



DIALOG GROUP BERHAD

198901001388 (178694-V)
(Incorporated in Malaysia)

**Interim Financial Statements
For The Financial Period Ended
31 December 2025**

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		3 MONTHS ENDED		6 MONTHS ENDED	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
		RM'000	RM'000	RM'000	RM'000
Revenue		756,337	680,003	1,413,333	1,314,456
Operating expenses		(662,011)	(822,450)	(1,223,048)	(1,410,285)
Other operating income		18,693	31,774	35,852	36,210
Share of profit of joint ventures and associates, net of tax		76,369	7,635	137,575	125,374
Finance costs		(14,595)	(12,230)	(27,918)	(25,037)
Profit/(Loss) before tax		174,793	(115,268)	335,794	40,718
Tax expense		(23,941)	(10,305)	(38,776)	(17,684)
Profit/(Loss) for the period		150,852	(125,573)	297,018	23,034
Profit/(Loss) for the period attributable to:					
Owners of the parent		137,741	(129,494)	277,757	21,475
Non-controlling interests		13,111	3,921	19,261	1,559
		150,852	(125,573)	297,018	23,034
Basic earnings/(loss) per ordinary share (sen)	B13	<u>2.44</u>	<u>(2.29)</u>	<u>4.92</u>	<u>0.38</u>
Diluted earnings/(loss) per ordinary share (sen)	B13	<u>2.44</u>	<u>(2.29)</u>	<u>4.92</u>	<u>0.38</u>

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.)

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2025

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		3 MONTHS ENDED		6 MONTHS ENDED	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
		RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the period	B14	150,852	(125,573)	297,018	23,034
Other comprehensive income					
Items that may not be reclassified subsequently to profit or loss					
Fair value (loss)/gain on other investment		(5,992)	(5,817)	13,629	(4,264)
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation		(55,556)	57,721	(80,909)	(155,635)
Cash flow hedge		(2,310)	1,804	(1,549)	(7,504)
Share of other comprehensive (loss)/gain of joint ventures and associates		(17,369)	37,383	(30,921)	(53,636)
Other comprehensive (loss)/income for the period		(81,227)	91,091	(99,750)	(221,039)
Total comprehensive income/(loss) for the period		69,625	(34,482)	197,268	(198,005)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		56,246	(43,072)	177,608	(197,020)
Non-controlling interests		13,379	8,590	19,660	(985)
		69,625	(34,482)	197,268	(198,005)

(The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.)

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	NOTE	31/12/2025 RM'000	30/06/2025 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		2,561,392	2,644,036
Development of tank terminals		737,079	727,297
Intangible assets		1,018,690	926,901
Investments in joint ventures and associates	B12	1,862,379	1,794,934
Inventories	A16	236,039	249,376
Other investments		37,031	33,809
Deferred tax assets		60,121	63,306
		<u>6,512,731</u>	<u>6,439,659</u>
CURRENT ASSETS			
Inventories	A16	64,851	73,700
Trade and other receivables	A17	740,125	418,483
Current tax assets		22,167	20,066
Other investment		112	228
Cash and cash equivalents	A18	1,862,997	1,669,918
		<u>2,690,252</u>	<u>2,182,395</u>
TOTAL ASSETS		<u>9,202,983</u>	<u>8,622,054</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		1,698,645	1,698,645
Treasury shares		(3,625)	(3,625)
Reserves		4,111,864	4,046,284
		5,806,884	5,741,304
Perpetual Sukuk Wakalah	B8	498,940	498,940
Non-controlling interests		23,605	3,486
TOTAL EQUITY		<u>6,329,429</u>	<u>6,243,730</u>
NON-CURRENT LIABILITIES			
Bank borrowings	B7	219,960	361,118
Senior Sukuk Wakalah	B8	1,000,000	500,000
Lease liabilities		13,197	15,598
Deferred tax liabilities		6,918	5,236
		<u>1,240,075</u>	<u>881,952</u>
CURRENT LIABILITIES			
Trade and other payables	A19	860,341	720,832
Bank borrowings	B7	752,735	747,351
Lease liabilities		7,864	9,267
Current tax liabilities		12,539	18,922
		<u>1,633,479</u>	<u>1,496,372</u>
TOTAL LIABILITIES		<u>2,873,554</u>	<u>2,378,324</u>
TOTAL EQUITY AND LIABILITIES		<u>9,202,983</u>	<u>8,622,054</u>
Net assets per share attributable to owners of the parent (sen)		<u>102.9</u>	<u>101.7</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.)

