated to manage various subsidiaries, which serve a wide spectrum of the energy sector. The principal activities of the subsidiaries, as listed in Note 9 to the financial statements, are the provision of logistic assets & services in tank terminals, upstream assets & services, engineering, procurement, construction, commissioning & fabrication, specialist products & services, plant maintenance & catalyst handling services, petrochemicals, sustainable & renewables business and digital technology & solutions.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs and Amendments to MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 38.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

4. OPERATING SEGMENTS

The Group is principally involved in providing integrated technical services to the energy sector in Malaysia and other areas of the world. Its operating segments are presented based on the geographical location of its customers. The performance of each segment is measured based on the internal management report reviewed by the chief operating decision maker.

2025	Malaysia RM'000	Thailand RM'000	Other Asia RM'000	Australia & New Zealand RM'000	Middle East RM'000	Other Countries RM'000	Total RM'000
Segment profits	292,832	43,679	13,898	4,233	16,290	4,933	375,865
Included in the measure of segment profits are:							
Revenue from external customers	1,438,135	260,154	196,572	455,295	122,982	28,468	2,501,606
Inter-segment revenue	21,562	-	979	772	-	-	23,313
Depreciation of property, plant and equipment	122,169	1,549	4,059	13,662	1,197	-	142,636
Amortisation of intangible assets	185,906	37	303	428	33	-	186,707
Interest expense	47,245	313	418	424	-	-	48,400
Interest income	35,414	1	4,338	236	2,017	-	42,006
Share of profit of joint ventures and associates	259,530	33,637	-	-	-	-	293,167
Segment assets	7,314,349	275,753	483,201	431,137	54,308	-	8,558,748
Deferred tax assets							63,306
Total assets							8,622,054
Included in the measure of segment assets are:							
Investments in joint ventures and associates	1,613,103	181,831	-	-	-	-	1,794,934
Additions to non-current assets:							
- Property, plant and equipment	205,284	396	267	16,542	(1)	-	222,488
- Development of tank terminals	23,883	-	-	-	-	-	23,883
- Joint ventures and associates	118,153	-	-	-	-	-	118,153
- Intangible assets	121,730	1	-	4	-	-	121,735
- Inventories	-	-	-	9,813	-	-	9,813
- Other investments	-	-	286	-	-	-	286
Segment liabilities	2,188,350	13,670	94,643	57,278	19,147	-	2,373,088
Deferred tax liabilities							5,236
Total liabilities							2,378,324

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

4. OPERATING SEGMENTS (CONTINUED)

2024	Malaysia RM'000	Thailand RM'000	Other Asia RM'000	Australia & New Zealand RM'000	Middle East RM'000	Other Countries RM'000	Total RM'000
Segment profits	497,223	56,678	3,483	28,199	90,526	3,007	679,116
Included in the measure of segment profits are:							
Revenue from external customers	1,735,489	257,971	293,337	452,556	395,417	17,156	3,151,926
Inter-segment revenue	24,162	-	983	644	-	-	25,789
Depreciation of property, plant and equipment	130,370	590	4,059	15,189	11,372	-	161,580
Amortisation of intangible assets	171,390	16	209	445	15	-	172,075
Interest expense	61,713	411	745	867	-	-	63,736
Interest income	37,578	1	5,678	168	1,408	-	44,833
Share of profit of joint ventures and associates	269,726	40,139	-	-	-	-	309,865
Segment assets	7,482,976	283,852	468,362	477,166	278,989	-	8,991,345
Deferred tax assets							80,216
Total assets							9,071,561
Included in the measure of segment assets are:							
Investments in joint ventures and associates	1,515,038	212,649	-	-	-	-	1,727,687
Additions to non-current assets:							
- Property, plant and equipment	143,828	57	6,454	7,466	1,177	-	158,982
- Development of tank terminals	26,949	-	-	-	-	-	26,949
- Joint ventures and associates	99,397	-	-	-	-	-	99,397
- Intangible assets	233,624	335	2,665	817	329	-	237,770
- Inventories	-	-	-	12,966	-	-	12,966
- Other investments	-	-	355	-	-	-	355
Segment liabilities	2,330,787	4,954	83,217	75,068	65,016	-	2,559,042
Deferred tax liabilities							4,923
Total liabilities							2,563,965

Inter-segment revenues are carried out at negotiated terms and conditions.

Major customers

Included in the Malaysia segment is revenue generated from a single customer amounting to RM312,093,000 (2024: RM430,531,000).

NOTES TO THE FINANCIAL STATEMENTS

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5. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.7.2024 RM'000	Additions RM'000	Reassessments RM'000	Disposal of a subsidiary (Note 9) RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Exchange differences RM'000	Reclassifications RM'000	Balance as at 30.6.2025 RM'000
Carrying amount										
Freehold land	31,764	-	-	-	-	-	-	-	-	31,764
Buildings	287,493	15,451	-	-	(3,757)	-	(7,682)	(9,240)	639	282,904
Furniture, fittings and office equipment	9,195	6,718	-	(827)	(6)	-	(4,681)	(2,314)	-	8,085
Plant, machinery and equipment	1,911,231	6,414	-	(54,907)	(258)	(88)	(107,767)	(53,720)	112,300	1,813,205
Motor vehicles	5,150	1,505	-	(612)	-	(2)	(2,104)	(1,125)	-	2,812
Renovation and electrical installation	7,341	776	-	(224)	(652)	-	(1,561)	(471)	-	5,209
Plant and equipment under construction	121,319	191,624	-	-	-	(90,700)	-	(10,302)	(122,407)	89,534
	2,373,493	222,488	-	(56,570)	(4,673)	(90,790)	(123,795)	(77,172)	(9,468)	2,233,513
Right-of-use										
Leasehold land*	397,719	-	-	-	-	-	(10,700)	(10,255)	9,468	386,232
Land	10,474	-	-	(4,413)	-	-	(292)	(1,117)	-	4,652
Buildings	6,113	1,953	92	-	-	-	(3,992)	(535)	-	3,631
Motor vehicles	3,028	3,312	-	-	-	-	(1,633)	(298)	-	4,409
Plant and machinery	3,312	10,847	-	-	-	-	(2,224)	(336)	-	11,599
	420,646	16,112	92	(4,413)	-	-	(18,841)	(12,541)	9,468	410,523
	2,794,139	238,600	92	(60,983)	(4,673)	(90,790)	(142,636)	(89,713)	-	2,644,036

Group	At 30.6.2025		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	31,764	-	31,764
Buildings	368,603	(85,699)	282,904
Furniture, fittings and office equipment	87,372	(79,287)	8,085
Plant, machinery and equipment	2,685,760	(872,555)	1,813,205
Motor vehicles	35,029	(32,217)	2,812
Renovation and electrical installation	19,095	(13,886)	5,209
Plant and equipment under construction	89,534	-	89,534
	3,317,157	(1,083,644)	2,233,513
Right-of-use			
Leasehold land*	456,838	(70,606)	386,232
Land	5,616	(964)	4,652
Buildings	7,648	(4,017)	3,631
Motor vehicles	12,159	(7,750)	4,409
Plant and machinery	14,380	(2,781)	11,599
	496,641	(86,118)	410,523
	3,813,798	(1,169,762)	2,644,036

* Leasehold land refers to right-of-use assets for which the Group has land titles.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Balance as at 1.7.2023 RM'000	Additions RM'000	Reassessments RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Exchange differences RM'000	Reclassifications RM'000	Balance as at 30.6.2024 RM'000
Carrying amount									
Freehold land	31,764	-	-	-	-	-	-	-	31,764
Buildings	295,764	3,186	-	-	-	(8,072)	(3,385)	-	287,493
Furniture, fittings and office equipment	7,960	4,120	-	(44)	(12)	(4,614)	1,785	-	9,195
Plant, machinery and equipment	1,979,769	13,189	-	(912)	(43)	(125,703)	35,521	9,410	1,911,231
Motor vehicles	7,901	762	-	(339)	-	(3,006)	(168)	-	5,150
Renovation and electrical installation	7,324	1,555	-	-	(33)	(1,886)	381	-	7,341
Plant and equipment under construction	12,117	118,476	-	-	-	-	136	(9,410)	121,319
	2,342,599	141,288	-	(1,295)	(88)	(143,281)	34,270	-	2,373,493
Right-of-use									
Leasehold land*	388,321	17,694	-	-	-	(10,399)	2,103	-	397,719
Land	11,228	-	-	-	-	(863)	109	-	10,474
Buildings	4,839	4,929	418	-	-	(4,345)	272	-	6,113
Motor vehicles	2,780	1,852	(124)	-	-	(1,685)	205	-	3,028
Plant and machinery	338	3,966	-	-	-	(1,007)	15	-	3,312
	407,506	28,441	294	-	-	(18,299)	2,704	-	420,646
	2,750,105	169,729	294	(1,295)	(88)	(161,580)	36,974	-	2,794,139

Group	At 30.6.2024		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	31,764	-	31,764
Buildings	381,376	(93,883)	287,493
Furniture, fittings and office equipment	86,792	(77,597)	9,195
Plant, machinery and equipment	2,837,199	(925,968)	1,911,231
Motor vehicles	41,483	(36,333)	5,150
Renovation and electrical installation	23,673	(16,332)	7,341
Plant and equipment under construction	121,319	-	121,319
	3,523,606	(1,150,113)	2,373,493
Right-of-use			
Leasehold land*	457,232	(59,513)	397,719
Land	18,245	(7,771)	10,474
Buildings	12,965	(6,852)	6,113
Motor vehicles	11,226	(8,198)	3,028
Plant and machinery	3,994	(682)	3,312
	503,662	(83,016)	420,646
	4,027,268	(1,233,129)	2,794,139

* Leasehold land refers to right-of-use assets for which the Group has land titles.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) All items of property, plant and equipment (excluding right-of-use assets) are initially measured at cost. After initial recognition, property, plant and equipment except for freehold land and right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment (excluding right-of-use assets) is depreciated on a straight-line basis over the assets' useful lives. The estimated useful lives applied by the Group reflects the Group's estimate of the period that the Group expects to derive future economic benefits from the use of the Group's property, plant and equipment. These are common life expectancies applied in the various business segments of the Group. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The principal depreciation periods and annual rates used are as follows:

Buildings	10 - 50 years
Furniture, fittings and office equipment	15% - 50%
Plant, machinery and equipment	2.5% - 20%
Motor vehicles	20%
Renovation and electrical installation	15% - 33%

Freehold land has unlimited useful life and is not depreciated.

Certain plant, machinery and equipment are not depreciated until such time when the assets are available for use.

Property, plant and equipment under construction represent buildings and plant and equipment under construction. Property, plant and equipment under construction are not depreciated until such time when the assets are available for use.

- (b) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of the right-of-use assets are as follows:

Leasehold land	up to 99 years
Land	3 - 25 years
Buildings	2 - 10 years
Motor vehicles	3 - 5 years
Plant and machinery	3 years

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (c) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group	
	2025 RM'000	2024 RM'000
Purchase of property, plant and equipment	238,600	169,729
Financed by lease arrangements	(16,112)	(10,747)
Cash payments on purchase of property, plant and equipment	222,488	158,982

- (d) Leasehold land is analysed as:

	Group	
	2025 RM'000	2024 RM'000
Short term (unexpired period less than 50 years)	149,256	147,537
Long term (unexpired period more than 50 years)	236,976	250,182
	386,232	397,719

NOTES TO THE FINANCIAL STATEMENTS

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6. LEASES

The Group as lessee

Right-of-use assets are presented as property, plant and equipment as disclosed in Note 5 to the financial statements.

Right-of-use assets	Balance as at 1.7.2024 RM'000	Additions RM'000	Reassess- ments RM'000	Disposal of a subsidiary (Note 9) RM'000	Depreciation charge for the financial year RM'000	Exchange differences RM'000	Reclassi- fications RM'000	Balance as at 30.6.2025 RM'000
Carrying amount								
Leasehold land	397,719	-	-	-	(10,700)	(10,255)	9,468	386,232
Land	10,474	-	-	(4,413)	(292)	(1,117)	-	4,652
Buildings	6,113	1,953	92	-	(3,992)	(535)	-	3,631
Motor vehicles	3,028	3,312	-	-	(1,633)	(298)	-	4,409
Plant and machinery	3,312	10,847	-	-	(2,224)	(336)	-	11,599
	420,646	16,112	92	(4,413)	(18,841)	(12,541)	9,468	410,523

Lease liabilities	Balance as at 1.7.2024 RM'000	Additions RM'000	Reassess- ments RM'000	Disposal of a subsidiary (Note 9) RM'000	Lease payments RM'000	Interest expense RM'000	Exchange differences RM'000	Balance as at 30.6.2025 RM'000
Carrying amount								
Land	13,433	-	-	(6,037)	(416)	190	(2,259)	4,911
Buildings	6,261	1,953	92	-	(4,198)	270	(702)	3,676
Motor vehicles	3,033	3,312	-	-	(1,623)	179	(432)	4,469
Plant and machinery	3,402	10,847	-	-	(2,331)	242	(351)	11,809
	26,129	16,112	92	(6,037)	(8,568)	881	(3,744)	24,865

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

6. LEASES (CONTINUED)

The Group as lessee (continued)

Right-of-use assets are presented as property, plant and equipment as disclosed in Note 5 to the financial statements (continued).

