

DS Sigma Holdings Berhad
Registration No. 202101030362 (1430662-K)

Interim Financial Report
31 December 2025

12 February 2026

DS Sigma Holdings Berhad
Registration No. 202101030362 (1430662-K)

Unaudited Condensed Consolidated Statements of Financial Position
As at 31 December 2025

	Unaudited	Audited
	As at 31.12.2025	As at 30.06.2025
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	40,720	40,153
Total non-current assets	40,720	40,153
Current assets		
Inventories	1,450	1,795
Trade receivables	14,576	16,465
Other receivables	1,165	1,537
Short term investments	31,121	25,637
Fixed deposits with licensed banks	25,194	30,096
Cash and bank balances	21,253	17,364
Total current assets	94,759	92,894
TOTAL ASSETS	135,479	133,047
EQUITY AND LIABILITIES		
Equity attributable to the owners of the Company		
Share capital	77,550	77,550
Merger deficit	(26,462)	(26,462)
Retained earnings	70,040	69,173
Total equity	121,128	120,261
Non-current liabilities		
Lease liabilities	478	335
Deferred tax liabilities	2,158	2,158
Total non-current liabilities	2,636	2,493
Current liabilities		
Trade payables	6,759	6,434
Other payables	2,508	2,383
Lease liabilities	889	554
Tax payables	1,559	922
Total current liabilities	11,715	10,293
Total liabilities	14,351	12,786
TOTAL EQUITY AND LIABILITIES	135,479	133,047
Net assets per share (RM)	0.25	0.25

The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 as disclosed in the Company's Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

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Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For The Second Quarter Ended 31 December 2025

	Note	Individual Quarter		Cumulative Quarter	
		31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Revenue	A9	21,303	19,428	44,665	43,324
Cost of sales		(15,468)	(13,794)	(31,453)	(30,489)
Gross profit		5,835	5,634	13,212	12,835
Finance income		633	626	1,265	1,259
Other income		59	21	138	58
Selling and distribution expenses		(180)	(145)	(402)	(298)
Administrative expenses ¹		(3,445)	(3,752)	(6,721)	(7,352)
Finance cost		(16)	(25)	(35)	(53)
Profit before tax	B12	2,886	2,359	7,457	6,449
Tax expense	B5	(693)	(666)	(1,790)	(1,647)
Total comprehensive income attributable to owners of the Company		2,193	1,693	5,667	4,802
Earnings per share attributable to owners of the Company:-					
- Basic earnings per share (sen) [^]	B13	0.46	0.35	1.18	1.00
- Diluted earnings per share (sen)*	B13	0.46	0.35	1.18	1.00

The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 as disclosed in the Company's Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

[^] Basic earnings per share ("EPS") is calculated based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares of 480,000,000 Shares as at 31 December 2025.

* The diluted EPS of the Company is equivalent to the basic EPS as the Company does not have any dilutive instruments as at the end of the financial period.

¹ Administration expenses for the current quarter and financial period ended 31 December 2024 include one-off non-recurring transfer listing expenses of RM0.37 million and RM0.42 million. For illustration purposes only, the Company's normalised financial performance after adjusting for the one-off non-recurring listing expenses is as follows:-

	Individual Quarter		Cumulative Quarter	
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Profit before tax	2,886	2,359	7,457	6,449
Add: Transfer listing expenses	-	370	-	415
Adjusted profit before tax	2,886	2,729	7,457	6,864

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DS Sigma Holdings Berhad
Registration No. 202101030362 (1430662-K)

Unaudited Condensed Consolidated Statements of Changes in Equity
For The Second Quarter Ended 31 December 2025

	←——— Attributable to owners of the parent ———→			Total attributable to the owners of the parent RM'000	Total equity RM'000
	←——— Non-distributable ———→	Distributable	Retained earnings RM'000		
	Share capital RM'000	Merger deficit RM'000	Retained earnings RM'000	Total attributable to the owners of the parent RM'000	Total equity RM'000
Balance at 1 July 2025	77,550	(26,462)	69,173	120,261	120,261
Transaction with owners of the Company:-					
- Dividend	-	-	(4,800)	(4,800)	(4,800)
Total comprehensive income for the financial period	-	-	5,667	5,667	5,667
Balance at 31 December 2025	77,550	(26,462)	70,040	121,128	121,128
Balance at 1 July 2024	77,550	(26,462)	63,163	114,251	114,251
Transaction with owners of the Company:-					
- Dividend	-	-	(4,800)	(4,800)	(4,800)
Total comprehensive income for the financial period	-	-	4,802	4,802	4,802
Balance at 31 December 2024	77,550	(26,462)	63,165	114,253	114,253

The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 as disclosed in the Company's Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