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2025**

	Attributable to owners of the parent					Perpetual Sukuk Wakalah RM'000	Non - controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000			
Balance as at 1 July 2025	1,698,645	(3,625)	223,106	3,823,178	5,741,304	498,940	3,486	6,243,730
Total comprehensive income for the period	-	-	(100,149)	277,757	177,608	-	19,660	197,268
Appropriation:								
Final dividend for FY2025	-	-	-	(101,568)	(101,568)	-	-	(101,568)
Profit distribution paid to holders of Perpetual Sukuk Wakalah	-	-	-	(10,460)	(10,460)	-	-	(10,460)
Reclassification of subsidiary to associate	-	-	-	-	-	-	459	459
Disposal of other investment recognised at fair value through other comprehensive income	-	-	(3,416)	3,416	-	-	-	-
Reclassification of foreign currency translation for subsidiaries struck off	-	-	(5,272)	5,272	-	-	-	-
Balance as at 31 December 2025	<u>1,698,645</u>	<u>(3,625)</u>	<u>114,269</u>	<u>3,997,595</u>	<u>5,806,884</u>	<u>498,940</u>	<u>23,605</u>	<u>6,329,429</u>
Balance as at 1 July 2024	1,698,431	(3,625)	481,711	3,767,667	5,944,184	498,940	64,472	6,507,596
Total comprehensive loss for the period	-	-	(218,495)	21,475	(197,020)	-	(985)	(198,005)
Appropriation:								
Final dividend for FY2024	-	-	-	(157,995)	(157,995)	-	-	(157,995)
Share options granted under ESOS	-	-	463	-	463	-	3	466
Dividend paid to non-controlling interests	-	-	-	-	-	-	(15,923)	(15,923)
Profit distribution paid to holders of Perpetual Sukuk Wakalah	-	-	-	(10,689)	(10,689)	-	-	(10,689)
Share options exercised	214	-	(42)	-	172	-	-	172
Acquisition of shares from non-controlling interests	-	-	-	3,786	3,786	-	(19,098)	(15,312)
Increase shares by non-controlling interests	-	-	-	-	-	-	105	105
Balance as at 31 December 2024	<u>1,698,645</u>	<u>(3,625)</u>	<u>263,637</u>	<u>3,624,244</u>	<u>5,582,901</u>	<u>498,940</u>	<u>28,574</u>	<u>6,110,415</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.)

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

	6 MONTHS ENDED	
	31/12/2025	31/12/2024
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	335,794	40,718
Adjustments for:		
Depreciation and amortisation	179,008	167,646
Net interest expense	2,711	3,338
Share of profit of joint ventures and associates	(137,575)	(125,374)
Other non-cash items	33,222	139,739
Operating profit before working capital changes	413,160	226,067
Changes in working capital :		
Net change in inventories and receivables	(268,597)	71,345
Net change in payables	67,685	(3,148)
Cash from operations	212,248	294,264
Dividends received	103,510	132,039
Interest received	24,930	21,453
Tax paid	(41,266)	(45,482)
Tax refunded	353	463
Net cash from operating activities	299,775	402,737
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of shares from non-controlling interests	-	(15,312)
Additions of intangible assets	(197,614)	(69,539)
Additions of other investment	-	(286)
Development of tank terminals	(9,783)	(12,800)
Investments in joint ventures and associates	(54,949)	(77,240)
Proceeds from disposal of property, plant and equipment	3,130	6,019
Proceeds from disposal of other investments	7,848	7,418
Purchase of property, plant and equipment	(90,134)	(95,135)
Other net changes in investing activities	(216)	7
Net cash used in investing activities	(341,718)	(256,868)