Right-of-use assets	Balance as at 1.7.2023 RM'000	Additions RM'000	Reassess- ments RM'000	Depreciation charge for the financial year RM'000	Exchange differences RM'000	Balance as at 30.6.2024 RM'000
Carrying amount						
Leasehold land	388,321	17,694	-	(10,399)	2,103	397,719
Land	11,228	-	-	(863)	109	10,474
Buildings	4,839	4,929	418	(4,345)	272	6,113
Motor vehicles	2,780	1,852	(124)	(1,685)	205	3,028
Plant and machinery	338	3,966	-	(1,007)	15	3,312
	407,506	28,441	294	(18,299)	2,704	420,646

Lease liabilities	Balance as at 1.7.2023 RM'000	Additions RM'000	Reassess- ments RM'000	Lease payments RM'000	Interest expense RM'000	Exchange differences RM'000	Balance as at 30.6.2024 RM'000
Carrying amount							
Land	14,068	-	-	(1,643)	864	144	13,433
Buildings	4,975	4,929	416	(4,336)	269	8	6,261
Motor vehicles	2,835	1,852	(173)	(1,663)	147	35	3,033
Plant and machinery	363	3,966	-	(1,075)	122	26	3,402
	22,241	10,747	243	(8,717)	1,402	213	26,129

	2025 RM'000	2024 RM'000
Represented by:		
Non-current liabilities	15,598	18,864
Current liabilities	9,267	7,265
Lease liabilities owing to non-financial institutions	24,865	26,129

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

6. LEASES (CONTINUED)

The Group as lessee (continued)

- (a) The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. After initial recognition, lease liabilities are measured by increasing the carrying amounts to reflect interest on the lease liabilities, reducing the carrying amounts to reflect lease payments made, and remeasuring the carrying amounts to reflect any reassessment or lease modifications.

The corresponding right-of-use assets of the lease liabilities are presented as property, plant and equipment as disclosed in Note 5 to the financial statements.

The Group recognises variable lease payments when the condition that triggers those payments occur while lease payments associated with short-term leases (leases with lease term of 12 months or less) and low-value assets (leases for which the underlying asset is RM20,000 and below) are recognised on a straight-line basis over the lease terms. The variable lease payments and lease payments associated with short-term leases and low-value assets are recognised in profit or loss as rental expenses as disclosed in Note 26 to the financial statements.

- (b) The following table sets out the carrying amounts, the weighted average incremental borrowing rates as at the end of the reporting period and the remaining maturities of the lease liabilities of the Group that are exposed to interest rate risk:

Group	Weighted average incremental borrowing rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000	Total RM'000
2025						
Lease liabilities	4.00	9,267	7,189	4,673	3,736	24,865
2024						
Lease liabilities	5.91	7,265	4,969	4,965	8,930	26,129

- (c) The table below summarises the maturity profile of the lease liabilities of the Group at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	On demand or within 1 year RM'000	1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
2025				
Lease liabilities	10,083	12,884	4,561	27,528
2024				
Lease liabilities	8,621	12,897	10,960	32,478

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

7. DEVELOPMENT OF TANK TERMINALS

	Group	
	2025 RM'000	2024 RM'000
Development of tank terminals, at cost	727,297	712,786

- (a) Included in development of tank terminals are land and site preparation costs and other expenditure directly attributable to the development of the tank terminals. Development of tank terminals are stated at cost less any accumulated impairment losses.
- (b) Development of tank terminals will be reclassified as either property, plant and equipment upon completion when it is determined for own use or investments in joint ventures when investors to the future joint ventures are identified.
- (c) During the financial year, interest expense of RM20,161,000 (2024: RM23,679,000) was capitalised at rates ranging from 4.20% to 4.59% (2024: 4.54% to 4.82%) per annum in relation to the development of tank terminals.
- (d) The movements in carrying amounts of development of tank terminals are as follows:

	Group	
	2025 RM'000	2024 RM'000
Balance as at 1 July	712,786	685,837
Additions	23,883	26,949
Disposals	(9,372)	-
Balance as at 30 June	727,297	712,786

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

8. INTANGIBLE ASSETS

Group	Balance as at 1.7.2024 RM'000	Additions RM'000	Amortisation charge for the financial year RM'000	Exchange differences RM'000	Balance as at 30.6.2025 RM'000
Carrying amount					
Goodwill	15,535	-	-	(778)	14,757
Rights and concession	52,783	-	(5,070)	-	47,713
Development of oil and gas assets	896,883	121,131	(175,137)	-	842,877
Development of prototypes	8,002	-	(1,038)	-	6,964
Computer software	15,119	604	(2,881)	(317)	12,525
License	4,646	-	(2,581)	-	2,065
	992,968	121,735	(186,707)	(1,095)	926,901

	At 30.6.2025		
	Cost RM'000	Accumulated amortisation and impairment RM'000	Carrying amount RM'000
Goodwill	22,206	(7,449)	14,757
Rights and concession	85,368	(37,655)	47,713
Development of oil and gas assets	1,831,585	(988,708)	842,877
Development of prototypes	13,457	(6,493)	6,964
Computer software	48,301	(35,776)	12,525
License	4,646	(2,581)	2,065
	2,005,563	(1,078,662)	926,901

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

8. INTANGIBLE ASSETS (CONTINUED)

Group	Balance as at 1.7.2023 RM'000	Additions RM'000	Acquisition of a subsidiary (Note 9) RM'000	Amortisation charge for the financial year RM'000	Exchange differences RM'000	Balance as at 30.6.2024 RM'000
Carrying amount						
Goodwill	15,633	-	-	-	(98)	15,535
Rights and concession	57,852	-	-	(5,069)	-	52,783
Development of oil and gas assets	826,657	233,095	-	(162,869)	-	896,883
Development of prototypes	8,455	-	-	(453)	-	8,002
Computer software	13,848	4,675	-	(3,684)	280	15,119
License	-	-	4,646	-	-	4,646
	922,445	237,770	4,646	(172,075)	182	992,968

	At 30.6.2024		
	Cost RM'000	Accumulated amortisation and impairment RM'000	Carrying amount RM'000
Goodwill	23,166	(7,631)	15,535
Rights and concession	85,368	(32,585)	52,783
Development of oil and gas assets	1,710,454	(813,571)	896,883
Development of prototypes	13,457	(5,455)	8,002
Computer software	51,242	(36,123)	15,119
License	4,646	-	4,646
	1,888,333	(895,365)	992,968

Intangible assets are initially measured at cost. After initial recognition, intangible assets, excluding goodwill are carried at cost less accumulated amortisation and any accumulated impairment losses.

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

8. INTANGIBLE ASSETS (CONTINUED)

- (a) Goodwill has been allocated to the Group's cash generating units ("CGU") identified according to relevant operating segments based on the geographical location of customers as follows:

	Group	
	2025 RM'000	2024 RM'000
Malaysia	509	509
Australia and New Zealand	14,248	15,026
	14,757	15,535

Impairment

The Group tests goodwill for impairment annually. For the purpose of impairment testing, the recoverable amount of a CGU is determined based on its value-in-use. The value-in-use is determined by discounting the pre-tax cash flows based on financial budgets prepared by the Group.

The value-in-use of other remaining goodwill is determined by discounting the pre-tax cash flows based on financial budgets prepared by the Group for the respective CGUs covering a five-year period based on the following key assumptions:

	2025 %	2024 %
Growth rates:		
Malaysia	5.0	5.0
Australia and New Zealand	5.0	8.0
Pre-tax discount rate	10.6	12.3

Management believes that there is no reasonable possible change in the key assumptions on which management has based its determination of the CGU's recoverable amount, which would cause the CGU's carrying amount to materially exceeds its recoverable amount.

Based on the annual impairment testing undertaken by the Group, no impairment losses were required for the carrying amounts of the goodwill assessed as at 30 June 2025 as their recoverable amounts were in excess of their carrying amounts.

Judgement is required in the estimation of the present value of future cash flows generated by the CGU, which involves uncertainties and are affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could affect the results of the Group's tests for impairment of goodwill.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

8. INTANGIBLE ASSETS (CONTINUED)

- (b) Rights and concession represent capitalisation of contribution fees in relation to the 20% participating interest in a Production Sharing Contract ("PSC"). The PSC relates to three mature producing fields, namely D35, D21 and J4, located in offshore Sarawak, Malaysia. The terms are designed for field re-development and enhancement of oil recovery to commercially encourage progressive incremental oil development over the full life of the PSC, which expires on 31 December 2034. Expenditure on rights and concession is amortised over the useful life of the PSC.

Rights and concession also includes the Oilfield Services Contract ("OSC") of the Bayan field located in Bintulu, Sarawak. The OSC expires on 31 December 2036 and the expenditure of the rights and concession is amortised over the useful life of the OSC.

- (c) Development of oil and gas assets represents costs incurred in re-development and enhancement of oil recovery of the above fields located in Bintulu, Sarawak under the PSC and OSC, and pre-development of Baram Junior Cluster Small Field Assets Production Sharing Contract. When production commences, the accumulated costs for the relevant fields are amortised using unit of production method, over the life of the area according to the rate of depletion of the proved developed reserves. Accumulated costs related to seismic study activities are amortised using the remaining-period method, over its estimated economic useful life which is determined to be over the PSC and OSC periods. Accumulated costs in relation to an abandoned area are written off in full to profit or loss in the year in which the decision to abandon the area is made.
- (d) Development of prototypes represents the development of centralised switching infrastructure undertaken by a subsidiary. Development of prototypes are amortised on a straight-line basis commencing from the date they are available for use. The principal amortisation periods used are five (5) to fifteen (15) years.
- (e) License relates to the license to participate in marginal offshore development projects within the oil and gas industry. License is amortised on a straight-line basis over a period of three (3) years.
- (f) Computer software is not integral to the hardware of the Group and can be separately identified. Computer software is amortised over its estimated useful life of two (2) to ten (10) years using the straight-line method.

9. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	2,857,889	2,900,484
Less: Impairment	(42,406)	-
Equity loan/Advances to subsidiaries	26,000	44,286
Equity contributions in subsidiaries in respect of ESOS	24,149	27,665
	2,865,632	2,972,435

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the Company's separate financial statements at cost less impairment losses, if any.

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

- (b) Equity loan/Advances to subsidiaries are unsecured, interest-free and settlement is neither planned nor likely to occur in the foreseeable future for the purposes of providing the subsidiaries with a long term source of additional capital.

Impairment for equity loan/advances to subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 15(h) to the financial statements.

No expected credit loss is recognised arising from equity loan/advances to subsidiaries as the amount is negligible.

- (c) Impairment assessment

In assessing its subsidiaries for impairment indicators, the Company considered the current environment and performance of the subsidiaries. The carrying amounts of investments in subsidiaries with impairment indicators amounted to RM252,403,000 as at 30 June 2025.

The recoverable amounts of these investments were determined based on the value-in-use model where judgements and estimates were made on their future results and key assumptions applied to cash flow projections. These key assumptions include forecast growth in future revenue, operating profit margins and an appropriate pre-tax discount rate.

During the financial year, the Company has provided impairment amounting to RM42,406,000 in respect of investments in certain subsidiaries due to ceased production and discontinued malid acid project as disclosed in Note 36 to the financial statements.

