DS SIGMA HOLDINGS BERHAD
(Registration No. 202101030362 (1430662-K))

No. 36, Jalan BP 5/6, Bandar Bukit Puchong, 47100 Puchong, Selangor Darul Ehsan
Tel: 03-8060 1678 Fax: 03-8060 1676

www.dssigma.com.my

DS SIGMA HOLDINGS BERHAD

Annual Report 2025

DS SIGMA HOLDINGS BERHAD
(Registration No. 202101030362 (1430662-K))

2025 Annual Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Independent Non-Executive Chairman
MOHAMAD ISMAIL BIN ABU BAKAR

Managing Director
LUCILLE TEOH SOO LIEN

Executive Directors
BEH SENG LEE
BEH LE HAO

Independent Non-Executive Directors
LEE YEW WENG
MAZNIDA BINTI MOKHTAR
HANANI HAYATI BINTI MOHD ADHAN
LOO HEE GUAN
(Resigned on 4 February 2025)

AUDIT AND RISK MANAGEMENT COMMITTEE

Lee Yew Weng – Chairman
Maznida binti Mokhtar
Hanani Hayati binti Mohd Adhan
(Appointed on 19 February 2025)
Loo Hee Guan
(Ceased on 4 February 2025)

NOMINATION COMMITTEE

Maznida binti Mokhtar – Chairperson
Lee Yew Weng
Hanani Hayati binti Mohd Adhan
(Appointed on 19 February 2025)
Loo Hee Guan
(Ceased on 4 February 2025)

REMUNERATION COMMITTEE

Hanani Hayati binti Mohd Adhan – Chairperson
(Appointed on 19 February 2025)
Lee Yew Weng
Maznida binti Mokhtar
Loo Hee Guan - Chairman
(Ceased on 4 February 2025)

COMPANY SECRETARIES

Chua Siew Chuan
(MAICSA 0777689)
(SSM PC No. 201908002648)

Chew Kit Yee
(MAICSA 7067474)
(SSM PC No. 202208000376)
(Appointed on 25 November 2024)

Cheng Chia Ping
(MAICSA 1032514)
(SSM PC NO. 202008000730)
(Resigned on 25 November 2024)

REGISTERED OFFICE

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan
Telephone : 03-2084 9000
Facsimile : 03-2094 9940
Email : info@sshsb.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur,
Wilayah Persekutuan
Telephone : 03-2783 9299
Email : is.enquiry@vistra.com

AUDITORS

Grant Thornton Malaysia PLT
Chartered Accountants
(201906003682 &
LLP0022494-LCA)
(Member firm of Grant Thornton International Ltd) (AF0737)
Level 11, Sheraton Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur,
Wilayah Persekutuan
Telephone : 03-2692 4022
Facsimile : 03-2691 5229

PRINCIPAL BANKERS

AmBank (M) Berhad
Hong Leong Bank Berhad
Standard Chartered Bank Berhad
Public Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code : 0269
Stock Name : DSS
Sector : Industrial Products and Services

HEAD OFFICE

No. 36, Jalan BP 5/6,
Bandar Bukit Puchong,
47100 Puchong,
Selangor Darul Ehsan
Telephone : 03-8060 1678
Facsimile : 03-8060 1676

GROUP CORPORATE STRUCTURE

DS SIGMA HOLDINGS BERHAD
(Registration No. 202101030362 (1430662-K))

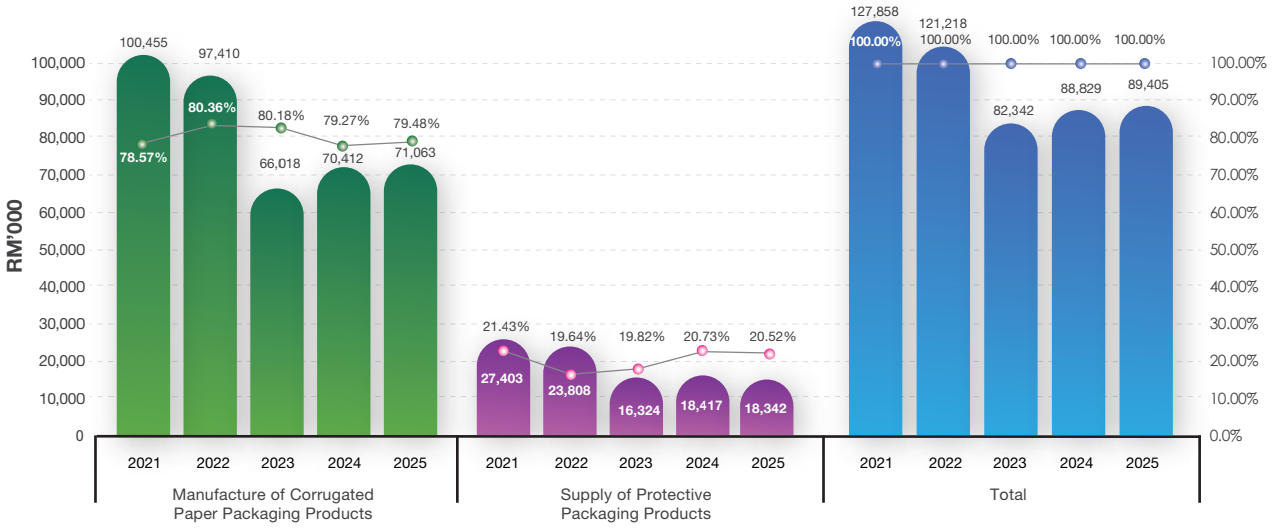
Dai Suwon Manufacturing Sdn. Bhd.
Registration No: 200401010175 (648678-M)
100%

Dai Suwon Packaging Sdn. Bhd.
Registration No: 200301016198 (618618-W)
100%

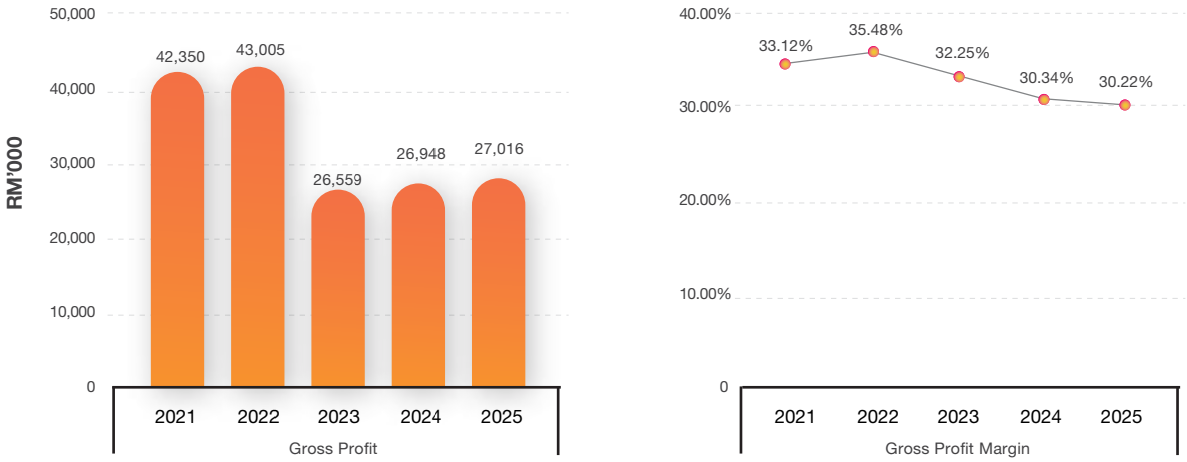
Kaisung Industries Sdn. Bhd.
Registration No: 200201010695 (578358-T)
100%

FINANCIAL HIGHLIGHTS

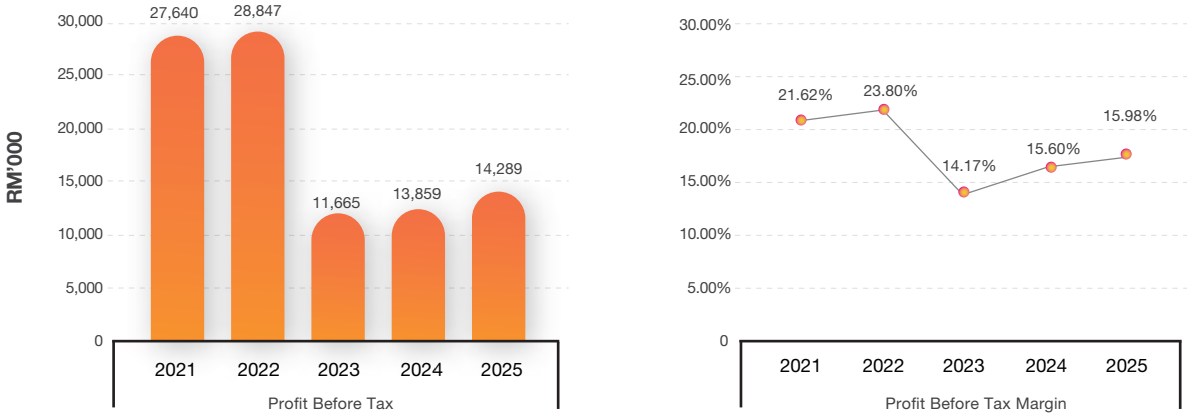
REVENUE BY BUSINESS SEGMENTS



GROSS PROFIT & GROSS PROFIT MARGIN



PROFIT BEFORE TAX & PROFIT BEFORE TAX MARGIN



Note:-

Our Company was only incorporated on 20 September 2021. Financial years ended 2021 and 2022 were presented based on the historical combined audited financial statements of DS Sigma Holdings Berhad and its subsidiary companies.