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2025 (CONTINUED)

	6 MONTHS ENDED	
	31/12/2025	31/12/2024
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(27,641)	(24,791)
Dividends paid	(101,568)	(157,995)
Profit distribution to Sukuk holders	(10,517)	(10,574)
Dividend paid to non-controlling interests	-	(15,923)
Additional shares subscription from non-controlling interest	-	105
Net repayment of bank borrowings	(109,003)	(100,066)
Net proceeds from issuance of Senior Sukuk Wakalah	500,000	-
Proceeds from issuances of shares	-	172
Net cash from/(used in) financing activities	251,271	(309,072)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	209,328	(163,203)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		
As previously reported	1,668,922	1,571,977
Effects of exchange rate changes on cash and cash equivalents	(16,464)	(23,534)
	1,652,458	1,548,443
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (Note A18)	1,861,786	1,385,240

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 June 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.)

INTERIM FINANCIAL REPORT

NOTES TO THE INTERIM FINANCIAL REPORT

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). These interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2025.

A2 Changes in accounting policies

The audited financial statements of the Group for the year ended 30 June 2025 were prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) framework issued by MASB. As per requirements under MFRS, the significant accounting policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 30 June 2025 except as discussed below:

As of 1 July 2025, the Group has adopted the Amendments of MFRSs that have been issued by MASB as listed below:

Amendments to MFRSs

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025

The adoption of the above Amendments of MFRSs did not have any impact to the condensed financial statements.

A3 Auditors’ report of preceding annual audited financial statements

The auditors’ report on the preceding year’s audited financial statements was not subject to any qualification.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 – CONTINUED

A4 Seasonal or cyclical factors

The Group's operations are not affected by seasonal or cyclical factors.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial period ended 31 December 2025.

A6 Material changes in estimates

There were no changes in estimates of amounts reported in the prior financial year, which have a material effect in the current financial period.

A7 Debt and equity securities

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial period except for issuance of RM500 million Senior Sukuk Wakalah in nominal value with tenure of 10 years with a periodic distribution rate 3.81% per annum.

A8 Dividends paid

A final dividend of 1.80 sen per ordinary share, amounted to RM101,568,327 in respect of financial year ended 30 June 2025 was paid on 19 December 2025.

A9 Property, plant and equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements.

A10 Material events subsequent to the end of the financial period

There were no material events subsequent to the current financial period ended 31 December 2025 and up to the date of this report, which is likely to substantially affect the profits of the Group.

INTERIM FINANCIAL REPORT

A EXPLANATORY NOTES PURSUANT TO MFRS 134 - CONTINUED

A11 Operating segments

The Group is principally involved in providing integrated technical services to the energy sectors 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 profit before tax as included in the internal management report reviewed by the chief operating decision maker.

The Group's operating segments for the financial period ended 31 December 2025 are as follows:

	Malaysia	Thailand	Other	Australia &	Other	Total
	RM'000	RM'000	Asia	New Zealand	Countries	RM'000
			RM'000	RM'000	RM'000	RM'000
Segment profits before tax	294,005	19,106	8,430	9,055	5,198	335,794
<i>Included in the measure of segment profits are:</i>						
<i>Revenue from external customers</i>	935,962	134,607	87,701	224,693	30,370	1,413,333
<i>Inter-segment revenue</i>	9,598	-	354	-	-	9,952
<i>Depreciation and amortisation</i>	168,677	2,261	2,040	5,423	607	179,008
<i>Interest expense</i>	26,371	663	381	226	-	27,641
<i>Interest income</i>	22,394	6	2,070	67	393	24,930
<i>Share of profit of joint ventures and associates</i>	128,284	9,291	-	-	-	137,575
Segment assets	7,882,109	273,249	519,542	414,307	53,655	9,142,862
Deferred tax assets						60,121
Total assets						<u>9,202,983</u>
<i>Included in the measure of segment assets are:</i>						
<i>Investments in joint ventures and associates</i>	1,674,470	187,909	-	-	-	1,862,379
<i>Changes to non-current assets:</i>						
- <i>Property, plant and equipment</i>	85,903	-	1	4,225	5	90,134
- <i>Intangible assets</i>	197,614	-	-	-	-	197,614
- <i>Development of tank terminals</i>	9,783	-	-	-	-	9,783
- <i>Joint ventures and associates</i>	54,949	-	-	-	-	54,949
- <i>Inventories</i>	-	-	-	10,778	-	10,778
Segment liabilities	2,659,662	13,835	131,809	49,180	12,150	2,866,636
Deferred tax liabilities						6,918
Total liabilities						<u>2,873,554</u>