In the previous year financial year, management had determined that the recoverable amounts were in excess of the carrying amounts of the investments in subsidiaries, therefore no impairment loss had been recorded in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Dialog E & C Sdn. Bhd.	Malaysia	100%	100%	Provision of engineering, procurement, construction and commissioning services.
Dialog Plant Services Sdn. Bhd.	Malaysia	100%	100%	Provision of engineering, procurement, construction and commissioning services and provision of plant turnaround and specialist maintenance work.
Saga Dialog Sdn. Bhd.	Malaysia	100%	100%	Mechanical works, construction of tankage pipings and pipelines and equipment rental.
Dialog Systems Sdn. Bhd.	Malaysia	100%	100%	Marketing of specialty chemicals, catalysts and absorbents, petroleum additives, drilling base oil and specialty equipment and provision of specialist technical services.
Dialog E & I Sdn. Bhd.	Malaysia	100%	100%	Specialised electrical and instrumentation, construction, commissioning and calibration services.
Dialog Fabricators Sdn. Bhd.	Malaysia	100%	100%	Fabrication of steel structures, process skids, pressure vessels, pipe spools, platform and ladder for process plants.
Pacific Advance Composites Sdn. Bhd.	Malaysia	100%	100%	Engineering, manufacturing and installation of composite pipe system.
Dialog Petroleum Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Corporate Sdn. Bhd.	Malaysia	100%	100%	Provision of management, consultancy and administration services.
Dialog Equity Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
*Dialog Systems (Asia) Pte. Ltd.	Singapore	100%	100%	Investment holding.
Dialog Services Sdn. Bhd.	Malaysia	100%	100%	Provision of consultancy, technical support services and marketing of specialty equipment.
Dialog Energy Sdn. Bhd.	Malaysia	100%	100%	Project management and provision of upstream support services.
Infodasia Sdn. Bhd.	Malaysia	100%	100%	Provision of information technology support and services.
Dialog Properties Sdn. Bhd.	Malaysia	100%	100%	Letting out and management of properties.
Dialog Pengerang Sdn. Bhd.	Malaysia	100%	100%	Investment holding and development of tank terminal and logistic services.

NOTES TO THE FINANCIAL STATEMENTS

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9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Dialog D & P Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Upstream Services Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Equity (Two) Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Resources Sdn. Bhd.	Malaysia	100%	100%	Petroleum development, appraisal and production operations.
Pengerang Deepwater Terminals Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Dialog Terminals Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Terminals Operations Sdn. Bhd.	Malaysia	100%	100%	Provision of terminals management and operational services.
Dialog Chemicals Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Specialty Chemicals Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Dialog Tarpon Offshore Platforms Sdn. Bhd.	Malaysia	100%	100%	Provision of engineering, construction, installation and maintenance services.
[^] Dialog Equity (Three) Sdn. Bhd.	Malaysia	100%	-	Investment holding.
Subsidiary of Saga Dialog Sdn. Bhd.				
Dialog Construction Sdn. Bhd.	Malaysia	100%	100%	Construction of plant and civil engineering works.
Subsidiaries of Dialog Fabricators Sdn. Bhd.				
Dialog OTEC Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Overseas Manufacturing (Johor) Sdn. Bhd.	Malaysia	100%	100%	Fabrication and installation of tanks, pipelines and other related activities.
Subsidiary of Dialog Services Sdn. Bhd.				
⁺ Dialog Services (Sarawak) Sdn. Bhd.	Malaysia	-	100%	Provision of services, products and technology relating to the development, production and processing of petroleum and other energy sources.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Subsidiaries of Dialog Systems (Asia) Pte. Ltd.				
*Dialog Systems Pte. Ltd.	Singapore	100%	100%	Marketing of specialty chemicals and equipment and provision of technical services.
*Dialog Engineering Pte. Ltd.	Singapore	100%	100%	Investment holding and contracting of petroleum and petrochemical related works.
*Dialog Services Pte. Ltd.	Singapore	100%	100%	Inactive.
@PT. Dialog Sistemindo	Indonesia	96%	96%	Provision of marketing of specialty chemicals and equipment and technical support services.
@Dialog Systems (Thailand) Ltd.	Thailand	49%	49%	Contracting of petroleum and petrochemical related works and trading in specialty chemicals and equipment.
Dialog (Labuan) Ltd.	Malaysia	100%	100%	Investment holding.
@Dialog Services Pty. Ltd.	Australia	100%	100%	Marketing of specialty chemicals and equipment, and provision of catalyst and process material handling services.
*Dialog OTEC Pte. Ltd.	Singapore	100%	100%	Investment holding.
@Dialog Fitzroy Limited	New Zealand	100%	90%	Provision of heavy fabrication & multi-disciplined engineering.
@Dialog Property (NZ) Limited	New Zealand	100%	97%	Property development.
~Dialog Systems (Labuan) Ltd.	Malaysia	100%	100%	Inactive.
*Dialog Systems International FZE	United Arab Emirates	100%	100%	Provision of specialist products & services.
*Pan Orient Energy Corporation Pte. Ltd.	Singapore	100%	100%	Investment holding.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Subsidiaries of Dialog Engineering Pte. Ltd.				
*Dialog Plant Services Pte. Ltd.	Singapore	100%	100%	Provision of plant maintenance services and general civil and mechanical engineering works.
*OTEC Holdings Pte. Ltd.	Singapore	100%	100%	Investment holding.
Subsidiaries of Dialog (Labuan) Ltd.				
@Dialog Jubail Supply Base Co. Ltd.	Kingdom of Saudi Arabia	-	60%	Provision of logistic services of a supply base and trading of base oil.
\$Dialog Marine (Labuan) Ltd.	Malaysia	100%	100%	Dormant.
Subsidiary of Dialog OTEC Pte. Ltd.				
*Overseas Technical Engineering and Construction Pte. Ltd.	Singapore	100%	100%	Engineering, procurement, construction, fabrication and maintenance works for process plants and buildings.
Subsidiary of Dialog Plant Services Sdn. Bhd.				
Dialog Catalyst Services Sdn. Bhd.	Malaysia	100%	100%	Provision of catalyst and process material handling services.
Subsidiaries of Dialog Petroleum Sdn. Bhd.				
Oriental Valley Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Senyum Bestari Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Corak Dahlia Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Subsidiary of Dialog Services Pte. Ltd.				
&*EC-Dialog Pte. Ltd.	Singapore	100%	100%	Dormant.
Subsidiary of Dialog E & C Sdn. Bhd.				
Dialog Offshore Engineering Sdn. Bhd.	Malaysia	100%	100%	Dormant.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Subsidiary of Infodasia Sdn. Bhd.				
#DIV Services Sdn. Bhd.	Malaysia	40%	60%	Provision of payment system and services, IT systems and other IT services.
Subsidiary of DIV Services Sdn. Bhd.				
#DIV Systems Sdn. Bhd.	Malaysia	20%	39%	Providing and operating payment system and other IT services.
Subsidiaries of Dialog Pengerang Sdn. Bhd.				
Pengerang Marine Operations Sdn. Bhd.	Malaysia	100%	100%	Provision of marine operation, maintenance and other related marine services.
Sungai Rengit Industrial Estate Sdn. Bhd.	Malaysia	100%	100%	Industrial estate development.
Pengerang Terminals (Seven) Sdn. Bhd.	Malaysia	100%	100%	Provision of terminal storage facilities and handling services.
Pengerang Terminals (Eight) Sdn. Bhd.	Malaysia	100%	100%	Provision of terminal storage facilities and handling services.
Pengerang Terminals (Nine) Sdn. Bhd.	Malaysia	100%	100%	Provision of terminal storage facilities and handling services.
Subsidiary of Dialog Systems (Thailand) Ltd.				
@Dialog Technology & Services Limited	Thailand	49%	49%	Dormant.
Subsidiaries of Dialog Fitzroy Limited				
@Dialog Fitzroy Australia Pty. Ltd.	Australia	100%	90%	Provision of maintenance and multi-disciplined engineering.
@Dialog Fitzroy Tower Services Limited	New Zealand	100%	91%	Provision of power pylon painting services.
@Fineline Services Limited	New Zealand	100%	90%	Provision of plate profile cutting services.
@Dialog Offshore Services (NZ) Limited	New Zealand	100%	91%	Provision of offshore services.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Subsidiaries of Dialog Property (NZ) Limited				
@Domain Gardens Development Limited	New Zealand	100%	97%	Property development.
@Parnell Park Development Limited	New Zealand	100%	97%	Property development.
@576 GSR Development Limited	New Zealand	100%	97%	Property development.
@Dixon Apartments Limited	New Zealand	100%	97%	Property development.
Subsidiary of Dialog Upstream Services Sdn. Bhd.				
Dialog Subsurface Technology Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Subsidiary of Dialog D & P Sdn. Bhd.				
Dialog Bayan Petroleum Sdn. Bhd.	Malaysia	100%	100%	Provision of services and technology in petroleum production industry.
Subsidiaries of Dialog Equity (Two) Sdn. Bhd.				
Dialog LNG Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Pengerang LNG Sdn. Bhd.	Malaysia	100%	100%	Provision of terminal storage facilities and handling services.
Subsidiaries of Dialog Terminals Sdn. Bhd.				
Dialog Terminals Langsat (1) Sdn. Bhd.	Malaysia	100%	100%	Provision of tank terminal storage facilities and handling services.
Dialog Terminals Langsat (2) Sdn. Bhd.	Malaysia	100%	100%	Provision of tank terminal storage facilities and handling services.
Dialog Terminals Langsat (3) Sdn. Bhd.	Malaysia	100%	100%	Provision of tank terminal storage facilities and handling services.
Dialog Terminals Pengerang CTF Sdn. Bhd.	Malaysia	100%	100%	Provision of common tankage facilities.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Dialog Terminals Pengerang (5) Sdn. Bhd.	Malaysia	100%	100%	Provision of tank terminal storage facilities and handling services.
Dialog Terminals Pengerang (6) Sdn. Bhd.	Malaysia	100%	100%	Provision of terminal storage facilities and handling services.
Subsidiary of Dialog Chemicals Sdn. Bhd.				
^{&} Dialog Eseco Sdn. Bhd.	Malaysia	100%	100%	Dormant.
Subsidiary of Dialog Specialty Chemicals Sdn. Bhd.				
Dialog Malic Acid Sdn. Bhd.	Malaysia	100%	100%	Inactive.
Subsidiary of Pan Orient Energy Corporation Pte. Ltd.				
[*] Pan Orient Petroleum Pte. Ltd.	Singapore	100%	100%	Investment holding.
Subsidiary of Pan Orient Petroleum Pte. Ltd.				
[*] Kamphaeng Saen Energy Ltd	Bermuda	100%	100%	Dormant.

@ Subsidiaries audited by BDO member firms.

* Subsidiaries not audited by BDO PLT or BDO member firms.

^ Subsidiaries newly incorporated during the financial year.

+ During the financial year, the Group diluted its 51% equity interest in Dialog Services (Sarawak) Sdn. Bhd. ("DSSWK") and DSSWK has become an associate of the Group.

During the financial year, the Group diluted its effective equity interest in DIV Services Sdn. Bhd. to 40% and correspondingly, a dilution in the effective equity interest in DIV Systems Sdn. Bhd..

& Subsequent to the financial year, EC-Dialog Pte. Ltd. and Dialog Eseco Sdn. Bhd. have been struck off.

\$ Subsequent to the financial year, Dialog Marine (Labuan) Ltd. has been dissolved.

~ Subsequent to the financial year, Dialog System (Labuan) Ltd. has been placed under members' voluntary winding up.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

- (e) The Group considers that it controls Dialog Systems (Thailand) Ltd., Dialog Technology & Services Limited, DIV Services Sdn. Bhd., and DIV Systems Sdn. Bhd. even though it owns less than fifty percent (50%) of the voting rights. This is due to the Group having control over the Board and the power to govern the relevant activities of these entities.
- (f) The Group does not have any subsidiary that has non-controlling interests, which is individually material to the Group for both financial years ended 30 June 2025 and 30 June 2024.
- (g) Disposal of a subsidiary during the financial year ended 30 June 2025.

In August 2024, Dialog (Labuan) Ltd., a wholly owned indirect subsidiary, has entered into an agreement to dispose off its entire 60% equity interest in Dialog Jubail Supply Base Company Limited ("DJSB") for a sale consideration of SAR3,000,000 (equivalent to approximately RM3,559,000) and dividends of SAR44,500,000 (equivalent to approximately RM51,600,000). The disposal was completed in June 2025 and DJSB ceased to be a subsidiary of the Group.