DIRECTORS' PROFILE

MOHAMAD ISMAIL BIN ABU BAKAR

Independent Non-Executive Chairman

Age	64	Nationality	Malaysian	Gender	Male

Date of appointment as Director : 16 February 2022

Board Committee(s) served on : Nil

Academic/Professional Qualification(s) : Bachelor of Science in Agribusiness, Universiti Putra Malaysia (formerly known as Universiti Pertanian Malaysia)

Present Directorship(s)
(i) Other Public Listed Companies : Nil
(ii) Public Companies : Nil

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Company or its subsidiaries ("the Group") : Nil

Working experience and Occupation :

Encik Mohamad Ismail began his career with Integrated Agriculture Development Project (Perlis) ("**IADP**") in 1983, under the Ministry of Agriculture as an Assistant Agriculture Officer where he was responsible for implementing agriculture-based projects identified by Asian Development Bank.

In 1996, he left IADP and joined Malaysian Investment Development Authority ("**MIDA**") as an Assistant Director in the Transport Industry Division. In 2001, he joined MIDA's Chicago Office as their Deputy Director and subsequently in 2006, he was posted back to MIDA's headquarter serving in the Foreign Investment Division as a Deputy Director where he was responsible for attracting and securing foreign investment into Malaysia in the manufacturing and services sector. In 2008, he was posted to MIDA's Dubai Office and served as a Director for three (3) years. Once he completed his tenure in Dubai, he was transferred back to the headquarter of MIDA in Kuala Lumpur and assumed the position of Senior Deputy Director in the Foreign Investment Coordination Division to facilitate the foreign investment process in Malaysia.

In August 2014, he was promoted as a Director in the Industry Talent Management Division of MIDA. Subsequently in 2019, he was promoted as the Executive Director of Manufacturing Development (Resource) Division where he was responsible for overseeing three (3) key industry divisions, namely Chemical and Advanced Material Division, Life Sciences & Medical Technology Division and Food Technology & Resource Based Industries Division. He retired from MIDA in 2021 and he brings with him more than twenty-six (26) years of working experience and knowledge with MIDA in various roles and functions.

No. of Board meetings attended during the Financial Year Ended 30 June 2025 : 6/6

Directors' Profile
(Cont'd)

LUCILLE TEOH SOO LIEN
Managing Director

Age	54	Nationality	Malaysian	Gender	Female

Date of appointment as Director : 20 September 2021

Board Committee(s) served on : Nil

Academic/Professional Qualification(s) : Sijil Tinggi Persekolahan Malaysia, St. Xavier's Institution

Present Directorship(s)
(i) Other Public Listed Companies : Nil
(ii) Public Companies : Nil

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Group : Nil

Working experience and Occupation :

Upon completion of studies, Ms. Lucille began her career as a Sales Executive at Data Media Supplies Sdn. Bhd. and subsequently worked in the packaging industry as a Sales Executive, with Public Packages Holdings Berhad and Scientex Containers Sdn. Bhd. in 1992 and 1994, respectively. She was responsible for securing business leads and maintaining business relationship with clients by providing support, information and guidance. She left Scientex Containers Sdn. Bhd. in 1997 and joined Corrugated Offset Packaging (M) Sdn. Bhd. as an Assistant Sales Manager for nine (9) months before joining Scientex Resources Sdn. Bhd., a supplier of packaging related materials as a Product Manager. During her tenure at Scientex Resources Sdn. Bhd., she was involved in the company's product planning and product marketing by conducting market research to analyse the customers' need and expectation.

Upon leaving Scientex Resources Sdn. Bhd. in 2002, she co-founded Kaisung Industries Sdn. Bhd. in the same year and Dai Suwon Packaging Sdn. Bhd. in 2003 with Beh Seng Lee. Subsequently in 2004, she co-founded Dai Suwon Manufacturing Sdn. Bhd. with Beh Seng Lee, Loi Guak Lian and Yong Chong Long and served as Director in all three (3) companies. She is responsible for overseeing the Group's paper-based products segment as well as strategising our future business directions and expansion plan. She also drives the implementation of sales and marketing strategies as well as develop business relationship with customers. Under her sales and marketing effort, the Group has successfully secured customers such as Sony Group of Companies, Panasonic Group of Companies and Samsung Electronics, which have remained as our customer as at to-date. Currently as our Managing Director, she continues to assume the aforementioned role and responsibilities.

No. of Board meetings attended during the Financial Year Ended 30 June 2025 : 6/6

BEH SENG LEE
Executive Director

Age	57	Nationality	Malaysian	Gender	Male

Date of appointment as Director : 20 September 2021

Board Committee(s) served on : Nil

Academic/Professional Qualification(s) : Bachelor of Science in Agribusiness, Universiti Putra Malaysia (formerly known as Universiti Pertanian Malaysia)

Present Directorship(s)
(i) Other Public Listed Companies : Nil
(ii) Public Companies : Nil

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Group : Nil

Working experience and Occupation :

In 1995, Mr. Beh started his career with Amcor Fibre Packaging (M) Sdn. Bhd. (currently known as AMB Packaging (Malaysia) Sdn. Bhd.), a corrugated fibreboard cartons manufacturer as a Sales Executive and later joined Corrugated Offset Packaging (M) Sdn. Bhd., a packaging company, as a Senior Sales Executive in 1996.

Upon leaving Corrugated Offset Packaging (M) Sdn. Bhd. in 2002, he co-founded Kaisung Industries Sdn. Bhd. in the same year and Dai Suwon Packaging Sdn. Bhd. in 2003 with Lucille Teoh Soo Lien. Subsequently in 2004, he co-founded Dai Suwon Manufacturing Sdn. Bhd. with Lucille Teoh Soo Lien, Loi Guak Lian and Yong Chong Long and served as Director in all three (3) companies. He has played an instrumental role in the growth and development of the Group throughout the years. With thirty (30) years of experience in the industry, he was responsible for the financial planning of the Group and on managing the costs and expenses of raw materials required for our manufacturing activities.

He has been actively involved in the strategic business planning of the Group and he is currently overseeing our Group's non-paper based products segment.

No. of Board meetings attended during the Financial Year Ended 30 June 2025 : 6/6

Directors' Profile
(Cont'd)

BEH LE HAO
Executive Director

Age	25	Nationality	Malaysian	Gender	Male

Date of appointment as Director : 16 February 2022

Board Committee(s) served on : Nil

Academic/Professional Qualification(s) : Bachelor of Science in Actuarial Science, London School of Economics and Political Science, United Kingdom

Present Directorship(s)
(i) Other Public Listed Companies : Nil
(ii) Public Companies : Nil

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Group : Nil

Working experience and Occupation :

Whilst pursuing his tertiary education, Mr. Beh did his internship as an Investment Analyst at Affin Hwang Asset Management Berhad from June 2019 to August 2019 and Alanda Capital Management Limited from June 2020 to August 2020.

He joined Dai Suwon Packaging Sdn. Bhd. as the Executive Director in August 2021. He is currently responsible for managing the sales, research and development and procurement division. Additionally, he is involved in developing the business development and corporate strategies of the Group.

No. of Board meetings attended during the Financial Year Ended 30 June 2025 : 6/6

Directors' Profile
(Cont'd)

LEE YEW WENG

Independent Non-Executive Director

Age	48	Nationality	Malaysian	Gender	Male

Date of appointment as Director	:	16 February 2022
Board Committee(s) served on	:	Audit and Risk Management Committee (Chairman) Remuneration Committee (Member) Nomination Committee (Member)
Academic/Professional Qualification(s)	:	Bachelor of Commerce, University of Adelaide, Australia Chartered Accountant Fellow Member of Certified Practising Accountant Australia Member of the Malaysian Institute of Accountants
Present Directorship(s)		
(i) Other Public Listed Companies	:	Sunzen Group Berhad (formerly known as Sunzen Biotech Berhad) Hiap Huat Holdings Berhad Go Hub Capital Berhad
(ii) Public Companies	:	Nil
Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Group	:	Nil
Working experience and Occupation	:	

Mr. Lee began his career with KK Chow & Partners in March 1999 and then joined Crowe Horwath Malaysia (now known as Crowe Malaysia) in January 2000 as an Audit Assistant, where he was involved in performing statutory audit. Subsequently, he joined KPMG PLT, Malaysia as an Audit Assistant in January 2001.

He ventured into the corporate sector when he joined Jotech Holdings Berhad as their Group Accountant in 2002 where he was responsible for the group's accounting and financial matters. From May 2003 to June 2010, he worked with AmInvestment Bank Berhad, firstly in the Corporate Finance and Advisory Department and was promoted as Associate Director where he was involved in various corporate exercises, including corporate restructuring, reverse take-overs, mergers and acquisitions, fund raising and initial public offering. Subsequently in July 2008, he was relocated to the Corporate & Institutional Banking Department of AmInvestment Bank Berhad as an Associate Director.

After a ten (10) months' sabbatical, he co-founded Stein Future Group Sdn. Bhd., which is principally engaged in the provision of financial consultancy services and served as the Executive Director from May 2011 to August 2017. He also co-founded Yewnited Partners Sdn. Bhd. in January 2017 which provides business management consultancy services, and served as the Executive Director until May 2019.

From June 2019 to February 2020, he joined Canfield Corporate Finance Company Limited ("**Canfield**"), an approved Corporate Finance Adviser in Hong Kong, licensed by the Securities and Futures Commission of Hong Kong as a Responsible Officer, where he was involved in marketing and structuring transactions for clients undertaking cross-border corporate exercises. Subsequently in September 2020, he joined Sorrento Capital Limited, an approved Sponsor and Corporate Finance Adviser in Hong Kong, licensed by the Securities and Futures Commission of Hong Kong as a Licensed Representative, a position he holds to-date, where he has similar responsibilities as his role in Canfield. Mr. Lee has more than twenty-six (26) years of experience in accounting and financial services sectors.