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DS Sigma Holdings Berhad
Registration No. 202101030362 (1430662-K)

Unaudited Condensed Consolidated Statement of Cash Flows
For The Second Quarter Ended 31 December 2025

	Cumulative Quarter	
	31.12.2025	31.12.2024
	RM'000	RM'000
Operating Activities		
Profit before tax	7,457	6,449
Adjustments for:-		
Depreciation of property, plant and equipment	2,050	1,805
Gain on lease termination	(10)	-
Gain on disposal of property, plant and equipment	(26)	-
Distribution income from short term investment	(495)	(248)
Interest income	(770)	(1,011)
Interest expense	35	53
Operating profit before working capital changes	8,241	7,048
Changes in working capital:-		
Inventories	345	95
Receivables	2,261	3,443
Payables	450	(1,416)
Cash generated from operations	11,297	9,170
Interest received	770	1,011
Interest paid	(35)	(53)
Net tax paid	(1,153)	(1,393)
Net cash generated from operating activities	10,879	8,735
Investing Activities		
Purchase of property, plant and equipment	(1,510)	(4,448)
Proceeds from disposal of property, plant and equipment	87	-
Distribution received from short term investment	495	248
Withdrawal/(placement) of fixed deposits with maturity of more than 3 months	4,902	(25,000)
Net cash from/(used in) investing activities	3,974	(29,200)
Financing Activities		
Dividend paid	(4,800)	(4,800)
Repayments of lease liabilities	(680)	(552)
Repayments of borrowing	-	(196)
Net cash used in financing activities	(5,480)	(5,548)
Cash and Cash Equivalents		
Net changes	9,373	(26,013)
At the beginning of financial year	43,001	70,763
At the end of financial period	52,374	44,750
Cash and cash equivalents comprises the following:-		
Cash and bank balances	21,253	29,952
Deposits placed with licensed banks	25,194	30,000
Short term investments	31,121	14,798
	77,568	74,750
Less: Placement of fixed deposits with maturity of more than 3 months	(25,194)	(30,000)
	52,374	44,750

The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 as disclosed in the Company's Annual Report 2025 and the accompanying explanatory notes attached to this interim financial report.

Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standards 134, Interim Financial Reporting

A1. Basis of preparation

The interim financial statements of DS Sigma and its subsidiaries ("**Group**") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**MFRS**") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards ("**MASB**") and Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 as disclosed in the Annual Report 2025 and the accompanying notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2025 as disclosed in the Annual Report 2025. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

A2. Significant accounting policies

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards, if applicable, when they become effective:-

MFRSs and Amendments to MFRS effective 1 January 2026:-

Amendments to MFRS 9 and 7 - Financial Instruments and Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments and Contracts Referencing Nature-Dependent Electricity

Amendments that are part of Annual Improvement - Volume 11:-

Amendments to MFRS 1, 7, 9, 10 and 107 - First-Time Adoption of Malaysian Financial Reporting Standards, Financial Instruments: Disclosures, Financial Instruments, Consolidated Financial Statements and Statement of Cash Flows

MFRSs effective 1 January 2027:-

MFRS 18 - Presentation and Disclosure in Financial Statements

MFRS 19* - Subsidiaries without Public Accountability: Disclosures

Amendments to MFRSs effective date deferred indefinitely:-

Amendments to MFRS 10 and 128* - Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

** Not applicable to the Group's operations*

The initial application of the above standards and amendments are not expected to have any financial impact to the financial statements of the Group.

A3. Auditors' report of preceding annual audited financial statements

The audited financial statements of the Group for the financial year ended 30 June 2025 was not subject to any qualification.

A4. Seasonal or cyclical factors

The Group's operations are not significantly affected by seasonal or cyclical effects, albeit experiencing higher sales between July and October as our customers increase orders in conjunction with year-end and festive season sales. Generally, the Group's sales at the end of the year, in the month of November and December would decrease.

Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

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

There were no extraordinary and exceptional items of unusual nature affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial period under review.

A6. Changes in estimates

There were no material changes in the estimates that have a material effect to the Group during the current quarter and financial period under review.

A7. Debts and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial period under review.

A8. Dividend

On 25 August 2025, the Board declared an interim single tier dividend of 1 sen per ordinary share totalling RM4.80 million in respect of financial year ended 30 June 2025. The interim single tier dividend was paid on 30 October 2025 to the shareholders whose name appear in the Record of Depositors on 15 October 2025.

A9. Segmental information

The segmental information based on the business segments and geographical location are as follows:-

(a) Analysis of revenue by business segments

The Group is principally involved in manufacturing, supplying and trading in packaging materials and paper products.