The details of the disposal of the subsidiary were as follows:

	Note	At date of disposal RM'000
Property, plant and equipment	5	56,570
Right of use assets	6	4,413
Deferred tax assets		2,343
Receivables, deposit and prepayment		57,739
Cash and bank balances		8,930
Dividend payable		(85,975)
Payables and accruals		(25,779)
Lease liabilities	6	(6,037)
Provision for taxation		(6,735)
Total identifiable net assets disposed		5,469
Non-controlling interest		(2,959)
Net proceeds from disposal		(3,559)
Gain on disposal		(1,049)
Proceeds from disposal		3,559
Cash and cash equivalents of the subsidiary disposed		(8,930)
Net cash outflow of the Group on disposal		(5,371)

The financial results of the subsidiary disposed were insignificant to the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

- (h) Accretion of interests in subsidiaries during the financial year ended 30 June 2025.

In December 2024, the Group acquired the remaining equity interest in Dialog Fitzroy Limited and Dialog Property (NZ) Limited, for a total cash consideration of NZD5,500,000 (equivalent to approximately RM15,312,000). Pursuant to that, they are now wholly owned subsidiaries of the Group.

- (i) Acquisition of subsidiary during the financial year ended 30 June 2024.

In November 2023, the Company acquired 100% equity interest in Tarpon Platform Systems Malaysia Sdn. Bhd. and all assets of Tarpon Systems International II, LLC for a cash consideration of USD1,186,200 (equivalent to approximately RM5,530,200) and changed its name to Dialog Tarpon Offshore Platforms Sdn. Bhd..

The fair value of the identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were as follows:

	Note	At date of acquisition RM'000
License	8	4,646
Cash and bank balances		884
Total identifiable net assets acquired		5,530
Purchase consideration		5,530
Cash and cash equivalents of the subsidiary acquired		(884)
Net cash outflow of the Group on acquisition		4,646

Had the acquisition occurred on 1 July 2023, it would not have any material effect on the earnings, net assets or gearing of the Group for the financial year ended 30 June 2024.

- (j) Accretion of interests in subsidiaries during the financial year ended 30 June 2024.

(i) In December 2023, the Group acquired the remaining equity interest in Overseas Manufacturing (Johor) Sdn. Bhd., Dialog OTEC Pte. Ltd., OTEC Holdings Pte. Ltd. and Overseas Technical Engineering and Construction Pte. Ltd. for a total cash consideration of SGD5,000,000 (equivalent to approximately RM17,772,000). Pursuant to that, they are now wholly owned subsidiaries of the Group.

(ii) In December 2023, the Group acquired the remaining equity interest in Dialog Eseco Sdn. Bhd. ("Dialog Eseco"), for a total cash consideration of RM1. Pursuant to that, Dialog Eseco is now a wholly owned subsidiary of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

10. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Joint ventures				
Unquoted equity shares, at cost	801,569	799,519	-	-
Less: Impairment	(22,500)	(22,500)	-	-
	779,069	777,019	-	-
Share of post-acquisition reserves, net of the Group's unrealised profit and dividends	621,138	663,391	-	-
Exchange differences	17,072	55,687	-	-
	1,417,279	1,496,097	-	-
Associates				
Unquoted equity shares, at cost	250,291	134,188	392	-
Share of post-acquisition reserves, net of dividends	125,966	96,004	-	-
Exchange differences	1,398	1,398	-	-
	377,655	231,590	392	-
	1,794,934	1,727,687	392	-

- (a) Investments in joint ventures and associates are measured at cost less impairment, if any, in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements.

- (b) Impairment assessment

The recoverable amounts of investments with indication of impairment were determined based on the higher of fair value less cost of disposal of the underlying assets and the value-in-use of the joint ventures and associates. The value-in-use model involves judgements and estimates made on their future results and key assumptions applied to cash flow projections. These key assumptions include projected growth of future revenue, operating profit margins and an appropriate pre-tax discount rate.

In the previous financial year, the Group provided impairment of RM22,500,000 in respect of an investment in a joint venture due to declining business operations. The recoverable amount of this investment was determined based on fair value less cost of disposal using Level 3 fair value measurements. Level 3 fair value is estimated using unobservable inputs for the property, plant and equipment of the joint venture based on Directors' estimation using the comparison method. The key unobservable input related to the price per square feet derived from market evidence of similar properties within the same location.

- (c) The most recent available financial statements of the joint ventures and associates are used by the Group in applying the equity method. The Group's share of results of joint ventures and associates are based on the audited financial statements made up to 30 June 2025 except for Kertih Terminals Sdn. Bhd., Pengerang Terminals (Two) Sdn. Bhd., Morimatsu Dialog (Malaysia) Sdn. Bhd., Pan Orient Energy (Siam) Ltd., Pengerang LNG (Two) Sdn. Bhd. and PG Cold Energy 1 Sdn. Bhd. which are based on unaudited financial statements made up to 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

10. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

(d) Joint ventures

(i) The details of the joint ventures are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
*Kertih Terminals Sdn. Bhd.	Malaysia	30%	30%	Provision of bulk chemical storage and handling services.
Pengerang Terminals Sdn. Bhd.	Malaysia	51%	51%	Investment holding company and provision of management and operational services.
*Pengerang Terminals (Two) Sdn. Bhd.	Malaysia	25%	25%	Provision of terminal storage facilities for petroleum and petrochemical products.
Dialog Diyou PCR Sdn. Bhd.	Malaysia	51%	51%	Production, sale and marketing of food grade recycled polyethylene terephthalate pellets.
@Pan Orient Energy (Siam) Ltd	Bermuda/ Thailand	50.01%	50.01%	Concessionaire and operator of oilfield concession.
Subsidiary of Pengerang Terminals Sdn. Bhd.				
Pengerang Independent Terminals Sdn. Bhd.	Malaysia	46%	46%	Provision of independent petroleum terminal facilities for the handling, storage processing and distribution of oil, petroleum and petrochemical products.

@ Audited by BDO member firm.

* Not audited by BDO PLT or BDO member firms.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

10. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

(d) Joint ventures (continued)

(ii) The joint ventures, in which the Group participates, are unlisted separate structured entities whose quoted market prices are not available. The contractual arrangement stipulates unanimous consent of all parties over relevant activities of joint ventures and provides the Group with only the rights to the net assets of the joint arrangements, with the rights to the assets and obligation for liabilities of the joint arrangements resting primarily with the joint ventures. These joint arrangements have been classified as joint ventures and have been included in the consolidated financial statements using the equity method.

(iii) The summarised financial information of material joint ventures are as follows:

	Pengerang Terminals Sdn. Bhd. and its subsidiary	
	2025 RM'000	2024 RM'000
Assets		
Non-current assets	2,327,696	2,533,995
Cash and cash equivalents	243,919	249,750
Other current assets	29,765	33,997
Total assets	2,601,380	2,817,742
Liabilities		
Non-current financial liabilities (excluding trade and other payables)	753,785	907,470
Financial liabilities (excluding trade and other payables)	106,795	100,447
Other current liabilities (including trade and other payables)	65,373	34,604
Total liabilities	925,953	1,042,521
Net assets	1,675,427	1,775,221
Results		
Revenue	432,169	439,077
Depreciation of property, plant and equipment	(100,583)	(110,430)
Interest income	4,231	4,309
Interest expense	(54,693)	(68,034)
Tax expense	(1,628)	(1,231)
Profit for the financial year	197,040	187,276
Other comprehensive income	(107,729)	9,796
Total comprehensive income	89,311	197,072

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

10. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

(d) Joint ventures (continued)

- (iv) The reconciliation of net assets of material joint ventures to the carrying amounts of the investments in joint ventures are as follows:

	Pengerang Terminals Sdn. Bhd. and its subsidiary	
	2025 RM'000	2024 RM'000
Share of net assets	854,467	905,363
Adjustment for non-controlling interest, unrealised profits and others	(99,970)	(100,074)
Carrying amount	754,497	805,289
Share of results for the financial year		
Share of profit or loss	102,938	95,511
Share of other comprehensive (loss)/income	(54,942)	5,178
Share of total comprehensive income	47,996	100,689
Dividend income from joint venture	98,787	53,468

- (v) Set out below is the financial information of all individually immaterial joint ventures on an aggregate basis:

	Group	
	2025 RM'000	2024 RM'000
Carrying amounts of interests in joint ventures	662,782	690,808
Share of results for the financial year		
Share of profit or loss	125,506	154,672
Share of other comprehensive loss	(19,631)	(2,699)
Share of total comprehensive income	105,875	151,973
Dividend income from joint ventures	97,154	330,177

NOTES TO THE FINANCIAL STATEMENTS

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10. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

(e) Associates

(i) The details of the associates are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
*Pengerang LNG (Two) Sdn. Bhd.	Malaysia	25%	25%	Provision of Liquefied Natural Gas 'LNG' terminal storage, regasification of LNG into natural gas and handling services.
Morimatsu Dialog (Malaysia) Sdn. Bhd.	Malaysia	49%	49%	Provision of engineering and fabrication services for process equipment, pressure vessels and modular plant/facility solutions.
*PG Cold Energy 1 Sdn. Bhd. (formerly known as Regas Terminal (Pengerang) Sdn. Bhd.)	Malaysia	27.78%	-	Design, build, own and lease LNG air separation unit facility.
+Dialog Services (Sarawak) Sdn. Bhd.	Malaysia	49%	-	Provision of services, products and technology relating to the development, production and processing of petroleum and other energy sources.
*Dialog OTEC E and C Inc.	Philippines	40%	40%	Inactive.

* Not audited by BDO PLT or BDO member firms.

+ During the financial year, the Group diluted its 51% equity interest in Dialog Services (Sarawak) Sdn. Bhd. ("DSSWK") and DSSWK has become an associate of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

10. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

(e) Associates (continued)

(ii) The Group does not have any associate, which is individually material to the Group for both financial years ended 30 June 2025 and 30 June 2024.

(iii) Set out below is the financial information of all associates on an aggregate basis:

	Group	
	2025 RM'000	2024 RM'000
Carrying amounts of interests in associates	377,655	231,590
Share of results for the financial year		
Share of profit or loss	64,723	59,682
Share of other comprehensive loss	(5)	(9)
Share of total comprehensive income	64,718	59,673
Dividend income from associates	34,756	89,422

(iv) Acquisition of an associate during the financial year ended 30 June 2025.

During the financial year, Dialog Equity (Three) Sdn. Bhd. ("DE3SB"), a wholly owned subsidiary of the Company, entered into a Share Subscription Agreement with PG Cold Energy 1 Sdn. Bhd. (formerly known as Regas Terminal (Pengerang) Sdn. Bhd.) ("PGCE 1") to subscribe for 500 ordinary shares at a subscription price of RM500,000 and 39,163 redeemable preference shares at RM39,163,000, representing 27.78% shareholdings in PGCE 1.

NOTES TO THE FINANCIAL STATEMENTS

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11. INVENTORIES

	Group	
	2025 RM'000	2024 RM'000
Non-current assets:		
At cost		
Land held for development	143,647	284,442
At net realisable value		
Land held for development	105,729	-
	249,376	284,442
Current assets:		
At cost		
Construction materials	5,502	6,431
Trading inventories	68,198	88,280
	73,700	94,711

- (a) Land held for development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current. The carrying amount of such land classified as inventory under non-current assets is carried at the lower of cost and net realisable value.

A write down to net realisable value of RM15,025,000 was made on land held for development during the financial year.