No. of Board meetings attended during the Financial Year Ended 30 June 2025	:	6/6

Directors' Profile
(Cont'd)

MAZNIDA BINTI MOKHTAR
Independent Non-Executive Director

Age	58	Nationality	Malaysian	Gender	Female

Date of appointment as Director : 16 February 2022

Board Committee(s) served on : Nomination Committee (Chairperson)
Audit and Risk Management Committee (Member)
Remuneration Committee (Member)

Academic/Professional Qualification(s) : Bachelor of Science in Economics (Honours), London School of Economics and Political Science, United Kingdom
Qualified with Institute of Chartered Accountants in England and Wales
Member of the Malaysian Institute of Accountants

Present Directorship(s)
(i) Other Public Listed Companies : QES Group Berhad
JAG Berhad
(ii) Public Companies : Nil

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Group : Nil

Working experience and Occupation :

Puan Maznida began her career with Ernst & Young at their London office in 1990 as an Audit Assistant where she was mainly responsible for audit planning, resolving audit issues and consolidation and review of statutory accounts. Subsequently in 1994, she returned to Malaysia and joined AmMerchant Bank Berhad. She served in the Privatisation and Project Advisory Unit where she was involved in advising companies on infrastructure projects. In 1996, she left AmMerchant Bank Berhad and co-founded the Skali Group of Companies ("**Skali Group**") and served as the Chief Financial Officer where she was responsible for the strategic direction and overall finance function of Skali Group. In December 2019, she resigned as the Chief Financial Officer of Skali Group. She has over 30 years of working experience in the accounting and finance sector.

No. of Board meetings attended during the Financial Year Ended 30 June 2025 : 6/6

HANANI HAYATI BINTI MOHD ADHAN

Independent Non-Executive Director

Age	34	Nationality	Malaysian	Gender	Female

Date of appointment as Director : 1 March 2024

Board Committee(s) served on : Remuneration Committee (Chairperson)
Audit and Risk Management Committee (Member)
Nomination Committee (Member)

Academic/Professional Qualification(s) : Bachelor of Laws (Honours), University of Malaya

Present Directorship(s)
(i) Other Public Listed Companies : Spritzer Bhd
(ii) Public Companies : Nil

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that the Director has with the Group : Nil

Working experience and Occupation :

Cik Hanani started her career as a Trainee Solicitor in March 2015 at Messrs Azmi & Associates, one of the largest and established law firms in Malaysia with more than eighty (80) solicitors. The firm is a full-service international law firm and was established in September 2000. She was called to the Malaysian Bar and admitted to the role of Advocate and Solicitor in January 2016 and was thereafter promoted as a Senior Associate in July 2020. She continued to serve at Messrs Azmi & Associates as a Senior Associate until July 2021.

She then moved to Messrs Adhan & Yap as a Senior Associate in August 2021. She has been promoted to Managing Partner and has been managing the firm's branch at Tanah Merah since January 2023.

No. of Board meetings attended during the Financial Year Ended 30 June 2025 : 6/6

Notes:-

Save as disclosed as follows, none of the Directors has:-

(a) any family relationship with any Director and/or major shareholder of the Company, except for Mr. Beh Le Hao who is the son of Mr. Beh Seng Lee;

(b) any conviction for offences (other than traffic offences) within the past five (5) years; and

(c) any particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

GOH HOOI CHIN
Chief Financial Officer

Age	36	Nationality	Malaysian	Gender	Female

Date of appointment : 18 March 2024

Academic/Professional Qualification(s) : Bachelor of Science in Applied Accounting, Oxford Brookes University, United Kingdom
Fellow Member of the Association of Chartered Certified Accountants
Member of the Malaysian Institute of Accountants

Nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business that she has with the Company or its subsidiaries ("the Group") : Nil

Working experience :

Ms. Goh is responsible for overseeing our Group's accounting and financial functions, including financial reporting, planning, taxation, treasury management, corporate affairs, and internal audit and control.

Ms. Goh brings over fourteen (14) years of experience across accounting, finance, corporate governance, audit, and risk management fields.

Her career began at KPMG PLT, Malaysia, where she specialised in audit and advisory services for property development, manufacturing, and hospitality industries from 2011 to 2015.

Prior to joining the Group, Ms. Goh held various positions in both public listed and private companies. Notable roles include Corporate Reporting Manager at DK Leather Seats Sdn. Bhd., Group Accountant at Kian Joo Can Factory Berhad, Senior Finance Manager at SMIS Corporation Berhad and Division Head of Corporate Finance at Senheng New Retail Berhad.

She subsequently joined the Group as Chief Financial Officer on 18 March 2024.

Notes:-

Save as disclosed as follows, none of the Key Senior Management has:-
(a) any directorship in public companies and listed issuers;
(b) any family relationship with any Director and/or major shareholder of the Company;
(c) any conviction for offences (other than traffic offences) within the past five (5) years; and
(d) any particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors of DS Sigma Holdings Berhad ("**DS Sigma**" or "**Company**") ("**Board**"), it is my pleasure to present to you our Annual Report together with the audited financial statements of DS Sigma and its subsidiaries ("**Group**") for the financial year ended 30 June 2025 ("**FYE 2025**").

FYE 2025 has been a year where we continued to place customers as our top priority, while pursuing our mission to be the most preferred packaging partner across industries. We advanced through sector diversification, continuous service and quality enhancements, and value chain improvements that differentiate our offerings. These initiatives were carried out under a highly challenging environment marked by global overcapacity and price competition, unstable demand arising from tariffs and geopolitical conflicts, and intensified competition among end-user brands that continues to shape market dynamics.

A significant milestone during the year was achieved on 6 November 2024, with the announcement of the successful transfer of DS Sigma's entire issued share capital from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad. The listing and quotation on the Main Market took effect on the same day, marking the completion of the transfer. This accomplishment reflects the Group's growth trajectory, operational maturity, and commitment to strong corporate governance. It also enhances our corporate profile, widens our investor base, and positions us to capitalise on greater opportunities within the capital market to support our long-term expansion plans.

Despite a challenging operating environment, the Group delivered a resilient financial performance for FYE 2025, recording a revenue of RM89.41 million and a net profit of RM10.81 million. Excluding the one-off expenses associated with the transfer listing exercise, the Group achieved a core profit before taxation of RM14.70 million, underscoring our ability to maintain sustainable profitability while investing for future growth.

STRONG FINANCIAL POSITION AND DIVIDEND

In FYE 2025, the Group maintained resilience under a demanding operating environment, supported by a strong balance sheet, healthy cash flows, and efficient inventory turnover. We placed emphasis on the effective utilisation of our in-house capacity and strengthened collaboration with vendors to ensure reliability, cost efficiency, and timely delivery to customers. Capital expenditure was approached selectively, with priority given to projects that enhance production capacity, automation, and operational efficiency.

The Board declared a dividend of one (1) sen per share, representing 44.4% of profit after tax. This reflects a balance between delivering competitive shareholder returns and retaining sufficient funds to reinvest in future growth. The Group closed the year with nil gearing, further underscoring our prudent capital management. Shareholders' equity rose to RM120.26 million, while net assets per share increased to RM0.25, reaffirming our commitment to sustainable value creation for stakeholders.

Chairman's Statement
(Cont'd)

FUTURE PROSPECTS

As we enter the new financial year, the Group is well-positioned to capture growth opportunities despite operating in an increasingly competitive and uncertain global environment. Guided by our vision of becoming the most preferred one-stop packaging solutions partner, we continue to strengthen our value proposition through in-house packaging Research and Development ("**R&D**"), engineering expertise, service excellence, and end-to-end value chain integration. Leveraging our advanced testing facilities and front-end design capabilities, we work closely with customers to co-develop solutions that are lighter, stronger, and more environmentally responsible. By embedding Reduce, Reuse, and Recycle ("**3Rs**") principles into product development, we actively support their sustainability goals while helping them optimise packaging usage, minimise waste, enhance supply chain efficiency, and ensure the highest standards of quality and delivery.

The Group continues to strengthen its value chain partnerships with suppliers and vendors to ensure material reliability, cost efficiency, and just-in-time delivery. Customer service, quality assurance, and supply chain resilience remain central to our differentiation, alongside product innovation.

Diversification into high-value sectors remains one of our long-term strategies. In FYE 2025, we expanded our presence in solar, battery, automotive, and furniture packaging, while reinforcing our established position in the electrical and electronics ("**E&E**") industry. These efforts yielded positive outcomes, with new customer wins and deeper collaborations with existing partners. Going forward, we aim to broaden our reach in these industries and further entrench DS Sigma as a trusted partner across multiple sectors.

Supporting these ambitions is the Group's strategic capacity expansion. A significant milestone was achieved with the acquisition of a 4-acre site at the UMW High Value Manufacturing Park in Serendah on 25 March 2025. This investment will serve as a new production hub, enabling us to scale operations, expand engineering capabilities, and meet growing demand from both existing and new customers with greater efficiency and speed.

Looking ahead, we remain mindful of the volatility in the global economy and manufacturing sector. Nevertheless, DS Sigma is well-prepared to navigate these uncertainties through operational agility, continuous innovation, and strong customer partnerships. By advancing R&D in packaging engineering, deepening our value chain integration, and maintaining an unwavering focus on customer service, quality, and delivery, the Group is confident in its ability to drive sustainable growth and long-term value creation for all stakeholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

In FYE 2025, the Group made notable progress in advancing our ESG agenda, reaffirming our commitment to sustainability, responsible business conduct, and long-term value creation.