Due to the interrelated nature of manufacturing, supplying and trading in packaging materials and paper products and similar operational characteristic of managing the same field, the management is of the view that it is overseeing a single reportable segment. Hence, the Group does not present its results by industry or product segment.

(b) Analysis of revenue by geographical location

The Group's business is operated entirely within Malaysia and as such, no segmental information based on geographical location is presented.

A10. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current quarter and financial period under review.

A11. Material events subsequent to the end of the financial period

There were no significant events subsequent to the end of the current quarter and financial period under review.

A12. Changes in the composition of the Group

There were no changes to the composition of the Group during the current quarter and financial period under review.

A13. Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets in the Group since the end of the last reporting period as at 31 December 2025.

Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

A14. Capital commitments

There were no material capital commitments of the Group as at 31 December 2025.

A15. Related party transactions

Save as disclosed below, there were no other significant related party transactions during the current quarter and financial period under review:-

	Individual Quarter ended		Cumulative Quarter ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Related companies				
Rental of premises	20	18	40	36
Provision of transport services	39	37	80	80
Related parties				
Rental of premises	149	123	298	246

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Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

B. Additional Information Required by Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of performance – Comparison with previous year’s corresponding quarter and financial period

	Individual Quarter ended		Cumulative Quarter ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Revenue	21,303	19,428	44,665	43,324
Gross profit	5,835	5,634	13,212	12,835
Profit before tax	2,886	2,359	7,457	6,449
Profit after tax	2,193	1,693	5,667	4,802

The Group recorded revenue of RM21.30 million for the current quarter and RM44.67 million for the financial period ended 31 December 2025, representing an increase of RM1.88 million or 9.65% compared to the corresponding quarter of the preceding year and an increase of RM1.34 million or 3.10% compared to the financial period ended 31 December 2024. The increase in revenue was mainly attributable to the Group's successful onboarding of new projects from non-Electrical & Electronics ("E&E") product sector, in line with the Group's strategy to diversify its sales across different industry sectors.

The Group recorded a profit before tax of RM2.89 million for the current quarter and RM7.46 million for the financial period ended 31 December 2025, representing an increase of RM0.53 million or 22.34% compared to the corresponding quarter of the preceding year and an increase of RM1.01 million or 15.63% compared to financial period ended 31 December 2024. The increase was mainly driven by higher sales and lower administrative expenses. The reduction in administrative expenses was due to the Group's ongoing cost-saving initiatives and the absence of one-off transfer listing expenses in the current financial period.

B2. Review of performance – Comparison with immediate preceding quarter’s results

	Individual Quarter ended		Changes	
	31.12.2025	30.09.2025	RM'000	%
	RM'000	RM'000		
Revenue	21,303	23,362	(2,059)	(8.81)
Profit before tax	2,886	4,571	(1,685)	(36.86)

The Group's revenue for the current quarter has decreased by RM2.06 million or 8.81% to RM21.30 million as compared to the immediate preceding quarter. The quarter-on-quarter decline in sales reflects normal seasonality in customer ordering patterns, with the current quarter experiencing softer demand, consistent with trends observed in all past years.

The Group recorded a profit before tax of RM2.89 million in the current quarter, a decrease of RM1.69 million or 36.86% compared to the profit before tax of RM4.57 million in the preceding quarter ended 30 September 2025. The decrease was mainly due to lower sales and softer high-margin customer orders in a seasonally weaker quarter, consistent with the Group's historical sales cycle.

B3. Prospects of the Group

The Group expects the packaging industry in Malaysia to remain stable. While the Group recorded a slight decline in sales compared to the immediate preceding quarter due to slower market activities and more cautious procurement behaviour by customers, sales increased compared with the corresponding quarter of the preceding financial year, reflecting resilient underlying demand. The Group's larger and more diversified customer base, together with the successful onboarding of new projects across multiple segments, helped mitigate the impact of near-term market softness. The Group continues to face external challenges arising from geopolitical dynamics, regulatory shifts, and potential economic slowdowns in major economies, while recent U.S. tariff measures on selected imports may add to market uncertainty and dampen consumer and business spending. Despite these challenges, the Group remains committed to a proactive growth strategy, focusing on value chain expansion, product differentiation, and strengthening our presence in high-end segments such as industrial E&E, renewables, and medical packaging, positioning us to capture emerging opportunities.

Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

B3. Prospects of the Group (cont'd)

Moving forward, the Group remains focused on lean operations and prudent inventory management, while building operational resilience to navigate an anticipated challenging economic environment. The established packaging design and innovation centre continues to drive eco-friendly initiatives, in line with the Group's commitment to Environmental, Social and Governance ("ESG") practices and sustainable growth. With plans underway to establish the UMW High Value Manufacturing Park in Serendah, the Group is positioning itself to meet anticipated demand from the E&E and solar sectors. These strategic initiatives are expected to enhance the Group's ability to respond swiftly to evolving market requirements and capitalise on future growth opportunities.