INTERIM FINANCIAL REPORT

A EXPLANATORY NOTES PURSUANT TO MFRS 134 – CONTINUED

A12 Changes in the composition of the Group

In July 2025, Dialog Marine (Labuan) Ltd, an inactive indirect wholly owned subsidiary completed its voluntary winding up and ceased to be an indirect wholly-owned subsidiary of the Group.

In December 2025, Kamphaeng Saen Energy Ltd., an inactive indirect wholly owned subsidiary was dissolved and ceased to be an indirect wholly-owned subsidiary of the Group.

There were no other changes in the composition of the Group during the current financial period.

A13 Commitments

	31/12/2025
	RM'000
(a) Capital expenditure in respect of property, plant and equipment:	
- approved but not contracted for	96,780
- contracted but not provided for	12,450
	<u>109,230</u>
(b) Commitments of the Group in respect of upstream business	<u>827,000</u>

A14 Changes in contingent liabilities and contingent assets

(a) The Company provides corporate guarantees up to a total amount of RM924.2 million (as at 30.06.2025: RM1,166.2 million) to licensed banks for banking facilities granted to certain subsidiaries. The amount of the banking facilities utilised by the said subsidiaries totalled RM668.9 million as at 31.12.2025 (as at 30.06.2025: RM861.6 million).

(b) The Company also provides corporate guarantees up to a total amount of RM42.6 million (as at 30.06.2025: RM43.0 million) to licensed banks for banking facilities granted to a joint venture and an associate. The amount of the banking facilities utilised by the said joint venture and associate totalled RM21.4 million as at 31.12.2025 (as at 30.06.2025: RM25.9 million).

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 – CONTINUED

A15 Significant related party transactions

Significant related party transactions which were entered into on agreed terms and prices for the financial period ended 31 December 2025 are set out below. The relationship of the related parties are disclosed in the audited financial statements for the financial year ended 30 June 2025.

	6 MONTHS ENDED 31/12/2025 RM'000
Transaction with joint ventures and associates:	
Dividend income	103,510
Subcontract works received	8,127
Purchases and cost of services rendered	(3,487)
Transaction with a related party:	
Provision of IT system and related services	21,477
Rental of office premises	554

A16 Inventories

	31/12/2025 RM'000
Non-current assets:	
Land held for development	236,039
Current assets:	
Construction materials	2,842
Trading inventories	62,009
	<u>64,851</u>
	<u><u>300,890</u></u>

A17 Trade and other receivables

	31/12/2025 RM'000
Trade receivables	463,049
Amounts due from customers for contract works	211,983
Amounts due from joint ventures and associates	29,249
Other receivables, deposits and prepayments	35,844
	<u>740,125</u>

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 – CONTINUED

A18 Cash and cash equivalents

	31/12/2025
	RM'000
Bank balances, short term funds and deposits with licensed banks	1,862,997
Less: Bank balances and deposits pledged to licensed banks	<u>(1,211)</u>
	<u><u>1,861,786</u></u>

A19 Trade and other payables

	31/12/2025
	RM'000
Trade payables	633,252
Amounts due to customers for contract works	79,423
Accruals and other payables	145,722
Hedge derivative liabilities	<u>1,944</u>
	<u><u>860,341</u></u>

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA

B1 Performance analysis

For the second quarter ended 31st December 2025, the Group delivered a healthy performance with revenue rising 11.2% to RM756.3 million, up from RM680.0 million in the corresponding quarter last year. The Group's profit after tax stood at RM150.9 million, a recovery from a loss after tax of RM125.6 million in the same period last year. The healthy performance was driven by positive contribution from the Group's businesses, particularly its Malaysia operations. Year-to-date revenue and profit after tax for the current financial year were RM1.41 billion and RM297.0 million, higher by 7.5% and more than 100%, respectively, against same period last year.