On the environmental front, we successfully completed the installation of rooftop solar panels at all of our manufacturing facilities and fully transitioned our material handling fleet to electric-powered forklifts, significantly reducing reliance on fossil fuels. Together with ongoing measures to minimise in-house waste and optimise material usage, these initiatives reinforce our commitment to reducing our carbon footprint. We are now on track to kickstart measurement and report the outcomes of our 3Rs practices as part of a structured framework to monitor progress against our long-term sustainability goals. The Group also achieved Forest Stewardship Council ("**FSC**") certification during the year, underscoring our dedication to responsible sourcing and environmentally conscious manufacturing practices.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") (CONT'D)

From a social perspective, we remain committed to providing a safe, fair, and inclusive workplace for all employees. Beyond compliance with the Employment Act 2021 and international labour standards, we emphasise respect, dignity, and equal opportunity across our workforce. We continue to strengthen policies covering fair wages, grievance mechanisms, while ensuring proper housing standards for foreign employees. To further reinforce occupational health and safety, we are progressing towards ISO 45001 certification, reflecting our proactive approach in safeguarding employee welfare.

On governance, the Board remains focused on upholding the highest standards of corporate governance. Our framework is continuously reviewed and refined to ensure adherence to best practices and alignment with the Malaysian Code of Corporate Governance. These measures reflect our ongoing commitment to transparency, accountability, and ethical business conduct, which underpin stakeholder confidence and support the Group's long-term growth trajectory.

WORDS OF APPRECIATION

I would like to express my sincere appreciation to our shareholders, customers, and business partners for their continued trust, support, and confidence in the Group. My heartfelt thanks also go to the Board for their invaluable guidance and to our management team and employees for their dedication, hard work, and commitment throughout the year. With our strong foundation, clear strategic direction, and united team, we are confident that the Group is well-positioned to deliver sustainable long-term value to our shareholders and stakeholders.

Mohamad Ismail Bin Abu Bakar
Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Dear Valued Shareholders,

On behalf of the Board of Directors ("**Board**") of DS Sigma Holdings Berhad ("**DS Sigma**" or "**Company**"), it is my pleasure to present to you the Management Discussion and Analysis ("**MD&A**") of the Company, and its subsidiaries ("**Group**") for the financial year ended 30 June 2025 ("**FYE 2025**").

The following MD&A of the operating performance and financial condition of the Group for the FYE 2025 should be read in conjunction with the Audited Financial Statements for the FYE 2025 and related notes thereto.

The information presented in the MD&A, including information relating to comparative year in 2024, is presented in accordance with the Malaysian Financial Reporting Standards ("**MFRSs**"), unless otherwise stated.

BUSINESS MODEL

DS Sigma is a total packaging solutions provider with in-house manufacturing of corrugated paper packaging products including cartons, protective packaging and paper pallets. The Group also supplies non-paper-based packaging products such as plastic, foam, rubber products and engineered plywood pallets. Our central office is located in Puchong whilst our manufacturing facilities are strategically positioned in Telok Gong and Nilai.

Our value proposition is built around delivering high-quality, customised packaging solutions that meet the diverse needs of our customers while incorporating sustainable practices. We aim to be a one-stop packaging partner by offering end-to-end services, from initial design and prototyping to production, logistics, and just-in-time delivery. In FYE 2025, our Packaging Innovation Centre Lab has further strengthened its role in driving innovation and sustainability. Building on our internationally certified testing capabilities, we have expanded our services to include advanced performance simulations and customised packaging optimisation solutions. We collaborated closely with customers to achieve material usage reduction and introduced eco-friendly packaging alternatives, helping them meet their sustainability targets in line with the Reduce, Reuse, and Recycle ("**3Rs**") framework. Going forward, we aim to integrate more data-driven insights and digital testing solutions to further enhance packaging efficiency and support our customers' Environmental, Social, and Governance ("**ESG**") commitments.

Our major customers primarily operate in the electronics and electrical ("**E&E**") sector. However, in FYE 2025, we expanded our business into new high-growth sectors such as renewable energy, industrial E&E, automotive, and furniture industry, creating new opportunities to provide customised packaging solutions tailored to the unique requirements of these sectors.

FINANCIAL PERFORMANCE

Review of Financial Results

	FYE 2025 RM'000	FYE 2024 RM'000	Changes %
Revenue	89,405	88,829	0.65
Gross Profit	27,016	26,948	0.25
Profit Before Tax ("**PBT**")	14,289	13,859	3.10
Profit After Tax ("**PAT**")	10,811	11,009	-1.80
Gross Profit Margin (%)	30.22	30.34	-0.12
PBT Margin (%)	15.98	15.60	0.38
PAT Margin (%)	12.09	12.39	-0.30
Basic and Diluted Earnings Per Share (sen)	2.25	2.29	-1.75

FINANCIAL PERFORMANCE (CONT'D)

Review of Financial Results (Cont'd)

The Group's revenue grew to RM89.41 million in FYE 2025, reflecting a notable increase of RM0.58 million, or 0.65%, compared to the financial year ended 30 June 2024 ("**FYE 2024**"). This growth was mainly driven by the addition of new customers in the renewable energy and furniture sectors. However, the current outlook for the E&E and renewable energy sectors remains uncertain due to several factors, including shifting government policies, fluctuating consumer demand, and other external influences. Nonetheless, the Group is committed to expanding its customer base by exploring opportunities in other high-growth industries.

The Group achieved a PBT of RM14.29 million for FYE 2025. Administrative expenses amounted to RM14.24 million, covering costs such as staff expenses, depreciation, maintenance, insurance, professional fees, transportation, and utilities. The increase in PBT was mainly attributable to an increase in revenue, finance and other income.

	FYE 2025 RM'000	FYE 2024 RM'000	Changes %
Manufacture of corrugated paper packaging products	71,063	70,412	0.92
Supply of protective packaging products	18,342	18,417	-0.41
Total revenue	**89,405**	**88,829**	**0.65**

By business segments, our Group's largest revenue contributor is from the manufacture of corrugated paper packaging products, contributing 79.48% (RM71.06 million) of our total revenue during FYE 2025 (FYE 2024: RM 70.41 million). Supply of protective packaging products accounted for 20.52% (RM18.34 million) and 20.73% (RM 18.42 million) of the total revenue for the FYE 2025 and FYE 2024 respectively. This was mainly contributed by sales of low-density polyethylene ("**PE**") and high-density PE bags, foams and laminated PE foam bags.

Review of Financial Position

	FYE 2025 RM'000	FYE 2024 RM'000	Changes %
Total assets	133,047	131,080	1.50
Total liabilities	12,784	16,828	-24.03
Total shareholders' equity	120,263	114,252	5.26
Net asset per share (RM)	0.25	0.24	
Current assets	92,894	96,328	
Current liabilities	10,291	11,954	
Current ratio (times)	9.03	8.06	

As at 30 June 2025, the Group's total assets stood at RM133.05 million, reflecting an increase of RM1.97 million compared to 30 June 2024. This growth was driven by ongoing capital expenditures aimed at boosting production capacity and efficiency, with total investments in FYE 2025 amounted to RM11.09 million. The Group's total liabilities decreased by RM4.04 million to RM12.78 million as of 30 June 2025, primarily due to the repayment of a term loan and lease liabilities. Shareholders' equity rose 5.26% year-over-year to RM120.26 million as at 30 June 2025. The higher shareholders' equity was mainly a result of the Group's increased net profit.

Management Discussion and Analysis
(Cont'd)

FINANCIAL PERFORMANCE (CONT'D)

Review of Cash Flow

	FYE 2025 RM'000	FYE 2024 RM'000	Changes RM'000
Net cash from operating activities	14,359	12,044	2,315
Net cash used in investing activities	(34,362)	(8,948)	-25,414
Net cash used in financing activities	(7,759)	(7,781)	22

The Group's cash and cash equivalents decreased by RM27.76 million to RM43.00 million. Net cash flow from operating activities was RM14.36 million, while net cash used in investing activities was RM34.36 million, mainly for the acquisition of property, plant, and equipment, as well as the placement of fixed deposits with maturities of more than three (3) months. Net cash used in financing activities was RM7.76 million, mainly for payment of lease liabilities, term loan repayment, and dividend payout of RM4.80 million. Given the Group's net cash position and positive net cash flow, DS Sigma's net gearing ratio remains at an optimal level. The Group saw healthy current ratio of 9.03 times as at the end of FYE 2025.

Dividend

The Group has maintained a consistent track record of dividend distribution. After reviewing the Group's financial performance and its long-term and short-term commitments, the Board is recommending an interim dividend of one (1) cent per share, totalling RM4.80 million for FYE 2025.

REVIEW OF OPERATIONS AND BUSINESS STRATEGIES

In FYE 2025, the Group sustained its competitiveness amid economic headwinds by embracing lean operations and exercising a cautious approach to growth. We focused on right-sizing capacity instead of overexpansion, ensuring resources are deployed efficiently and aligned with market demand. Strong inventory turnover, supported by real-time data and advanced forecasting tools, enabled us to optimise stock levels, minimise waste, and uphold timely delivery to customers. This disciplined approach strengthens both our resilience and agility in navigating uncertain market conditions.

With sustainability as a core priority, the Group expanded its value chain by strengthening the ISTA-certified Packaging Innovation Centre Lab, placing greater emphasis on packaging design, testing, and innovation. These initiatives enable us to deliver sustainable packaging solutions that not only support end users in achieving their environmental objectives but also help customers optimise supply chain performance. Looking ahead, the Group will continue to broaden its customer base while remaining focused on its niche as a one-stop packaging solutions provider, committed to innovation, sustainability, and long-term value creation.