- (b) The costs of construction materials and trading inventories are determined using the weighted average basis.
- (c) During the financial year, inventories of the Group recognised as cost of sales amounted to RM443,616,000 (2024: RM507,865,000).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

12. OTHER INVESTMENTS

	Group	
	2025 RM'000	2024 RM'000
Non-current assets:		
Financial assets at fair value through other comprehensive income		
Quoted shares outside Malaysia	27,551	31,428
Unquoted shares in Malaysia	-	4,082
Unquoted shares outside Malaysia	6,258	6,787
	33,809	42,297
Current assets:		
Financial assets at fair value through profit or loss		
Quoted shares outside Malaysia	228	6,769
	34,037	49,066

- The non-current other investments were classified as financial assets at fair value through other comprehensive income. These are strategic investments for which the Group considers this classification to be appropriate and relevant.
- The current other investments were classified as financial asset at fair value through profit or loss.
- All regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting.
- Fair value of quoted ordinary shares outside Malaysia was determined by reference to the exchange quoted market prices at the close of the business on the reporting date. The fair value of quoted ordinary shares of the Group was categorised as Level 1 in the fair value hierarchy.
- Unquoted shares of the Group are categorised as Level 3 in the fair value hierarchy. Fair value of unquoted ordinary shares of the Group are estimated based on the price to book valuation model.
- Sensitivity analysis for investments in unquoted shares is not disclosed as it is not material to the Group.
- The following table shows a reconciliation of Level 3 fair values of other investments on unquoted shares:

	Group	
	2025 RM'000	2024 RM'000
Balance as at 1 July	10,869	10,793
Addition on investments during the financial year		
- At cost	286	355
Disposal of investment during the financial year		
- At cost	(4,082)	-
Fair value adjustment	-	(160)
Exchange differences	(815)	(119)
Balance as at 30 June	6,258	10,869

- The Group is not subject to significant exposure to price risk in respect of other investments and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

13. DEFERRED TAX

Recognised deferred tax assets and liabilities

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group	
	2025 RM'000	2024 RM'000
Deferred tax assets	63,306	80,216
Deferred tax liabilities	(5,236)	(4,923)
	58,070	75,293

- (a) The amount of the deferred tax income or expense recognised in the statements of profit or loss during the financial year are as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
Balance as at 1 July		75,293	72,353
Recognised in profit or loss			
- property, plant and equipment		(8,665)	(13,205)
- amounts due from customers for contract works		-	(2,142)
- unabsorbed capital allowances		9,376	1,918
- unabsorbed tax allowances		(4,958)	10,972
- unused tax losses		(13,564)	13,040
- accrued liabilities		4,784	(4,264)
- unrealised profits		(636)	(636)
- other deductible temporary differences		(3,560)	(2,743)
	28	(17,223)	2,940
Balance as at 30 June		58,070	75,293

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

13. DEFERRED TAX (CONTINUED)

Recognised deferred tax assets and liabilities (continued)

- (b) The components of deferred tax assets and liabilities at the end of each reporting period comprise the tax effects of:

	Group	
	2025 RM'000	2024 RM'000
Deferred tax assets		
Unused tax losses	28,236	41,800
Unabsorbed capital allowances	47,211	37,835
Unabsorbed tax allowances	27,892	32,850
Unrealised profits	8,648	9,284
Accrued liabilities	14,218	9,434
Other deductible temporary differences	7,235	10,795
Deferred tax assets (before off-setting)	133,440	141,998
Offsetting	(70,134)	(61,782)
Deferred tax assets (after off-setting)	63,306	80,216
Deferred tax liabilities		
Property, plant and equipment	75,370	66,705
Deferred tax liabilities (before off-setting)	75,370	66,705
Offsetting	(70,134)	(61,782)
Deferred tax liabilities (after off-setting)	5,236	4,923

Deferred tax assets are recognised for unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profit would be available against which the unused tax losses and the unabsorbed capital allowances could be utilised. Management judgement is required to determine the amount of deferred tax assets that could be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

13. DEFERRED TAX (CONTINUED)

Recognised deferred tax assets and liabilities (continued)

- (b) The components of deferred tax assets and liabilities at the end of each reporting period comprise the tax effects of: (continued)

Unrecognised deferred tax assets

The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2025 RM'000	2024 RM'000
Unabsorbed tax allowances	1,070,007	1,102,562
Accrued liabilities	78,042	10,767
Unused tax losses		
- Expires by 30 June 2025	-	85
- Expires by 30 June 2026	457	994
- Expires by 30 June 2027 to 2035	179,585	125,575
	1,328,091	1,239,983

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of respective local tax authorities. Unused tax losses of the Company and subsidiaries incorporated in Malaysia can be carried forward up to ten (10) consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

14. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Non-current assets:		
Amounts owing by subsidiaries	737,638	838,396
Current assets:		
Amounts owing by subsidiaries	96	11,475
Current liabilities:		
Amount owing to a subsidiary	129,245	-

- (a) Amounts owing by/(to) subsidiaries are classified as financial assets/(financial liabilities) measured at amortised cost.
- (b) The non-current amounts owing by subsidiaries represent unsecured advances of RM627,656,000 (2024: RM706,560,000), which bear interest at rates ranging from 4.20% to 4.59% (2024: 4.54% to 4.78%) per annum. The advances together with the interest receivable thereon, which amounted to RM737,638,000 (2024: RM838,396,000) are not repayable within the next twelve (12) months.
- (c) Amount owing to a subsidiary represents an unsecured advance of RM128,800,000 (2024: RM nil), which bears interest rate at 4.20% per annum. The advance together with the interest payable thereon, which amounted to RM129,245,000 (2024: RM nil) are repayable on demand or within one (1) year.
- (d) The amounts owing by/(to) subsidiaries are denominated in RM.
- (e) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the amounts owing by subsidiaries of the Company that are exposed to interest rate risk:

Company	Weighted average effective interest rate per annum %	Within 1 year RM'000	More than 1 year RM'000	Total RM'000
30 June 2025				
Floating rate	4.40	-	627,656	627,656
30 June 2024				
Floating rate	4.66	11,000	706,560	717,560

- (f) Impairment for amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 15(h) to the financial statements.
- (g) No expected credit loss is recognised arising from amounts owing by subsidiaries as the amount is negligible.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

15. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade receivables					
Third parties		277,918	554,723	-	-
Less: Impairment		(559)	(2,359)	-	-
Total trade receivables		277,359	552,364	-	-
Other receivables					
Other receivables		18,624	13,205	829	848
Deposits		5,818	6,853	65	65
Total other receivables		24,442	20,058	894	913
Amounts due from customers for contract works	16	56,866	61,824	-	-
Contract cost assets		31,764	17,449	-	-
Total receivables		390,431	651,695	894	913
Hedge derivative assets		39	9,814	-	-
Prepayments		13,042	16,285	50	95
		403,512	677,794	944	1,008

- (a) Total receivables are classified as financial assets measured at amortised cost. Hedge derivative assets are classified as financial assets at fair value through profit or loss.
- (b) Trade receivables are non-interest bearing and the normal credit terms of trade receivables granted by the Group ranged from 14 to 60 days (2024: 7 to 60 days). They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) Contract cost assets comprise costs incurred to obtain or fulfil engineering, procurement, construction and commissioning ("EPCC") contracts that are incremental and expected to be recovered. Contract cost assets are subsequently recognised in profit or loss when the related performance obligations are satisfied and revenue is recognised for the corresponding contract.
- (d) The foreign currency exposure of trade and other receivables of the Group are as follows:

	Group	
	2025 RM'000	2024 RM'000
Singapore Dollar	1,223	1,698
United States Dollar	41,057	33,419

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

- (e) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements to estimate the amount of expected impairment losses. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

The probabilities of non-payments by the trade receivables are adjusted by forward-looking information i.e. Gross domestic product growth rate (2024: Non-Performing Loan ratio), and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss ("ECL") for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss. On confirmation that the trade receivables would not be collectable, the gross carrying values of the assets would be written off against the associated impairment.

It requires management to exercise judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Movements in the impairment for trade receivables are as follows:

	Group	
	Credit impaired	
	2025 RM'000	2024 RM'000
Balance as at 1 July	2,359	3,165
Bad debt written off	-	(825)
Disposal of a subsidiary	(1,800)	-
Exchange differences	-	19
Balance as at 30 June	559	2,359

Credit impaired allowance refer to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

- (f) The ageing analysis of trade receivables of the Group are as follows:

Group	Gross carrying amount RM'000	Impaired RM'000	Total 30 June RM'000
2025			
Current	231,919	-	231,919
Past due			
1 to 30 days	29,451	-	29,451
31 to 60 days	10,042	-	10,042
More than 61 days	6,506	(559)	5,947
	45,999	(559)	45,440
	277,918	(559)	277,359

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

- (f) The ageing analysis of trade receivables of the Group are as follows: (continued)

Group	Gross carrying amount RM'000	Impaired RM'000	Total 30 June RM'000
2024			
Current	497,947	-	497,947
Past due			
1 to 30 days	36,264	-	36,264
31 to 60 days	5,076	-	5,076
More than 61 days	15,436	(2,359)	13,077
	56,776	(2,359)	54,417
	554,723	(2,359)	552,364

- (g) Included in trade receivables is total retention sum for contract works amounting to RM5,561,000 (2024: RM5,920,000).
- (h) Impairment of other receivables, amounts owing by subsidiaries and amounts owing by joint ventures and associates are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit loss along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit loss along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit loss along with interest income on a net basis are recognised.

The Group defined significant increase in credit risk based on operating performance of the other receivables, changes to contractual terms, payment delays and past due information. A significant increase in credit risk is presumed if contractual payments are more than 90 days.

The probabilities of non-payments by other receivables, amounts owing by subsidiaries and amounts owing by joint ventures and associates are adjusted by forward-looking information i.e. Unemployment rate (2024: Non-Performing Loan ratio) and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the other receivables, amounts owing by subsidiaries and amounts owing by joint ventures and associates.

It requires management to exercise judgement in determining the probability of default by other receivables, amounts owing by subsidiaries and amounts owing by joint ventures and associates, appropriate forward-looking information and significant increase in credit risk.

- (i) No expected credit loss is recognised arising from other receivables as the amount is negligible.
- (j) The fair value of hedge derivative assets of the Group represents forward foreign exchange contracts, which are categorised as Level 2 in the fair value hierarchy. There was no transfer between levels in the hierarchy during the financial year.
- (k) The fair value of a forward foreign exchange contract is the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between the contracted rate and the forward exchange rate as at the end of each reporting period applied to a contract of similar amount and maturity profile.

NOTES TO THE FINANCIAL STATEMENTS

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16. AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS

	Note	Group	
		2025 RM'000	2024 RM'000
Amounts due from customers for contract works	15	56,866	61,824
Amounts due to customers for contract works	23	(10,609)	(20,538)
		46,257	41,286

- (a) Amounts due from/(to) customers for contract works represent the timing differences in revenue recognition and progress billings as at the end of the reporting period.

Amounts due from customers for contract works are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Amounts due to customers for contract works are recognised as revenue when performance obligations are satisfied.

- (b) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period are within two (2) years.
- (c) Impairment for amounts due from customers from contract works that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 15(e) to the financial statements.
- (d) No expected credit loss is recognised arising from amounts due from customers for contract works as the amount is negligible.

17. AMOUNTS OWING BY JOINT VENTURES AND ASSOCIATES

- (a) Amounts owing by joint ventures and associates are classified as financial assets measured at amortised cost.
- (b) The amounts owing by joint ventures and associates represent normal trade transactions and payments made on behalf, which were interest-free, unsecured and repayable within the normal credit term or the next twelve (12) months in cash and cash equivalents.
- (c) The foreign currency exposure of amounts owing by joint ventures and associates of the Group is as follows:

	Group	
	2025 RM'000	2024 RM'000
United States Dollar	113	61

- (d) Impairment for amounts owing by joint ventures and associates are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 15(h) to the financial statements.
- (e) No expected credit loss is recognised arising from amounts owing by joint ventures and associates as the amount is negligible.

NOTES TO THE FINANCIAL STATEMENTS

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18. CASH AND BANK BALANCES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	777,389	915,766	57,619	83,293
Deposits with licensed banks (not more than three months)	290,510	217,987	193,332	159,845
Short term deposit funds	602,019	439,004	164,161	14,543
As reported in the statements of financial position	1,669,918	1,572,757	415,112	257,681
Less:				
Bank balances and deposits pledged to licensed banks	(996)	(780)	-	-
Cash and cash equivalents included in the statements of cash flows	1,668,922	1,571,977	415,112	257,681

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) Deposits with licensed banks of the Group and of the Company have an average maturity period of 30 to 90 days (2024: 30 to 90 days).
- (c) Short term deposit funds are classified as financial assets at fair value through profit or loss are categorised as Level 1 in the fair value hierarchy. Fair value of short term deposit funds are determined by reference to the quoted prices at the close of business at the end of each reporting period.

There is no transfer between levels in the fair value hierarchy during the financial year.

- (d) The foreign currency exposure of cash and bank balances are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Australian Dollar	2,592	4,642	-	-
Euro	118	124	-	-
Indonesian Rupiah	2,666	4,292	-	-
Japanese Yen	1,019	8,089	-	-
New Zealand Dollar	572	1,347	-	-
Pound Sterling	1,285	376	-	-
Singapore Dollar	950	2,856	-	-
United Arab Emirates Dirham	1,170	1,399	-	-
United States Dollar	19,518	74,423	111	95

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

18. CASH AND BANK BALANCES (CONTINUED)

- (e) The bank balances and deposits pledged to licensed banks are for bank guarantees and term loan granted to a subsidiary as disclosed in Note 22(j) to the financial statements.
- (f) The weighted average effective interest rate of deposits with licensed banks of the Group and of the Company as at the end of each reporting period are as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Fixed rates	2.88	3.49	3.44	3.29

- (g) No expected credit loss is recognised arising from the cash and bank balances and deposits with financial institutions because the probability of default by these financial institutions are negligible.