The Group's Malaysia operations remained busy across the upstream, midstream and downstream businesses, translating this into improved profit contribution overall in the current financial quarter. The midstream operation registered increased earnings from healthy tank storage occupancy while the downstream operations achieved higher contributions on the back of cost optimisation initiatives and completion of several projects. The upstream operations, however, saw a lower contribution due to reduced crude oil allocation and lower realised oil prices.

On the International front, the current financial quarter saw a slight decrease in profit contributions attributable to reduced business activities.

Profit contribution from joint ventures and associates for the current financial quarter was higher against the same period last year mainly due to favourable foreign exchange movement on USD liabilities at one of the Group's associate companies. The Group has successfully eliminated negative contributions from a previously loss-making joint venture, which ceased operations last year.

Overall, the Group's performance underscores the resilience of its integrated business model and its ability to navigate fluctuating global oil prices and currency movements through diversified operations.

B2 Variation of results against preceding quarter

The Group recorded a profit before tax of RM174.8 million for the current financial quarter, representing an 8.6% increase compared to RM161.0 million reported in the preceding quarter. The higher profit before tax was driven by a 15.1% increase in revenue and higher profit contributions from joint ventures and associates.

B3 Prospects

As a leading integrated technical service provider that is diversified across the energy sector's Upstream, Midstream, and Downstream businesses, DIALOG remains focused and steadfast in the pursuit of its key long-term strategies. With our dedicated management team, we remain confident that our business model is well structured to manage and sustain the Group through periods of economic uncertainty, oil price volatility and currency movements. The Group's core business remains intact as we realign our focus to prioritise our key competencies across the three businesses.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED**B3 Prospects – continued**

In the Upstream business, the Group will continue to grow its presence through the development and rejuvenation of oil and gas fields. The development of the Salbiah gas field as part of the Baram Junior Cluster Small Field Asset Production Sharing Contract, a 70:30 joint venture between DIALOG and Petroleum Sarawak Exploration and Production is progressing according to schedule. We have also started the pre-development studies for the RAJA and Mutiara Cluster Small Fields Asset Production Sharing Contract. As announced today, PETRONAS awarded the Group a participating interest in Cendramas Production Sharing Contract. The increased upstream activities provide added opportunities for the Group to participate in other parts of the value chain within the field redevelopment cycle, particularly in the provision of engineering and specialist technical services. Going forward, we are committed to expanding our expertise in the Upstream business and seeking opportunities for our development and production services and assets, while incorporating new technological developments to effectively manage greenhouse gas emissions.

As one of the largest independent terminal owner-cum-operator in Southeast Asia with a current operating capacity of 5.1 million m³, the Midstream business will continue to be a core focus for DIALOG. The Group will continue to invest in phased capacity expansions for dedicated long-term customers across the Group's Midstream terminals business portfolio. Our focus will be on our ongoing development of Pengerang Deepwater Terminals ("PDT") into one of the largest petroleum and petrochemical hubs for the Asia Pacific region. Within PDT, DIALOG and PETRONAS Gas Berhad joint venture for the Liquefied Natural Gas-driven Air Separation Unit facility is progressing as planned and is targeted for completion by end 2026.

In July 2025, DIALOG's joint venture company, Pengerang Terminals (Two) Sdn. Bhd. ("PT2SB") signed a 25-year long term take-or-pay Terminal Usage Agreement ("TUA") with Pengerang Biorefinery Sdn. Bhd. ("PBSB"). PT2SB will expand its storage capacity by 272,000 m³, dedicated to PBSB with a total investment of approximately USD330 million, including costs associated with shared facilities at the terminal. The development of these storage facilities for sustainable and renewable products aligns with the low-carbon economy transition under DIALOG's Climate Change Strategy. This forms part of ongoing efforts to expand product and solution offering to support the growth and development in the sustainable and renewable sector. The engineering, procurement and construction ("EPC") work for these facilities is being executed by the Group's wholly owned subsidiary, Dialog E&C Sdn Bhd via an EPC Alliance Agreement with PT2SB.