Based on the above, the Board of Directors ("Board") is optimistic about the Group's future prospects and expects the Group's expansion plans to contribute positively to its financial performance in the future.

B4. Variance of actual profits from forecast profits

The Group did not issue any profit forecast or profit guarantee in the current quarter and financial period under review.

B5. Tax expense

	Individual Quarter ended		Cumulative Quarter ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense	693	666	1,790	1,647
Effective tax rate (%)	24.00	28.23 ¹	24.00	25.54 ¹
Statutory tax rate (%)	24.00	24.00	24.00	24.00

¹ The Group's effective tax rate for the quarter and the financial period ended 31 December 2024 is higher than the statutory rate due to non-deductible one-off listing expenses.

B6. Status of corporate proposals

There were no corporate proposals announced by the Company but not completed as at the date of this interim financial report.

B7. Utilisation of proceeds

The gross proceeds raised from the Initial Public Offering ("IPO") amounting to RM50.15 million is intended to be utilised in the following manner:-

Purpose	Proposed utilisation RM'000	Actual utilised RM'000	Re-allocation RM'000	Unutilised amount RM'000	Estimated timeframe for utilisation upon listing [^]
(i) Expansion of operational facilities [^]	17,200	-	(16,000)	1,200	Within 54 months*
(ii) Purchase of new machinery and equipment	16,000	(4,577)	-	11,423	Within 54 months*
(iii) Establish packaging design and innovation centre	1,140	(1,140)	-	-	Within 24 months
(iv) Repayment of bank borrowings	6,000	(6,000)	-	-	Within 12 months
(v) Working capital	5,409	(5,409)	-	-	Within 12 months
(vi) Estimated listing expenses	4,400	(4,400)	-	-	Within 3 months
(vii) Acquisition of vacant industrial land [^]	-	(10,000)	10,000	-	Within 48 months
(viii) Construction of Serendah Factory [^]	-	-	6,000	6,000	Within 60 months*
Total	50,149	(31,526)	-	18,623	

Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

B7. Utilisation of proceeds (cont'd)

The utilisation of proceeds as disclosed above should be read in conjunction with the corporate proposal announced on 25 June 2025.

- ^ The unutilised balance of RM16.00 million for the expansion of operational facilities has been re-allocated to the acquisition of vacant industrial land and construction of Serendah Factory.
- * The revised timeframe for the expansion of operational facilities and the purchase of new machinery and equipment has been extended by an additional 24 months, and the construction of Serendah Factory has been extended by an additional 12 months, from the initial approved timeframe.

B8. Derivative financial instruments

As at 31 December 2025, the Group does not have any derivative financial instruments.

B9. Fair value of financial liabilities

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter and financial period under review as the Group did not have any financial liabilities measured at fair value.

B10. Material litigation

As at the date of this report, the Group is not involved in any litigations or arbitrations either as a defendant or plaintiff and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B11. Dividend

No dividend has been proposed or declared for payment by the Board of the Company during the current financial quarter and financial period under review.

B12. Profit before tax

Profit for the period was derived after taking into consideration of the following:-

	Individual Quarter ended		Cumulative Quarter ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
After (crediting)/charging:-				
Finance income	(633)	(626)	(1,265)	(1,259)
Sales of waste paper	(27)	(19)	(59)	(50)
Gain on lease termination	-	-	(10)	-
Gain on disposal of property, plant and equipment	-	-	(26)	-
Depreciation of property, plant and equipment	1,027	902	2,050	1,805
Interest expenses	16	25	35	53

Save as disclosed above, the other disclosure items as required under Note 16 of Appendix 9B of the Listing Requirements are not applicable.

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Notes to the Interim Financial Report for Second Quarter Ended 31 December 2025

B13. Earnings per share ("EPS")

The basic and diluted earnings per share for the current quarter and financial period are calculated as follows:-

	Individual Quarter ended		Cumulative Quarter ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Profit attributable to owners of the Company (RM'000)	2,193	1,693	5,667	4,802
Weighted average number of ordinary shares in issue ('000)	480,000	480,000	480,000	480,000
Basic EPS [^] (sen)	0.46	0.35	1.18	1.00
Diluted EPS* (sen)	0.46	0.35	1.18	1.00

[^] Basic EPS is calculated based on the profits attributable to owners of the Company divided by the weighted average number of ordinary shares of 480,000,000 Shares as at 31 December 2025.

* The diluted EPS of the Company is equivalent to the basic EPS as the Company does not have any dilutive instruments as at the end of the financial period.

BY ORDER OF THE BOARD
DS SIGMA HOLDINGS BERHAD
12 February 2026