19. SHARE CAPITAL

	Group and Company			
	2025		2024	
	Number of shares ('000)	RM'000	Number of shares ('000)	RM'000
Issued and fully paid				
Balance as at 1 July	5,645,948	1,698,431	5,645,913	1,698,323
Issuance of ordinary shares pursuant to ESOS exercised	72	214	35	108
Share issue expenses	-	_*	-	_*
Balance as at 30 June	5,646,020	1,698,645	5,645,948	1,698,431

* Amount is immaterial.

- (a) During the financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 5,645,947,782 to 5,646,019,682 by way of issuance of 71,900 new ordinary shares pursuant to the options exercised under the Employees' Share Option Scheme ("ESOS") at exercise price of RM2.39 per ordinary share for cash.
- (b) In the previous financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 5,645,913,082 to 5,645,947,782 by way of issuance of 34,700 new ordinary shares pursuant to the options exercised under the Employees' Share Option Scheme ("ESOS") at exercise prices of RM2.39 per ordinary share for cash.
- (c) Of the total 5,646,019,682 (2024: 5,645,947,782) issued and fully paid ordinary shares as at 30 June 2025, 3,335,032 (2024: 3,335,032) ordinary shares purchased for RM3,624,613 (2024: RM3,624,613) are held as treasury shares by the Company. The number of outstanding ordinary shares in issue after deducting the treasury shares is 5,642,684,650 (2024: 5,642,612,750).
- (d) The ordinary shareholders of the Company are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

20. RESERVES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-distributable:				
Share options reserve	23,686	27,256	24,149	27,665
Exchange translation reserve	193,263	405,898	-	-
Hedging reserve	(7,659)	37,242	-	-
Fair value reserve	13,816	11,315	-	-
	223,106	481,711	24,149	27,665
Distributable:				
Retained earnings	3,823,178	3,767,667	1,134,276	1,289,529
	4,046,284	4,249,378	1,158,425	1,317,194

(a) Share options reserve

The share options reserve represents the effect of equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees for the issue of share options. When options are exercised, the amount from the share options reserve is transferred to share capital. When the share options expire, the amount from the share options reserve is transferred to retained earnings.

(b) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

(d) Fair value reserve

The fair value reserve relates to the fair valuation of financial assets categorised as financial assets at fair value through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

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21. SUKUK PROGRAMME

	Note	Group and Company	
		2025 RM'000	2024 RM'000
Equity attributable to owners of the parent:			
Perpetual Sukuk Wakalah Issuance at nominal value	21(b)	498,940	498,940
Non-current liabilities:			
Senior Sukuk Wakalah	21(c)	500,000	500,000

- (a) In September 2020, the Company obtained approval for an Islamic notes issuance programme of up to an aggregate amount of RM3,000,000,000 in nominal value based on the Shariah principle of Sukuk Programme with the Securities Commission Malaysia. The Sukuk Programme, which has a perpetual programme tenure, provides the Company the flexibility to issue, from time to time, senior Islamic medium term notes ("Senior Sukuk Wakalah") and/or subordinated perpetual Islamic notes ("Perpetual Sukuk Wakalah") subject to the aggregate outstanding nominal amount not exceeding RM3,000,000,000 at any point in time.

The sums raised from the Sukuk Programme, which are moneys borrowed from the subscribers are used for the following Shariah-compliant purpose:

- (i) To finance investments, acquisition, capital expenditure, working capital requirements, repayment of intercompany borrowings; and/or
 - (ii) For general corporate purposes of the Company and/or its subsidiaries, associates and/or joint venture companies; and/or
 - (iii) To refinance existing financing/debt obligations.
- (b) The Perpetual Sukuk Wakalah was issued in November 2020 and is a financial instrument which has the following features:
- (i) A perpetual non-callable 7 years at profit rates of 4.15% per annum, payable semi-annually and are redeemable at the option of the Company subject to the terms of the Perpetual Sukuk Wakalah;
 - (ii) Direct, unsecured and subordinated obligations of the Company and shall rank pari passu without any preference amongst themselves and the Perpetual Sukuk Wakalah will be issued with a perpetual tenure that does not have a fixed maturity date; and
 - (iii) The Perpetual Sukuk Wakalah is rated and issued under the Shariah principle of Wakalah Bi Al-Istithmar and shall be transferable and tradable.

In compliance with Paragraph 16 of MFRS 132 *Financial instruments: Presentation*, the Perpetual Sukuk Wakalah is classified as equity. The classification of the Perpetual Sukuk Wakalah as equity is for accounting purposes and this does not alter its substance, nature and characteristic as a borrowing. Hence, the distribution paid under the Perpetual Sukuk Wakalah is for all intent and purposes akin to interest and would be treated as such for the purposes of income tax pursuant to Section 2(7) of the Income Tax Act 1967, despite the fact that it is recognised in equity in the period in which they are paid in this financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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21. SUKUK PROGRAMME (CONTINUED)

- (c) The Senior Sukuk Wakalah was issued in January 2022 with tenure of 10 years with a periodic distribution rate 4.53% per annum and payable semi-annually.

The table below summarises the maturity profile of the Senior Sukuk Wakalah of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations as follows:

Group and Company	On demand or within 1 year RM'000	1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
30 June 2025				
Senior Sukuk Wakalah	22,650	90,600	535,744	648,994
30 June 2024				
Senior Sukuk Wakalah	22,650	90,600	558,394	671,644

- (d) The Perpetual Sukuk Wakalah and Senior Sukuk Wakalah are fixed rates instruments. Sensitivity analysis for both at the end of the reporting period are not presented as they are not affected by changes in interest rates.

22. BORROWINGS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Secured</u>				
Term loans				
- non-current	356,118	1,004,222	-	-
- current	675,536	88,018	-	-
	1,031,654	1,092,240	-	-
<u>Unsecured</u>				
Term loans				
- non-current	-	37,588	-	-
- current	37,588	12,714	-	-
Revolving credits				
- non-current	5,000	33,000	-	33,000
- current	10,935	27,013	-	20,000
Financial guarantee contract				
- current	23,292	-	23,292	-
	76,815	110,315	23,292	53,000
	1,108,469	1,202,555	23,292	53,000
Represented by:				
- non-current	361,118	1,074,810	-	33,000
- current	747,351	127,745	23,292	20,000
	1,108,469	1,202,555	23,292	53,000

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

22. BORROWINGS (CONTINUED)

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Term loan agreements entered into by the Group and the Company include repayment on demand clauses at the discretion of financial institutions. The Group believes that in the absence of a default being committed by the Group, these financial institutions are not entitled to exercise their right to demand for repayment. Accordingly, the carrying amount of the term loans have been classified between current and non-current liabilities based on their repayment period.
- (c) Financial guarantee contract is initially measured at fair value. Subsequently, it is measured at higher of the amount of the loss allowance and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.
- (d) The Group and the Company recognise a credit loss on financial guarantee contract provided to a joint venture, arising from a significant increase in the credit risk of the joint venture, as indicated by a substantial deterioration in its financial position. A financial guarantee is considered credit-impaired when the joint venture is assessed to be unlikely to meet its credit obligations to the bank in full, or where it has been consistently loss-making and is in a shareholders' deficit position.
- (e) The borrowings of the Group and of the Company are denominated in the following currencies:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
New Zealand Dollar	4,591	6,548	-	-
Pound Sterling	-	1,666	-	-
Ringgit Malaysia	293,422	269,301	23,292	53,000
Singapore Dollar	799,521	919,692	-	-
United States Dollar	10,935	5,348	-	-
	1,108,469	1,202,555	23,292	53,000

- (f) The fair values of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Group and the Company for similar financial instruments. It is assumed that the effective interest rates approximate the current market interest rates available to the Group and the Company based on its size and its business risk. The fair value of the borrowings of the Group and of the Company are categorised as Level 2 in the fair value hierarchy. There was no transfer between levels in the hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

22. BORROWINGS (CONTINUED)

(g) The Group has the following outstanding interest rate swap contracts:

	Contract/Notional value		Net fair value (losses)/gains
	FC'000	RM'000	RM'000
2025			
Interest rate swap contracts			
With maturity less than 1 year:			
Singapore Dollar	131,000	432,300	(1,553)
2024			
Interest rate swap contracts			
With maturity more than 2 years:			
Singapore Dollar	153,000	532,440	9,677

(h) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the borrowings of the Group and of the Company that are exposed to interest rate risk:

Group	Weighted average effective interest rate per annum %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000	Total RM'000
30 June 2025						
Bank loans						
Fixed rates	4.54	1,315	3,276	-	-	4,591
Floating rates	4.14	746,036	21,000	150,200	186,642	1,103,878
30 June 2024						
Bank loans						
Fixed rates	4.54	1,458	1,458	3,632	-	6,548
Floating rates	4.48	126,287	923,720	38,000	108,000	1,196,007

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

22. BORROWINGS (CONTINUED)

- (h) The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of each reporting period and the remaining maturities of the borrowings of the Group and of the Company that are exposed to interest rate risk: (continued)

Company	Weighted average effective interest rate per annum %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000	Total RM'000
30 June 2025						
Financial guarantee contract						
Floating rate	5.22	23,292	-	-	-	23,292
30 June 2024						
Bank loans						
Floating rates	4.19	20,000	33,000	-	-	53,000

- (i) The table below summarises the maturity profile of the borrowings of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations as follows:

Group	On demand or within 1 year RM'000	1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
30 June 2025				
Bank loans	768,805	226,537	194,716	1,190,058
Financial guarantee contract	23,292	-	-	23,292
30 June 2024				
Bank loans	181,949	1,033,954	112,936	1,328,839

Company	On demand or within 1 year RM'000	1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
30 June 2025				
Financial guarantee contract	23,292	-	-	23,292
30 June 2024				
Bank loans	22,223	34,405	-	56,628

- (j) Certain term loans of the Group are secured by assignments of contract proceeds of the subsidiaries and bank balances pledged to licensed banks as disclosed in Note 18(e) to the financial statements.
- (k) Included in the borrowings of the Group is RM820,354,000 (2024: RM868,287,000) obtained under Islamic financing facility.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

23. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables					
Third parties		551,181	564,261	-	-
Amounts due to customers for contract works	16	10,609	20,538	-	-
Total trade payables		561,790	584,799	-	-
Other payables					
Other payables		5,935	5,356	-	-
Accruals		151,293	172,706	13,503	13,188
Total other payables		157,228	178,062	13,503	13,188
Total payables		719,018	762,861	13,503	13,188
Hedge derivative liabilities		1,814	421	-	-
		720,832	763,282	13,503	13,188

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost except for hedge derivative liabilities, which are classified as financial liabilities at fair value through profit or loss.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 to 90 days (2024: 30 to 90 days).
- (c) The foreign currency exposure of trade and other payables of the Group are as follows:

	Group	
	2025 RM'000	2024 RM'000
Japanese Yen	45	284
New Zealand Dollar	62	-
Singapore Dollar	2,913	2,776
United Arab Emirates Dirham	1,005	923
United States Dollar	1,932	427

- (d) The fair value of hedge derivative liabilities of the Group represents the forward foreign exchange contracts and interest rate swap contracts, which are categorised as Level 2 in the fair value hierarchy. There was no transfer between levels in the hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

23. TRADE AND OTHER PAYABLES (CONTINUED)

- (e) The fair value of a forward foreign exchange contract is the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between the contracted rate and the forward exchange rate as at the end of each reporting period applied to a contract of similar amount and maturity profile.

The fair value of an interest rate swap contract is the amount that would be payable or receivable upon termination of the position at the end of each reporting period, and is calculated as the difference between the present value of the estimated future cash flows at the contracted rate compared to that calculated at the spot rate as at the end of each reporting period.

- (f) The maturity profile of trade and other payables of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is payable on demand or within one (1) year.

24. CAPITAL COMMITMENTS

	Group	
	2025 RM'000	2024 RM'000
(i) Capital expenditure in respect of purchase of property, plant and equipment:		
Approved but not contracted for	151,400	262,400
Contracted but not provided for	14,100	21,600
	165,500	284,000
(ii) Commitments in respect of upstream business	1,030,000	47,000

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

25. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers:				
- Contract revenue	1,059,885	1,285,057	-	-
- Sale of products and services rendered	1,441,721	1,866,869	-	-
Other revenue:				
- Dividend income from subsidiaries	-	-	252,888	511,945
	2,501,606	3,151,926	252,888	511,945
Timing of revenue recognition:				
- Transferred over time	1,059,885	1,436,390	-	-
- Transferred at a point in time	1,441,721	1,715,536	-	-
	2,501,606	3,151,926	-	-

(a) Engineering and construction activities

Revenue from engineering and construction activities is recognised over the period of the contract using input method, which by reference to the construction costs incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of that performance obligation if control of the assets transfers over time.