ANTICIPATED OR KNOWN RISKS

Customer Concentration Risk

The customer concentration has always been a successful model for DS Sigma, creating mutual value by enhancing customer loyalty, driving growth, and improving overall business performance through focused sales and marketing efforts on key clients. However, the Group currently relies heavily on a few major customers, which contributes a significant portion of our revenue. This dependency exposes us to the risk of revenue fluctuations if any key customer reduces orders or shifts to another supplier.

In FYE 2025, we took strategic steps to mitigate this risk by reducing customer concentration by 18.21% (FYE 2024: 17.72%) through successful entry into new high-growth sectors such as solar photovoltaic, furniture, and electronic parts of automotive. This diversification was achieved through targeted sales and marketing efforts aimed at broadening our customer base and tapping into new markets. By expanding our reach, we not only strengthened our revenue streams but also improved our resilience against market volatility. Moving forward, we will continue to diversify our product offerings, improve operational efficiency, enhance price competitiveness, and focus on creating value through innovation, quality, customer service, and sustainable practices. These initiatives will help us reduce reliance on any single client, thereby ensuring the long-term stability and growth of the business.

ANTICIPATED OR KNOWN RISKS (CONT'D)

Increasing Competition Risk

The packaging industry is becoming more competitive due to a growing number of players and an excess supply over demand in the market. This increased competition brings downward pressure on pricing and can affect profitability. To maintain our competitive edge, we focus on product innovation, quality, and service differentiation, while leveraging our Packaging Innovation Centre Lab and advanced testing capabilities to offer unique value-added services to our customers.

Human Capital Risk

As the Group expands its operations and integrates greater automation into our manufacturing processes, managing human capital remains a key challenge. The industry faces potential skill gaps, labour shortages, and increasing competition in attracting and retaining skilled talent, particularly in packaging technology, process automation, and quality management. To mitigate these risks, we have introduced targeted training and development programmes to upskill our existing workforce, while actively collaborating with educational institutions and industry partners to build a sustainable talent pipeline that supports our long-term growth and operational excellence.

Rising Operations Costs Risk

DS Sigma continues to face mounting operational cost pressures driven by various factors, including foreign exchange fluctuations, volatile raw material prices, rising energy and utility costs, and increasing labour expenses. As a portion of our raw materials is purchased in foreign currencies, particularly the US Dollar, any adverse currency movements may directly impact input costs and overall profitability. Furthermore, the prices of key raw materials such as paper, plastics, adhesives, and foam remain highly sensitive to global supply demand dynamics, geopolitical tensions, and logistics disruptions, resulting in potential cost volatility. Labour related costs are also increasing due to regulatory changes, statutory contribution adjustments, and periodic revisions to minimum wage policies, while rising energy tariffs, logistics and transportation costs, and compliance-related expenses add further pressure to the Group's cost structure. To address these challenges, the Group has adopted a comprehensive cost management strategy that includes natural hedging and evaluating hedging instruments to manage foreign currency exposure, active supplier management and strategic sourcing to secure competitive pricing and ensure a stable supply of critical materials, cost optimisation initiatives through automation, process improvements, and lean manufacturing practices to enhance efficiency and reduce waste, as well as workforce upskilling and training to improve productivity and support operational excellence. These proactive measures enable DS Sigma to protect margins, strengthen cost resilience, and maintain a competitive edge in an evolving operating environment.

FORWARD-LOOKING STATEMENT

As we enter the financial year ending 2026, DS Sigma approaches the year with cautious optimism, balancing growth ambitions with the realities of an increasingly complex global environment. While geopolitical dynamics and supply chain uncertainties persist, the Group remains focused on capturing opportunities in high-value sectors such as renewable energy, semiconductor, and E&E.

The Group is well-positioned to capture the rising demand for sustainable packaging solutions. By advancing eco-friendly designs and expanding the use of recyclable and renewable materials, DS Sigma is helping customers reduce environmental impact while improving packaging efficiency and performance. At the same time, we are strengthening our position as a complete solutions provider by integrating packaging design, testing, manufacturing, and logistics into a seamless value chain that delivers measurable benefits for our customers.

Our commitment to sustainability, combined with continuous investment in innovation, operational excellence, and customer-centric solutions, reinforces DS Sigma's role as a trusted long-term partner. By scaling capabilities, enhancing efficiency, and creating greater value for our customers, the Group is well-prepared to navigate uncertainties while driving sustainable growth and resilience for all stakeholders.

Yours sincerely,

Lucille Teoh Soo Lien
Managing Director

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT

DS Sigma Holdings Berhad (also referred to as "**DS Sigma**" or "**Group**") is proud to present our Annual Sustainability Statement ("**SS 2025**") for the financial year ended 30 June 2025 ("**FYE 2025**"). This report presents our organisation's dedication to sustainability, highlighting our role in addressing sustainability-related issues pertaining to our business operations. It includes review of our sustainability performance, showcasing key initiatives undertaken during the reporting period. All information disclosed in this SS 2025 are for the reporting period between 1 July 2024 to 30 June 2025, unless stated otherwise.

This report also includes forward looking statements and readers should be aware that information published within the SS 2025 relating to future plans, goals and expectations are made with reasonable assumptions based on the current business outlook. Actual outcomes may differ as the Group adapts its business strategies and operational decisions in response to emerging risks, opportunities and changing circumstances.

REPORTING FRAMEWORKS AND STANDARDS

This SS 2025 has been developed according to Practice Note 9A of the Bursa Malaysia Main Market Listing Requirements ("**MMLR**"), with reference to Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

SCOPE AND BASIS OF SCOPE

All information disclosed in this SS 2025 covers the reporting period between 1 July 2024 to 30 June 2025, unless stated otherwise. The statements' scope includes the packaging and manufacturing operations of the Group in our direct subsidiaries, namely Dai Suwon Packaging Sdn. Bhd., Dai Suwon Manufacturing Sdn. Bhd. and Kaisung Industries Sdn. Bhd..

All of our business operations are carried out in Malaysia, with four (4) operating facilities located in Selangor and one (1) operating facility located in Negeri Sembilan.

REPORT AVAILABILITY AND FEEDBACK

The SS 2025 is available for download on DS Sigma's corporate website at https://www.dssigma.com.my as part of the Group's FYE 2025 Annual Report.

We welcome stakeholders' feedback on this report and its contents as part of our ongoing efforts to enhance our sustainability reporting and practices. Any comments or queries can be directed to our headquarters at 03-8060 1678.

SUSTAINABILITY GOVERNANCE

Sustainability governance plays a vital role in how our organisation manages sustainability-related risks and opportunities. The tone set at the top is crucial in shaping our sustainability efforts and in driving strategic decisions, embedding sustainability throughout our organisation.

Therefore, as part of our commitment to strengthening our governance framework in order to support facilitate more effective and strategic decisions, during the year we have refined our sustainability governance structure to meet this intention.

Sustainability Statement
(Cont'd)

DAY-TO-DAY IMPLEMENTATION OF SUSTAINABILITY MATTERS

The roles and responsibilities for the Board and Committees involved in the management of the Group's sustainability matters are outlined as follows:-

Board of Directors

- Setting of sustainability direction for the Group
- Integration and approval of sustainability risks and opportunities into business strategy

Audit and Risk Management Committee

- Review of sustainability risks and opportunities
- Review of sustainability strategies/policies and adequacy of sustainability governance
- Oversees overall reporting and disclosures

Executive Management

- Identification of sustainability risks and opportunities
- Development, implementation and monitoring of sustainability initiatives and performance targets
- Ensuring compliance to reporting requirements

Sustainability Working Group

- Supports the executive management team in the implementation of approved sustainability initiatives
- Allocation of resources for said initiatives
- Gathering of sustainability data

STAKEHOLDER ENGAGEMENT

Effective communication is essential to building trust and fostering long-term relationships. We maintain regular engagement through various formal and informal channels to ensure transparency, gather feedback, and address key concerns.

DS Sigma engages a broad spectrum of stakeholders, including investors, customers, suppliers, employees, government agencies, and local communities impacted by our operations.

STAKEHOLDER ENGAGEMENT (CONT'D)

The following table outlines our engagement approach and key areas of interest during the year:-

Stakeholder	Methods of Engagement	Frequency of Engagement	Areas of Concern/Interest
Shareholders and Investors	Annual reports	Annually	• Financial performance • Dividends • Business strategy • Shareholder value
	General meetings	Annually Ad-hoc	
	Corporate website	Periodically	
	Company announcements on Bursa Securities	Periodically	
	Investor relations activities	Ad-hoc	
Employees	Performance appraisal	Quarterly	• Occupational safety and health • Balance lifestyle • Remuneration and welfare package • Training and career development
	Internal newsletters	Periodically	
	Team building and annual events	Periodically	
	Training and development programs	Periodically	
Customers	Customer survey	Periodically	• Product quality and safety • Customer-company relationship management • Timely product delivery
	Relationship management	Ad-hoc	
	Corporate website	Periodically	
Suppliers	Performance evaluations	Periodically	• Transparent procurement practices • Timely payments • Timely materials/products delivery
	Vendor registrations	Ad-hoc	
	Timely delivery (per delivery basis)	Periodically	
	Payments to supplier (on agreed credit terms)	Periodically	
Government Agencies and Regulators	Annual reports	Annually	• Regulatory compliance • Waste management and environmental compliance • Labour practices and safety compliance • Anti-bribery and corruption
	Meetings, seminars and trainings	Periodically	
	Statutory submission	Ad-hoc	
	On-site inspections	Ad-hoc	
Local Communities	Customer relationship and engagement	Periodically	• Impact of business operation • Environmental impact • Work opportunities
	Corporate Social Responsibility events	Periodically	
	Job vacancy advertisements	Ad-hoc	

Sustainability Statement
(Cont'd)

MATERIALITY ASSESSMENT

During the previous financial year 2024 ("**FYE 2024**"), the Group undertook a comprehensive materiality assessment using the four-step approach to identify, prioritise, validate and review the sustainability matters that are material to the Group.