In November 2025, the Group announced the expansion of its Phase 3 development within PDT following the entry into a conditional long term service agreement ("LTSA") with BP Singapore Pte Limited ("bp Singapore"). Under this LTSA, the Group will provide an additional 614,000 m³ of tank capacity for refined petroleum products and biofuels for bp Singapore as a dedicated long-term customer. This expansion supplements the existing 430,000 m³ storage capacity. The completion date for this expansion is expected in mid-2028 and represents another milestone in the Group's midstream development.

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED

B3 Prospects – continued

Recognising the growing demand for low-carbon fuel alternatives, DIALOG marks its first venture into storage facilities for renewable fuel products under DIALOG Terminals Langsat (3). This venture will serve users such as biofuel production companies, energy trading houses and multinational energy companies. The first phase comprising 24,000 m³ storage facilities commenced operation in February 2025. The second phase comprising an additional 150,000 m³ storage for renewable and petroleum products is expected to be completed by September 2026, with 100,000 m³ dedicated to EcoCeres Limited.

In the Downstream business, we will leverage our established strengths and track record in integrated technical services, encompassing Engineering, Procurement, Construction & Commissioning (“EPCC”), Plant Maintenance & Catalyst Handling Services, and Specialist Products and Services. Given the expansion plans for PDT, our downstream operations are poised for significant EPCC activity. The Group will prioritise these projects and adopt a cautious, selective approach to bidding for other EPCC contracts.

DIALOG will remain focused and steadfast in the pursuit of diversification across the energy sector to weather different economic and oil price cycles, in line with the Group's strategy of generating long term recurring income. We will continue to build and strengthen our competencies by investing in and upskilling our workforce, and digital transformation to ensure we remain efficient and competitive.

Barring any unforeseen circumstances, the Group is optimistic of its positive performance in the financial year ending 30 June 2026.

B4 Profit forecast and profit guarantee

The Group did not announce any profit forecast nor profit guarantee for the current financial period.

B5 Taxation

	INDIVIDUAL PERIOD	CUMULATIVE PERIOD
	3 MONTHS ENDED 31/12/2025 RM'000	6 MONTHS ENDED 31/12/2025 RM'000
Current tax	22,687	37,458
Deferred tax	1,600	4,122
Over provision in prior years	(346)	(2,804)
Total tax expense	23,941	38,776
Effective tax rate on profit before tax excluding share of profit of joint ventures and associates	24.3%	19.6%

The Group's effective tax rate for the financial period ended 31 December 2025 was lower than the statutory tax rate of 24% primarily due to utilisation of tax losses and non-taxable income.

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED

B6 Status of corporate proposals

Memorandum of Understanding ("MOU") with Petrolim Nasional Berhad ("PETRONAS")

On 13 June 2025, Dialog Resources Sdn. Bhd. ("DRSB"), a wholly owned subsidiary of the Company was awarded the Mutiara Cluster Small Field Asset Production Sharing Contract ("Mutiara Cluster") under the Malaysia Bid Round 2025 through Malaysia Petroleum Management, PETRONAS. Following the award, DRSB had on 3 July 2025 entered into a 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.

There are no other corporate proposals announced but not completed as at date of this report.

B7 Borrowings and debt securities

As at 31 December 2025, the Group's bank borrowings were denominated in the following currencies:

	FC'000	RM'000
Short term borrowings:		
Secured:		
Ringgit Malaysia	-	15,000
Singapore Dollar	195,279	617,083
Unsecured:		
Ringgit Malaysia	-	51,132
Singapore Dollar	22,000	69,520
		<u>752,735</u>
Long term borrowings:		
Secured:		
Ringgit Malaysia	-	214,960
Unsecured:		
Ringgit Malaysia	-	5,000
		<u>219,960</u>
		<u>972,695</u>

Included in the bank borrowings of the Group is RM672.6 million (30.06.2025: RM820.4 million) obtained under Islamic financing facilities.