(b) Services rendered

Revenue in respect of the rendering of services is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligations over time.

Revenue from services rendered in the provision of tank terminal facilities for the oil, gas and petrochemical industry is recognised at a point in time in the profit or loss upon performance services.

(c) Sale of products

Revenue from sale of products is recognised at a point in time when the products have been transferred to the customers and coincide with the delivery of products and services and acceptance by customers.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

26. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the notes to the financial statements, the profit before tax is arrived at:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
After charging:				
Auditors' remuneration:				
- Statutory audit:				
- current year	1,489	1,736	75	72
- under provision in prior years	95	70	3	4
- Non-statutory audit	4	16	4	4
Contract expenditure	1,123,718	1,314,312	-	-
Interest expense on:				
- bank loans	24,868	39,620	179	1,022
- bank overdraft	1	2	-	-
- lease liabilities	881	1,402	-	-
- advances from a subsidiary	-	-	2,687	-
Profit distribution to Senior Sukuk Wakalah holders	22,650	22,712	22,650	22,712
Amount owing by a joint venture written off	1,368	-	-	-
Advances to subsidiaries written off	-	-	105,472	-
Property, plant and equipment written off	90,790	88	-	-
Rental expense of:				
- low-value items	758	576	-	-
- short-term leases	2,551	5,361	-	-
Impairment on investment in subsidiaries	-	-	42,406	-
Impairment on investment in a joint venture	-	22,500	-	-
Provision for credit loss on financial guarantee	23,292	-	23,292	-
Inventories written down to net realisable value	15,025	-	-	-
Fair value loss on other investment	1,249	18,036	-	-
Loss on disposal of other investment	3,132	-	-	-
And crediting:				
Gain on disposal of land under development of tank terminals	3,872	-	-	-
Gain on disposal of property, plant and equipment	4,771	1,525	-	-
Interest income from:				
- deposits and placements with licensed financial institutions	42,006	44,833	9,664	11,709
- advances to subsidiaries	-	-	29,417	31,220
Rental income	5,059	4,694	-	-

(a) Interest income is recognised as it accrues, using the effective interest method.

(b) Rental income is recognised on a straight-line basis over the lease term of an ongoing lease.

NOTES TO THE FINANCIAL STATEMENTS

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27. DIRECTORS' REMUNERATION

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company:				
Executive:				
Emoluments other than fees	8,916	13,207	-	-
Non-Executive:				
Fees	993	984	993	984
Other emoluments	750	601	618	469
	10,659	14,792	1,611	1,453

The estimated monetary value of benefits-in-kind provided to the Executive Directors of the Company is RM158,000 (2024: RM108,000).

28. TAX EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	37,742	43,693	7,386	9,700
Foreign income tax	15,347	24,921	-	-
	53,089	68,614	7,386	9,700
(Over)/Under provision in prior years	(4,153)	8,079	(1,554)	1,244
	48,936	76,693	5,832	10,944
Deferred tax (Note 13)				
Relating to origination and reversal of temporary differences	15,886	(5,693)	-	-
Under provision in prior years	1,337	2,753	-	-
	17,223	(2,940)	-	-
Tax expense for the financial year	66,159	73,753	5,832	10,944
Share of tax of joint ventures and associates	79,029	71,594	-	-
Total tax expense including joint ventures and associates	145,188	145,347	5,832	10,944

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profit for the fiscal year. Malaysian income from petroleum operation is calculated at the Malaysian petroleum income tax rate of 38% (2024: 38%).
- (b) Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

28. TAX EXPENSE (CONTINUED)

- (c) The numerical reconciliation between the average effective tax rate and the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the financial year	309,706	605,363	96,847	516,679
Add: Total tax expense including joint ventures and associates	145,188	145,347	5,832	10,944
Profit before tax	454,894	750,710	102,679	527,623

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Applicable tax rate	24.0	24.0	24.0	24.0
Tax effects in respect of:				
Non allowable expenses	6.4	4.2	43.0	1.3
Tax exempt income	(2.4)	(8.1)	(59.8)	(23.4)
Deferred tax assets not recognised	4.6	-	-	-
Effect of different tax rates between corporate and petroleum income tax	2.2	1.1	-	-
Effect of different effective tax rate of the joint ventures and associates	(2.3)	(2.7)	-	-
Lower tax rates in foreign jurisdiction	-*	(0.6)	-	-
(Over)/Under provision in prior years:	32.5	17.9	7.2	1.9
- current tax	(0.9)	1.1	(1.5)	0.2
- deferred tax	0.3	0.4	-	-
Average effective tax rate	31.9	19.4	5.7	2.1

* Amount is less than 0.1%.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

28. TAX EXPENSE (CONTINUED)

(d) Tax on each component of other comprehensive income are as follows:

Items that may be reclassified subsequently to profit or loss	Group		
	Before tax RM'000	Tax effect RM'000	After tax RM'000
2025			
Foreign currency translations	(174,975)	-	(174,975)
Fair value loss on cash flow hedge	(11,350)	-	(11,350)
Share of other comprehensive loss of joint ventures and an associate	(74,578)	-	(74,578)
	(260,903)	-	(260,903)
2024			
Foreign currency translations	4,606	-	4,606
Fair value loss on cash flow hedge	(9,792)	-	(9,792)
Share of other comprehensive income of joint ventures and an associate	2,470	-	2,470
	(2,716)	-	(2,716)

Item that may not be reclassified subsequently to profit or loss	Group		
	Before tax RM'000	Tax effect RM'000	After tax RM'000
2025			
Fair value gain on other investment	2,501	-	2,501
2024			
Fair value loss on other investment	(7,722)	-	(7,722)

NOTES TO THE FINANCIAL STATEMENTS

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29. EARNINGS PER ORDINARY SHARE

(a) Basic

The basic and diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year after deducting treasury shares.

	Group	
	2025	2024
Profit for the financial year attributable to ordinary equity holders of the parent (RM'000)	303,825	575,032
Weighted average number of ordinary shares in issue ('000)	5,642,675	5,642,580
Basic earnings per ordinary share (sen)	5.38	10.19

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year end attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year end adjusted for the effects of dilutive potential ordinary shares. The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that ESOS is exercised at the beginning of the financial year. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between average share price for the financial year and exercise price.

	Group	
	2025	2024
Profit for the financial year attributable to ordinary equity holders of the parent (RM'000)	303,825	575,032
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	5,642,675	5,642,580
Diluted earnings per ordinary share (sen)	5.38	10.19

NOTES TO THE FINANCIAL STATEMENTS

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30. DIVIDENDS

	Group and Company			
	2025		2024	
	Dividend per share sen	Amount of dividend RM'000	Dividend per share sen	Amount of dividend RM'000
Interim cash dividend paid	1.30	73,355	1.50	84,639
Final cash dividend proposed/paid	1.80*	102,000	2.80	157,995
	3.10	175,355	4.30	242,634

The dividend per share is based on ordinary shares.

* The Directors recommended a final cash dividend of 1.80 sen per ordinary share, amounting to approximately RM102,000,000 in respect of the financial year ended 30 June 2025, subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company. The financial statements for the financial year ended 30 June 2025 do not reflect this proposed final cash dividend. The proposed final cash dividend, if approved by the shareholders, shall be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2026.

31. EMPLOYEE BENEFITS

	Group	
	2025 RM'000	2024 RM'000
Salaries, wages, bonuses and allowances	304,835	362,539
Directors' remuneration:		
- emoluments other than fees	24,477	26,857
Defined contribution plans	25,336	28,888
Share options (reversed)/granted under ESOS:		
- Directors	-	1,200
- Other employees	(3,474)	9,761
Other employee benefits	18,781	17,441
	369,955	446,686

NOTES TO THE FINANCIAL STATEMENTS

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32. EMPLOYEES' SHARE OPTION SCHEME

The ESOS was approved by the shareholders at the Annual General Meeting held on 14 November 2018 and came into effect on 3 December 2018. The ESOS shall be in force for a period of ten (10) years until 2 December 2028 ("the option period").

The main features of the ESOS are as follows:

- (a) The ESOS is made available to eligible employees and full-time Executive Directors who are confirmed employees of the Company and its subsidiaries as defined in the Companies Act 2016 in Malaysia, as amended from time to time, and any re-enactment thereof;
- (b) The total number of shares offered under the ESOS shall not, in aggregate, exceed 10% of the issued ordinary shares of the Company (excluding treasury shares, if any) at any time during the existence of the ESOS;
- (c) The option price under the ESOS shall be the five-day weighted average market price of the shares as quoted on the Main Market of Bursa Malaysia Securities Berhad at the time the option is granted with a discount of not more than 10% if deemed appropriate;
- (d) The maximum number of shares, which may be offered to any eligible employee shall be at the discretion of the ESOS Committee after taking into consideration, amongst others, the eligible employee's position, performance and length of service in the Company and its subsidiaries respectively, or such other matters that the ESOS Committee may in its discretion deem fit, subject to the following:
 - (i) not more than 50% of the shares available under the ESOS shall be allocated in aggregate to Executive Directors and senior management of the Company and its subsidiaries; and
 - (ii) not more than 10% of the shares available under the ESOS shall be allocated to any individual Executive Director or eligible employee who, either singly or collectively through persons connected with that Executive Director or eligible employee, holds 20% or more of the issued ordinary shares of the Company (excluding treasury shares, if any).
- (e) An option granted under the ESOS may be exercised by the grantee upon achieving the vesting conditions set by the ESOS Committee; and
- (f) The shares shall on issue and allotment rank pari passu in all respects with the then existing issued shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

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32. EMPLOYEES' SHARE OPTION SCHEME (CONTINUED)

The details of the options over ordinary shares of the Company was as follows:

Option price	Number of options over ordinary shares					
	Balance as at 1.7.2024	Granted	Retracted*	Exercised	Balance as at 30.6.2025	Exercisable as at 30.6.2025
RM2.69	23,653,461	-	(1,537,896)	-	22,115,565	21,827,845
RM2.93	36,330,940	-	(2,214,200)	-	34,116,740	27,079,192
RM2.39	20,258,500	-	(1,770,440)	(71,900)	18,416,160	7,896,736
	80,242,901	-	(5,522,536)	(71,900)	74,648,465	56,803,773

* Due to resignation

The fair value of share options was estimated by the Group using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share option measured at grant date and the assumptions used are as follows:

Average share price at grant date (RM)	2.84 - 3.31
Exercise price (RM)	2.39 - 2.93
Fair value of share options (RM)	0.52 - 0.59
Risk free rate of interest (%)	3.40 - 4.10
Expected dividend yield (%)	1.17 - 1.35
Expected volatility (%)	23.65 - 27.57

33. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 9 to the financial statements;
- (ii) Joint ventures and associates as disclosed in Note 10 to the financial statements;
- (iii) Key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group; and
- (iv) DIV Services Sdn. Bhd., whereby a Director cum substantial shareholder of the Company who has substantial interests in DIV Services Sdn. Bhd..

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

33. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Significant related party transactions

The Group and the Company had the following transactions with related parties during the financial year:

	2025 RM'000	2024 RM'000
Group		
Transactions with joint ventures and associates:		
Dividend income	230,697	473,067
Sub-contract works received	180,569	79,499
Company		
Transactions with subsidiaries:		
Dividend income	252,888	511,945
Interest income on advances	29,417	31,220

The related party transactions described above were carried out on agreed contractual terms and conditions and in the ordinary course of business between the related parties of the Group and the Company.

(c) Compensation of key management personnel

The key management personnel comprises the Executive Directors of the Group and their remuneration during the financial year are disclosed in Note 31 to the financial statements.

Executive Directors of the Group have been granted the following number of options under the ESOS:

	Group	
	2025 Number (‘000)	2024 Number (‘000)
Balance as at 1 July	12,536	12,536
Appointed	1,818	-
Resigned	(639)	-
Balance as at 30 June	13,715	12,536

The terms and conditions of the ESOS are detailed in Note 32 to the financial statements.