With the Group adopting a three-year cycle for conducting these comprehensive materiality reviews, the approach we took for the current year was focused on re-evaluating and streamlining the previously identified FYE 2024 material matters to assess for their continued relevance to the Group.

Following this, we have sent out a survey to key management and key customers to re-assess the prioritisation of our sustainability material matters, whereby key management focuses on the impact of these matters on our business whilst customers focuses on how management of these matters impacts their assessments and decisions. With the results of the survey, an updated materiality matrix was produced and was subsequently presented to the Board for validation.

The outline of the current year approach to material matters is as follows:-

Phase 1:
Re-Evaluation of Material Matters

A review of the material matters identified in the FYE 2024 comprehensive assessment was conducted.

Through this review, the material matters are further streamlined from twelve (12) to nine (9) topics, with the intention of allowing a more refined and optimised management of these topics.

Furthermore, each material matter was then categorised into the relevant sustainability pillar, i.e. Economic, Environment, Social and Governance.

Phase 2:
Reprioritisation of Material Matters

A survey was distributed to key management personnel and key customers to reassess the priority of the material sustainability matters.

These responses were collated and mapped onto a revised materiality matrix.

Phase 3:
Validation of Significant Material Matters

The result of the revised material matrix was reviewed and verified by the ARMC and Board of Directors.

MATERIALITY ASSESSMENT (CONT'D)

Materiality Matrix

DS Sigma Holdings Berhad Material Matrix FYE 2025

Economic	Environment	Social	Governance
1. Customer Services and Relationship Management[1]	1. Resource Management[3]	1. Labour and Human Rights[4]	1. Business Ethics and Compliance[5]
2. Sustainable Operations Management[2]	2. Climate Change	2. Occupational Health and Safety	
3. Supply Chain and Responsible Sourcing		3. Social Contribution	

Notes:-

1. *'Customer Services and Relationship Management' has been included as part of the economic pillar this year.*
2. *Material topics and subtopics such as 'Equipment Maintenance' and 'Product Quality and Safety Management' have been consolidated under the existing topic of 'Sustainable Operations Management'.*
3. *Material topics such as 'Resource and Waste Management' and 'Energy Consumption' have been consolidated under the broader topic of 'Resource Management'.*
4. *Material topics and subtopics such as 'Training and Development', 'Employees' Wellbeing' and 'Diversity, Equality and Inclusivity' have been consolidated under the broader topic of 'Labour and Human Rights'.*
5. *Material topics such as 'Governing Purpose', 'Risk Management' and 'Licensing' have been consolidated under the existing topic of 'Business Ethics and Compliance'.*

Sustainability Statement
(Cont'd)

STRATEGIC MANAGEMENT OF SUSTAINABILITY MATTERS

The Group maintains ongoing oversight of both existing and emerging sustainability risks that may affect our operations, value chain, and stakeholders. This enables timely and informed responses through the implementation of appropriate mitigation measures. The table below outlines the potential key risks and opportunities associated with our material sustainability matters, as categorised under the four (4) sustainability pillars.

Material Sustainability Matters		Potential Risks	Potential Opportunities
Economic	Customer Services and Relationship Management	• Over-reliance on a few key customers • Increased operational costs to maintain high level of customer satisfaction	• Enhanced innovation efforts arising from customer feedback • Developing multi-channel support systems
	Sustainable Operations Management	• Overdependence on key customers • Falling short of International Organisation for Standardisation ("**ISO**") certification requirements or other product quality compliances	• Diversify customer base and revenue expansion to target markets • Improvement and strengthening of internal processes • Application of ISO or other relevant certifications for other product lines • Strengthening supplier collaboration
	Supply Chain and Responsible Sourcing	• Supply chain disruptions caused by natural disasters or regulatory changes leading to delayed deliveries and impacting on customer satisfaction • Increased cost to meet ethical and sustainable standards	• Sourcing certified sustainable materials • Further diversification of existing supplier base
Environment	Resource Management	• Non-compliance with waste disposal regulations • Excessive environmental pollution • Lack of environmental monitoring systems	• Investment into energy-efficient infrastructure and energy-saving equipment • Further utilisation of solar energy at operation sites • Waste segregation and recycling programs • Energy efficiency improvements
	Climate Change	• Regulatory and compliance issues • Potential negative impacts on reputation • Increase in regulatory Climate Change costs, i.e. carbon taxes • Inventory losses due to flood • Loss of manufacturing plant due to permanent sea level rises	• Improved emissions planning and optimising processes, transportation and resource use • Enhanced sustainability reporting leading to stronger stakeholder confidence • Development of new green products, i.e. recycled products

STRATEGIC MANAGEMENT OF SUSTAINABILITY MATTERS (CONT'D)

Material Sustainability Matters		Potential Risks	Potential Opportunities
Social	Labour and Human Rights	• Non-compliance to relevant laws and regulations • Decreased productivity due to high turnover and absenteeism • Potential reputational damage • Outsourcing labour through unverified contractors may expose the company to hidden exploitation or legal risk	• Strong grievance and whistleblowing systems • Worker welfare and engagement programs • Diversity training and education
	Occupational Health and Safety	• Workplace accidents and injuries • Non-compliance to relevant laws and regulations • Language barriers and training gap • Increased operational and medical costs	• Training for Occupational Safety and Health ("**OSH**") related matters for all employees • Investment in newer and safer personal protection equipment • Implementation of ISO 45001 certification • Proactive Safety Culture
	Social Contribution	• Misalignment with community needs leading to inefficient use of funds • Minimal impact by the contribution to the community • Reluctance to engage in initiatives from employees • Misalignment between Corporate Social Responsibility activities and core business	• Improved community relations and enhancing of brand image • Develop partnerships with local organisations • Employee engagement through volunteering
Governance	Business Ethics and Compliance	• Data privacy and cybersecurity breaches • Reputational damage and legal repercussion • Loss of customer trust	• Strong ethical culture and reputation • Enhance corporate integrity, build stronger relationships with stakeholders • Enhance existing data management systems to mitigate cybersecurity risks • Alignment with global frameworks

Sustainability Statement
(Cont'd)

ECONOMIC

Maintaining business continuity is integral to how we operate in within this increasingly complex and fast-changing market environment. Our ability to generate long-term value is grounded in responsible practices, strong stakeholder relationships, and a commitment to high quality standards. By embedding ethical and robust approaches across our operations, we aim to contribute to a more sustainable operating environment that creates lasting benefits for both our organisation and the communities we serve.

CUSTOMER SERVICES AND RELATIONSHIP MANAGEMENT

Why is it important to us

Strong customer relationships are key drivers to the sustainable growth of our Group. By consistently meeting customer needs, we strive to foster trust and loyalty that help build enduring customer connections. This focus enables us to establish lasting partnerships, as well as strengthen our reputation in the market.

Our progress so far

Customer satisfaction remains at the core of our business philosophy, driving our growth and reinforcing our position as a trusted partner in the packaging industry. We prioritise building and maintaining strong, long-term relationships with our customers by understanding their evolving needs and delivering tailored solutions.

Our dedicated customer service teams maintain open and proactive communication with customers to fully understand their quality expectations as well as social responsibility requirements. Through regular engagements with them, we aim to also receive honest feedback to ensure that our solutions continue to align with their needs.

In addition to quality and service, we are increasingly engaging our customers on shared sustainability goals. We actively collaborate with them to develop and deliver innovative, eco-friendly packaging solutions that help them meet their own environmental targets and advance the circular economy agenda.

SUSTAINABLE OPERATIONS MANAGEMENT

Why is it important to us

For DS Sigma, maintaining high standards in product quality and safety is key to strengthening our competitive edge. Consistent performance and regulatory compliance not only reinforce our operational credibility but also distinguishes us in a market that prioritises reliability and excellence.

Our progress so far

Product Quality and Safety Management

At the forefront of our approach is a dedication to innovation and custom engineering, enabling us to create packaging solutions that seamlessly blend versatility, sustainability, and affordability. Our products are thoughtfully designed to adapt across various applications, promote recyclability, and deliver cost-efficient performance while maintaining the highest standards of safety and reliability.

On top of that, maintaining exceptional standards in our products and services is fundamental to our operations. We consistently monitor our production processes to ensure efficiency through rigorous quality control, while effectively managing resources and waste. Reflecting our commitment to excellence, the Group has secured the following certifications during the current year and continues to uphold the standards they represent:-

- ISO 9001: Quality Management System
- ISO 14001: Environmental Management System

ECONOMIC (CONT'D)

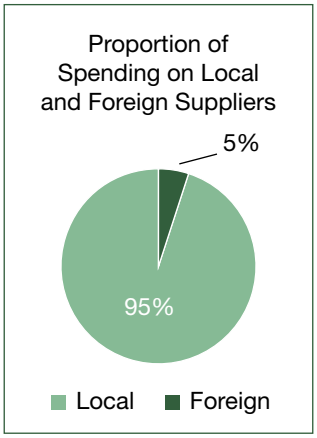
SUPPLY CHAIN AND RESPONSIBLE SOURCING

Why is it important to us

An effective supply chain forms the backbone of responsible sourcing, where quality, traceability, and regulatory compliance are integrated seamlessly. By sourcing responsibly, we not only reduce the risk of exposure to unethical practices but also gain greater visibility across our supply network. This transparency enables us to optimise inventory levels while maintaining consistent product standards.

Our progress so far

Maintaining a stable and resilient supply chain that can adapt and overcome disruptions is a fundamental principle guiding our commitment to uninterrupted business operations. Equally important is our focus on local procurement, which supports the growth of our business by fostering strong relationships with suppliers who understand the local market and can provide timely, reliable, and cost-effective benefits.