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED

B8 In September 2020, the Company had obtained approval for an Islamic notes issuance programme of up to an aggregate amount of RM3.0 billion 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 RM3.0 billion at any point in time.

In November 2020, the Company completed the first issuance of RM500 million Perpetual Sukuk Wakalah in nominal value with tenure of perpetual non-callable 7 years with a periodic distribution rate 4.15% per annum. The net nominal value after transaction costs is RM498.9 million.

In January 2022, the Company issued RM500 million Senior Sukuk Wakalah in nominal value with tenure of 10 years with a periodic distribution rate 4.53% per annum.

In August 2025, the Company issued an additional RM500 million Senior Sukuk Wakalah in nominal value with tenure of 10 years with a periodic distribution rate 3.81% per annum.

B9 Material litigation

The Group is not engaged in any material litigation and is not aware of any legal proceeding that might materially affect the financial position or business of the Group.

B10 Dividends

The Board does not recommend any interim dividend in respect of the current financial period.

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED

B11 Derivative financial instruments

As at 31 December 2025, the Group has the following outstanding derivatives:

	Contract/Notional Value		Net fair value
	FC'000	RM'000	losses RM'000
<u>Forward foreign exchange contracts</u>			
With maturity less than 1 year:			
Australian Dollar	400	1,080	(4)
Euro	2,865	13,876	(239)
Singapore Dollar	2,214	7,085	(62)
Japanese Yen	123,258	3,304	(82)
United States Dollar	18,482	77,159	(2,068)
<u>Interest rate swap contracts</u>			
With maturity less than 1 year:			
Singapore Dollar	84,000	265,440	(1,380)

There has been no significant changes to the financial derivatives in respect of the following since the last financial year ended 30 June 2025:

- the credit risk, market risk, and liquidity risk associated with these financial derivatives;
- the cash requirement of the financial derivatives; and
- the policy in place for mitigating or controlling the risk associated with these financial derivatives.

The basis of fair value measurement is the difference between the contracted rates and the market forward rates. This resulted in the Group recording a gain when the rates moved in its favour and recording a loss when the rates moved unfavourably against the Group.

B12 Investments in joint ventures and associates

The Company provides corporate guarantees to a joint venture and an associate as disclosed in A14.

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED

B13 Earnings/(Loss) per share

The basic and diluted earnings per ordinary share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares after deducting treasury shares.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 MONTHS ENDED		6 MONTHS ENDED	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Profit/(loss) for the financial period attributable to owners of the Company (RM'000)	137,741	(129,494)	277,757	21,475
Weighted average number of ordinary shares in issue ('000)	5,642,685	5,642,646	5,642,685	5,642,646

Diluted earnings per ordinary share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period 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 are exercised at the beginning of the financial period. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between average share price for the financial period and exercise price.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 MONTHS ENDED		6 MONTHS ENDED	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Profit/(loss) for the financial period attributable to owners of the Company (RM'000)	137,741	(129,494)	277,757	21,475
Weighted average number of ordinary shares in issue ('000)	5,642,685	5,642,646	5,642,685	5,642,646
Effect of dilution due to:				
- ESOS ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	5,642,685	5,642,646	5,642,685	5,642,646

INTERIM FINANCIAL REPORT

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA – CONTINUED

B14 Profit for the period

	INDIVIDUAL PERIOD	CUMULATIVE PERIOD
	3 MONTHS ENDED 31/12/2025 RM'000	6 MONTHS ENDED 31/12/2025 RM'000
This is arrived at after crediting / (charging):		
Depreciation and amortisation	(90,292)	(179,008)
Dividend income	1,984	2,676
Fair value loss of other investment	(89)	(110)
Foreign exchange gain	1,046	2,855
Gain on disposal of property, plant and equipment	405	630
Interest expense	(14,495)	(27,641)
Interest income	12,761	24,930
Property, plant and equipment written off	(317)	(317)
Rental income	2,514	4,523
Other miscellaneous income	389	665

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia are not applicable.

Date: 11 February 2026