(d) Material contracts

There were no material contracts, which have been entered into by the Company or its subsidiaries which involved Directors' and major shareholders' interests subsisting at the end of the financial year ended 30 June 2025 or entered into since the end of the previous financial year except as disclosed elsewhere in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

34. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the Group's capital management is to maintain a strong capital base, good credit rating and healthy capital ratios to support its businesses and maximise its shareholders' value.

To manage the capital structure, the Group uses various methods including issuance of new shares, share buyback, distribution of cash and share dividend payments to shareholders and financing. The Group's dividend policy is to make a dividend payout ratio of at least 40% of profit attributable to owners of the parent for each financial year.

No changes were made in the objectives, policies or processes during the financial years ended 30 June 2025 and 30 June 2024.

The Group monitors capital utilisation on the basis of net debt-to-equity ratio, which is net debt divided by total capital. The Group includes within net debt, loans and borrowings less cash and bank balances. Capital represents equity attributable to the owners of the parent. The net debt-to-equity ratios as at 30 June 2025 and 30 June 2024 are as follows:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Borrowings	22	1,108,469	1,202,555	23,292	53,000
Senior Sukuk Wakalah	21	500,000	500,000	500,000	500,000
Less: Cash and bank balances	18	(1,669,918)	(1,572,757)	(415,112)	(257,681)
(Net cash)/Net debt		(61,449)	129,798	108,180	295,319
Total equity attributable to owners of the parent		5,741,304	5,944,184	2,853,445	3,012,000
Net debt-to-equity ratio		-	0.02	0.04	0.10

Pursuant to the requirements of Practice Note No. 17 of Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the share capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 30 June 2025.

The Group is not subject to any other externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

34. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management

The Group's overall financial risk management objective is to optimise its shareholders' value and not to engage in speculative transactions.

The Group is exposed mainly to foreign currency risk, interest rate risk, credit risk and liquidity, cash flow risk and market price risk. Information on the management of the related exposures is detailed below:

(i) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar ("USD"). Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes.

At the end of the reporting period, such foreign currency balances amounted to RM29,890,000 (2024: RM97,548,000) and RM111,000 (2024: RM95,000) for the Group and the Company respectively. The Group's policy is to minimise the exposure in foreign currency risk by matching foreign currency income against foreign currency cost. The Group also attempts to limit its exposure for all committed transactions by entering into foreign currency forward contracts. As such, the fluctuations in foreign currencies are not expected to have a significant financial impact to the Group.

Subsidiaries operating overseas have assets and liabilities together with expected cash flows from anticipated transactions denominated in those foreign currencies.

The Group maintains a natural hedge, where possible, by borrowing in the currency of the country in which the investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The unexpired foreign currency forward contracts, which have been entered into by the Group and the Company for its trade and other receivables and trade payables as at end of each reporting period are as follows:

Group	Contractual amount in Foreign Currency (FC'000)	Equivalent amount in Ringgit Malaysia (RM'000)	Average contractual rate RM/FC	Expiry date
30 June 2025				
Euro	1,052	5,082	4.83	16.07.2025 - 10.10.2025
Japanese Yen	46,288	1,391	0.0301	30.07.2025 - 30.09.2025
New Zealand Dollar	3,819	9,756	2.55	30.09.2025 - 31.12.2025
Singapore Dollar	483	1,599	3.31	29.08.2025 - 31.12.2025
United States Dollar	3,628	15,420	4.25	09.07.2025 - 26.05.2026

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

34. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management (continued)

(i) Foreign currency risk (continued)

The unexpired foreign currency forward contracts, which have been entered into by the Group and the Company for its trade and other receivables and trade payables as at end of each reporting period are as follows: (continued)

Group	Contractual amount in Foreign Currency (FC'000)	Equivalent amount in New Zealand Dollar (NZD'000)	Average contractual rate FC/NZD	Expiry date
30 June 2025				
Australian Dollar	11,286	12,119	0.93	28.11.2025 - 31.12.2027
United States Dollar	61	102	0.60	27.08.2025

Group	Contractual amount in Foreign Currency (FC'000)	Equivalent amount in Australian Dollar (AUD'000)	Average contractual rate FC/AUD	Expiry date
30 June 2025				
United States Dollar	3,599	5,587	0.64	29.08.2025 - 30.11.2027

Group	Contractual amount in Foreign Currency (FC'000)	Equivalent amount in Ringgit Malaysia (RM'000)	Average contractual rate RM/FC	Expiry date
30 June 2024				
Euro	4,404	22,504	5.11	01.07.2024 - 14.03.2025
Japanese Yen	20,166	683	0.0339	21.08.2024
Singapore Dollar	28	98	3.49	13.09.2024
United States Dollar	2,060	9,664	4.69	10.07.2024 - 14.05.2025

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

34. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management (continued)

(i) Foreign currency risk (continued)

The unexpired foreign currency forward contracts, which have been entered into by the Group and the Company for its trade and other receivables and trade payables as at end of each reporting period are as follows: (continued)

Group	Contractual amount in Foreign Currency (FC'000)	Equivalent amount in New Zealand Dollar (NZD'000)	Average contractual rate FC/NZD	Expiry date
30 June 2024				
Australian Dollar	310	335	0.93	19.07.2024 - 30.08.2024

Sensitivity analysis for foreign currency risk

The net exposure to foreign currency risk of the Group and of the Company is kept at a minimum level by entering into foreign currency forward contracts and hence any fluctuation in the foreign currency will not have a significant impact to the financial statements of the Group and of the Company.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to market risk for changes in interest rates relates primarily to the Group's and the Company's bank borrowings, lease liabilities, deposits placed with licensed banks and advances to its subsidiaries.

Sensitivity analysis for interest rate risk

The net exposure to interest rate risk of the Group and of the Company is kept at a minimum level by entering into interest rate swap contracts and hence any fluctuation in the interest rates will not have any significant impact to the financial statements of the Group and of the Company.

(iii) Credit risk

Exposure to credit risk arises mainly from sales made on credit terms and deposits with licensed banks. The Group controls the credit risk on sales by ensuring that its customers have sound financial position and credit history. The Group and the Company also seek to invest cash assets safely and profitably with approved financial institutions in line with the Group's and the Company's policy.

Deposits with licensed banks, that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

34. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management (continued)

(iii) Credit risk (continued)

Exposure to credit risk

At the end of each reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position. Information regarding credit enhancement for trade and other receivables is disclosed in Note 15 to the financial statements.

Credit risk concentration profile

At the end of each reporting period, the Group has no significant concentration of credit risk. The Company has no significant concentration of credit risk except for the amounts owing by subsidiaries constituting 99% (2024: 99%) of total receivables of the Company in the current financial year. The Group and the Company do not anticipate the carrying amounts recorded at the end of each reporting period to be significantly different from the values that would eventually be received.

(iv) Liquidity and cash flow risk

The Group and the Company actively manage its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group and the Company measure and forecast their cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the Group's and the Company's activities.

(v) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to market price risk arising from its investment in quoted shares outside Malaysia. The instruments are classified as financial assets at fair value through profit or loss and at fair value through other comprehensive income.

To manage its market price risk, the Group manages its portfolio in accordance with established guidelines and policies.

Sensitivity analysis for market price risk

Sensitivity analysis for market price risk at the end of the reporting period is not presented as changes in stock indices will not have any significant impact to the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

35. CONTINGENT LIABILITIES - UNSECURED

- (a) The Company provides corporate guarantees up to a total amount of RM1,166,172,000 (2024: RM1,206,342,000) to licensed banks for banking facilities granted to certain subsidiaries. The amount of the banking facilities utilised by the said subsidiaries totaled RM861,551,000 as at 30 June 2025 (2024: RM1,010,713,000).
- (b) The Company also provided corporate guarantees up to a total amount of RM42,955,000 (2024: RM39,578,000) to licensed banks for banking facilities granted to certain joint ventures. The amount of the banking facilities utilised by the said joint ventures totaled RM25,938,000 as at 30 June 2025 (2024: RM30,510,000).

The Company does not have any contracts that meet the definition of an insurance contract under MFRS 17 *Insurance Contracts*, except for guaranteed banking facilities and corporate guarantee provided to subsidiaries and joint ventures, which are financial guarantee contracts that the Company had previously explicitly asserted under MFRS 4. The Company made an irrevocable choice to apply MFRS 9 *Financial Instruments* on a contract-by-contract basis to these financial guarantee contracts as at the date of transition to MFRS 17.

Financial guarantees have not been recognised since the fair value was not material on initial recognition, except for the provision for credit loss on financial guarantee on a joint venture as disclosed in Note 22 to the financial statements. As at the end of the reporting period, the Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote.

Financial guarantees, if recognised, are initially measured at fair value. Subsequently, they are measured at higher of the amount of the loss allowance and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

The Company assumes that there is significant increase in credit risk when the subsidiaries' and joint ventures' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiaries and joint ventures are unlikely to repay their credit obligation to the bank in full or they are continuously loss making and are having a deficit shareholders' fund. The Company determines the probability of default of the guaranteed loans individually using internal information available.

The maximum exposure to credit risk in relation to financial guarantee contracts provided to subsidiaries and joint ventures of the Company is represented by the outstanding banking facilities of the subsidiaries and joint ventures as at the end of the reporting period.

The maturity profile of the financial guarantees are deemed to be on demand.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

36. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) In August 2024, Dialog (Labuan) Ltd., a wholly owned indirect subsidiary, has entered into an agreement to dispose off its entire 60% equity interest in Dialog Jubail Supply Base Company Limited ("DJSB") for a sale consideration of SAR3,000,000 (equivalent to approximately RM3,559,000) and dividends of SAR44,500,000 (equivalent to approximately RM51,600,000). The disposal was completed in June 2025 and DJSB ceased to be a subsidiary of the Group.
- (b) In December 2024, Dialog Resources Sdn. Bhd. ("DRSB"), a wholly owned subsidiary, signed a RAJA Cluster Small Field Asset Production Sharing Contract with Petroliaam Nasional Berhad ("PETRONAS") through Malaysia Petroleum Management to assume 100% participating interest and the role of operator.
- (c) In January 2025, Dialog Equity (Three) Sdn. Bhd. ("DE3SB"), a wholly owned subsidiary, entered into a Share Subscription Agreement with PG Cold Energy 1 Sdn. Bhd. (formerly known as Regas Terminal (Pengerang) Sdn. Bhd.) ("PGCE 1") to subscribe for 500 ordinary shares at a subscription price of RM500,000 and 9,724 redeemable preference shares at RM9,724,000, representing 27.78% shareholdings in PGCE 1. DE3SB also entered into a Shareholders' Agreement with PETRONAS Gas Berhad and PGCE 1 to undertake a project to design, build, and lease Air Separation Unit Facility.
- (d) In February 2025, Dialog Malic Acid Sdn. Bhd., a wholly owned indirect subsidiary, had discontinued the engineering, procurement, construction and commissioning of a malic acid plant in Gebeng, Kuantan, Pahang Darul Makmur, Malaysia. This was due to the continued volatility and challenging global chemicals market, and the uncertain macro-economic environment. The total capital expenditure incurred and committed of RM90,700,000 had been written off during the financial year.
- (e) In June 2025, DRSB was awarded the Mutiara Cluster Small Field Asset Production Sharing Contract ("Mutiara Cluster") under the Malaysia Bid Round 2025 through Malaysia Petroleum Management, PETRONAS to assume 100% participating interest and the role of operator.

37. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) Following the award for Mutiara Cluster, DRSB had on 3 July 2025 entered into a Memorandum of Understanding ("MOU") with PETRONAS to form a strategic collaboration aimed at accelerating and enabling the Mutiara Cluster development, with targeted First Gas Date earlier than the first quarter of 2029 to support the growing market demand in Sabah, particularly for power generation. The MOU shall remain in force for one year from the date of signing.
- (b) In July 2025, Pengerang Terminals (Two) Sdn. Bhd. ("PT2SB"), a 25% indirectly owned joint venture company, signed a Terminal Usage Agreement ("TUA") with Pengerang Biorefinery Sdn. Bhd. ("PBSB"), to provide storage and handling facilities for PBSB's feedstocks and products. PT2SB will develop a storage capacity of about 272,000 cbm which is dedicated to PBSB at a total investment of approximately USD330,000,000 including costs associated with shared facilities at the terminal.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

38. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

38.1 New MFRSs and Amendments to MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments to the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Amendments did not have any material effect on the financial statements of the Group and the Company.

38.2 New MFRSs and Amendments to MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards and Amendments to the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvement to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

DIALOG Group supports  **MyKasih**

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

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