We recognise that responsible sourcing not only minimises environmental impact but also ensures alignment with relevant sustainable and ethical standards. To uphold these values, we require our suppliers and partners to strictly adhere to our sourcing guidelines, ensuring the integrity of our products and reinforces the trust our customers place in us, as they increasingly demand transparency and accountability across the supply chain. We take pride in showcase our continued attainment of the Forest Stewardship Council ("**FSC**") certification for our corrugated carton products, reflecting our continued commitment to this matter.

ENVIRONMENT

Our commitment to the environment is both a strategic priority and a reflection of our role as a responsible and forward-looking organisation. We understand that how we manage our environmental impact today will shape the long-term sustainability of our operations and the broader ecosystems we operate within. By integrating environmental considerations into our planning and daily practices, we aim to create lasting value for our business, as well as the communities and environments that surround us.

RESOURCE MANAGEMENT

Why is it important to us

Reducing our environmental impact starts with how we manage the resources we rely on in our day-to-day operations. By prioritising effective usage of materials and water, and the responsible management of waste and effluents, we aim to lower our carbon footprint and maintain a steady flow of essential inputs, while operating more cost-effectively. The initiatives carried out in these areas supports our long-term sustainability goals and reinforces the resilience of our operations.

Our progress so far

Energy Management

Electricity is the main energy source powering our production facilities and office environments. Recognising the critical impact of energy efficiency on environmental stewardship and sustainable growth, we are actively advancing strategies to optimise energy use throughout our operations, striving to minimise unnecessary consumption and enhance overall performance.

Sustainability Statement
(Cont'd)

ENVIRONMENT (CONT'D)

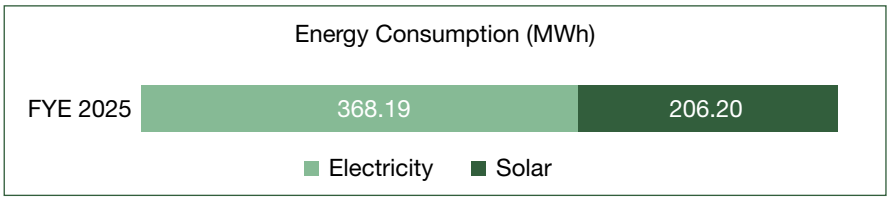
RESOURCE MANAGEMENT (CONT'D)

One exciting milestone in our journey towards more sustainable energy management is the installation of solar panels at our Telok Gong factories. Having completed the installation of all panels in the previous financial year, we were able to measure the full year contribution of these solar panels for FYE 2025, which was 206.20 Megawatts – representing 36% of our total energy consumption.

Building on these efforts, 86% of our fleet of reach trucks and forklifts have been transitioned from diesel-powered models to electric vehicles. This shift not only reduces emissions but also contributes to quieter, more efficient operations within our facilities.

Inspired by the positive impact and success of these initiatives, we are motivated to expand our efforts and install solar panels at additional manufacturing sites, gradually increasing our use of renewable energy across the Group.

Alongside our investments in renewable energy, we believe that every small action counts, which is why we actively engage and educate our employees on energy conservation. Simple steps like placing friendly reminders above switches throughout our workplace and offering training on sustainability as part of employee development goals. This approach helps ensure that all employees understand and embrace the organisation's sustainability journey. By keeping energy conservation top of mind in everyday actions, we nurture a shared sense of purpose and commitment toward our environmental goals.



FYE 2025
2,067.78
Total energy consumption (GJ)

Note: *Total energy consumption is calculated based on unit conversion of total electricity consumption (1MWh = 3.6GJ).*

Water Management

FYE 2025
5.90
Total water consumption (megalitres)

Water scarcity remains a risk that requires ongoing attention across our operations, influenced by factors such as water shortages and rising water tariffs imposed by local municipalities. These factors collectively have the potential to impact our operating costs. Therefore, it is important for the Group to proactively manage water consumption across all our facilities. Our Human Resources Department has been diligent in conducting inspections across our facilities and employee accommodations to ensure proper water usage practices are in place and prevent any instances of water wastage. Furthermore, as part of our commitment to improving sustainability reporting, we are in the process of collecting additional data to include water intensity metrics for a more comprehensive analysis of our water usage.

Waste Management

Waste management is an essential part of our environmental stewardship, with an initial focus on reuse to minimise waste generation. For example, we transform trimmings and rejected cartons into durable wooden pallets, effectively reducing material wastages, minimising raw material usage and providing an alternative stream of revenue for the Group.

ENVIRONMENT (CONT'D)

Waste Management (Cont'd)

In terms of waste disposal, recyclable materials such as paper waste are sold to 3rd party waste recycling companies; whereas hazardous waste such as ink residues and contaminated rags are handled by contractors registered with the Department of Environment ("**DOE**") to ensure proper and compliant processing. We have also begun systematically tracking waste disposal data as part of our ongoing efforts to enhance sustainability reporting. This enables us to identify areas for improvement and explore innovative opportunities in this area.

FYE 2025	FYE 2025
255.97	4.57
Amount of waste recycled (metric tonnes)	Amount of hazardous waste disposed (metric tonnes)

Note: *Hazardous waste here refers to scheduled waste that has hazardous characteristics that have the potential to negatively impact the public and the environment as denoted by DOE.*

CLIMATE CHANGE

Why is it important to us

Our factory's location in a high physical risk area exposes our entire Group to a dual set of critical climate risks. First, we face direct physical risks from extreme weather events like severe flooding, which can damage our infrastructure, disrupt our supply chain, and halt operations. These events threaten our assets and could lead to significant repair costs and lost revenue, directly impacting our bottom line.

Second, this physical vulnerability creates transitional risks for us. As investors, regulators, and customers become more aware of climate-related vulnerabilities, our company faces increased scrutiny. We could see higher costs for insurance, stricter regulatory requirements, and reputational damage that could affect our brand and our ability to attract investment. Therefore, managing these interconnected physical and transitional risks is not just a matter of compliance; it's essential for ensuring the long-term resilience and financial stability of our Group.

Our progress so far

Our response to climate change is currently centred on managing our greenhouse gas ("**GHG**") emissions as a way to limit our environmental impact. By improving energy efficiency and adopting resource efficient practices, we aim to manage our emissions more effectively while also intending to preserve natural ecosystems. These efforts reflect our commitment to environmental stewardship, while staying aligned with evolving regulations and standards.

In anticipation of upcoming sustainability reporting requirements, we are actively enhancing our processes for collecting GHG emissions data across our operations. Our priority is to ensure the completeness and reliability of this data to support effective monitoring and management. This includes identifying key emission sources, standardising data collection procedures, and facilitating information sharing among departments to improve accuracy. This preparatory work is a critical step toward our future alignment with the IFRS S2 Climate-Related Disclosures, and work related to it has already commenced. By proactively preparing for these disclosures, we aim to provide stakeholders with transparent and comparable climate-related financial information, reinforcing our commitment to both environmental responsibility and robust corporate governance.

Sustainability Statement
(Cont'd)

SOCIAL

At DS Sigma, social responsibility is viewed as a shared commitment to our people and the communities we serve. Respecting labour and human rights, ensuring a safe and healthy workplace, and contributing to local communities are all closely connected — each reinforcing the other to create a positive and supportive environment for all.

LABOUR AND HUMAN RIGHTS

Why is it important to us

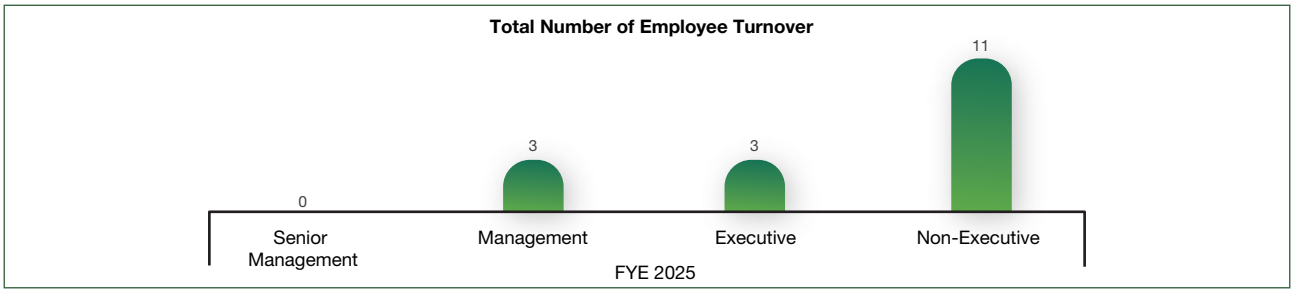
Labour and human rights are central to the social pillar in our sustainability strategy, shaping how we support our people and sustain a healthy workplace culture. Prioritising employee welfare fosters a positive and inclusive environment, while treating all individuals with dignity and fairness encourages trust and mutual respect. Upholding these values also strengthens our ability to retain experienced talent and remain competitive in attracting new recruits.

Our progress so far

Employee Wellbeing

We believe that dignity, fairness, and respect are essential elements that we should promote within our workplace. We provide fair and sustainable wages, ensure safe and inclusive working conditions, and uphold the rights of all employees. In support of these values, we comply with the Employment Act Amendment 2022 and the Minimum Wages Order 2022, which prohibit child labour, forced labour, and modern slavery. Our Labour and Human Policy builds upon these principles, outlining our broader commitments to ethical and responsible labour practices.

FYE 2025
0
Number of substantiated complaints concerning human rights violations



DS Sigma' Labour and Human Policy at a Glance

Forced Labour	In line with local laws, we uphold a zero-tolerance stance toward forced, involuntary, or exploitative labour, including indentured, bonded (such as debt bondage), trafficked, and slave labour.
Prohibition of Young Workers	The employment of persons under the age of eighteen (18) is strictly prohibited in our organisation, with the exception of legitimate student internship programmes that are in accordance with all laws and regulations.
Working Hours	Working hours are set in compliance to the labour law, capping total weekly hours at seventy-two (72) (including overtime) except in emergencies, and ensuring at least one (1) rest day every seven (7) days.
Wages and Benefits	Wages are paid in line with all applicable laws, including minimum wage, overtime, and benefits. Wage deductions as a disciplinary action are prohibited, and payments are made in a timely manner.
Humane Treatment	No form of harassment, abuse, coercion, or inhumane treatment is allowed, and clear disciplinary policies are defined and communicated to all workers.

SOCIAL (CONT'D)

LABOUR AND HUMAN RIGHTS (CONT'D)

DS Sigma' Labour and Human Policy at a Glance (Cont'd)

Non-Discrimination	We prohibit any discrimination against employees or job applicants on the basis of characteristics such as race, gender, age, religion, or marital status in matters of pay, promotion, and training.
Freedom of Association	We respect employees' rights to form and join unions, engage in collective bargaining, and assemble peacefully. Workers and their representatives are free to communicate openly with management regarding workplace conditions without fear of harassment or retaliation.
Support for Parenthood and Nursing Mothers	Female employees are entitled to at least ninety-eight (98) consecutive days of maternity leave, starting no more than thirty (30) days before delivery. Pregnant employees will not be assigned hazardous or heavy tasks and will be reassigned to light duty if necessary. After confinement, employees are also permitted time for nursing or lactation as needed.

With the guidance of our policy above, we are pleased to report that no human rights violations were recorded during the year.

FYE 2025
0
Number of substantiated complaints concerning human rights violations

Employee Engagement

In line with our commitment to employee wellbeing, we strive to create an uplifting and energising workplace. By supporting mental, physical, and emotional health, we boost productivity and build a positive, sustainable culture where the success of our people fuels the success of the company.

Throughout the year, we continued to champion initiatives that strengthen connections among our people and foster a sense of belonging. Our employee engagement activities were designed to encourage collaboration, celebrate achievements, and embrace the diversity of cultures within our workforce.

Bowling Activity 2025

Pickleball Activity 2025

Sustainability Statement
(Cont'd)

SOCIAL (CONT'D)

LABOUR AND HUMAN RIGHTS (CONT'D)

Employee Engagement (Cont'd)

Telok Gong Factory Team Appreciation Lunch 2025

Chinese New Year Celebration 2025

Deepavali Celebration 2024

SOCIAL (CONT'D)

LABOUR AND HUMAN RIGHTS (CONT'D)

Employee Engagement (Cont'd)

Team Building 2025

Annual Dinner 2025

Training and Development

Talent development is a core value that drives our growth and collective excellence. By investing in training, we equip every employee with the skills and knowledge to thrive in their roles, helping them reach their full potential. We proactively support and encourage participation in programmes relevant to each role, ensuring work competency is maintained while fostering opportunities for skill enhancement. In FYE 2025, we dedicated a total of 1,573 training hours across the Group to empower our people and strengthen our collective capabilities.

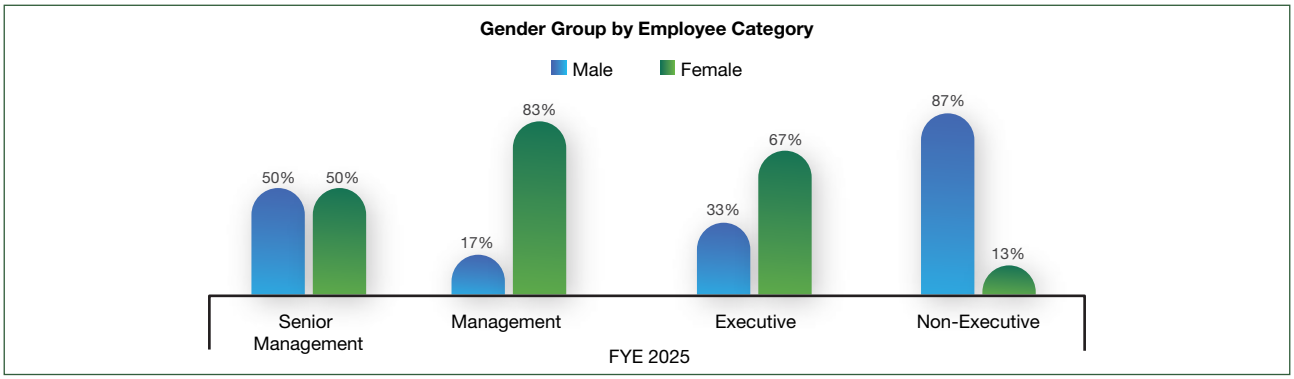
Sustainability Statement
(Cont'd)

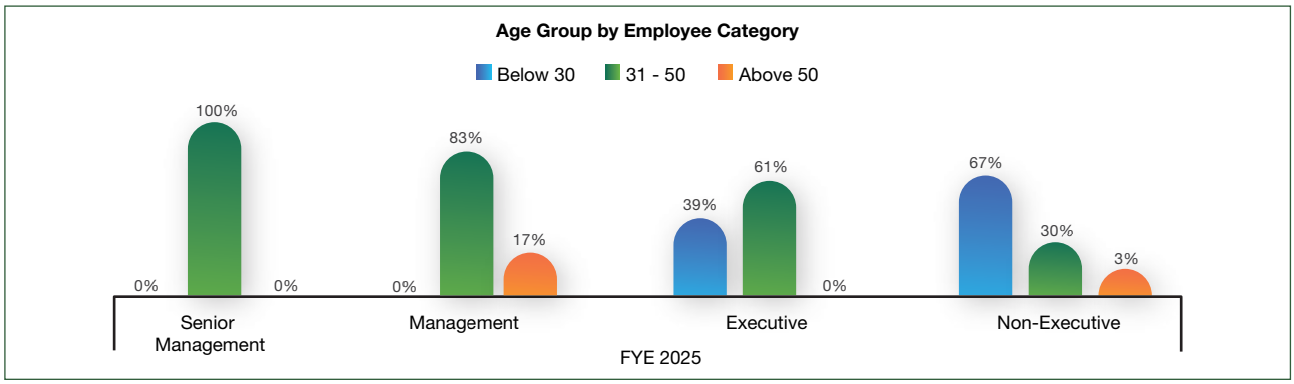
SOCIAL (CONT'D)

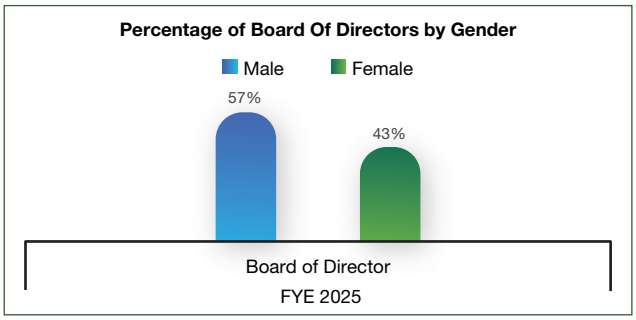
LABOUR AND HUMAN RIGHTS (CONT'D)

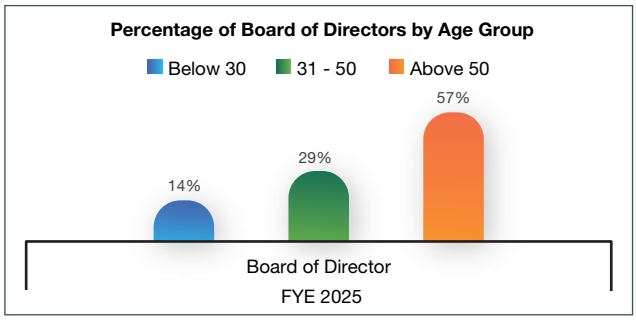
Diversity, Equality and Inclusivity

As represented in our Labour and Human Rights Policy, non-discrimination is a fundamental principle that guides our commitment to fostering an inclusive and equitable workplace. We actively promote diversity by ensuring equal opportunities for all employees in recruitment, development, promotion, and remuneration. Our policies and practices are designed to eliminate bias and barriers, enabling every individual to contribute fully and advance based on merit and potential.









SOCIAL (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY

Why is it important to us

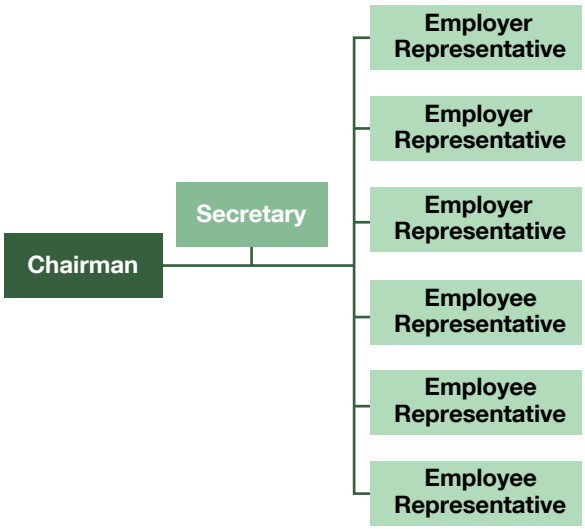
Occupational safety and health represent a core component of our sustainability commitment, being deeply connected to employee wellbeing and the overall strength of our operations. Our focus on this aspect lies in creating a safe workplace that allow our people to thrive, while also enabling our sites to operate efficiently and without disruption.

Our progress so far

The health and safety of our people is a top priority and an essential part of how we conduct our business. We enforce strict safety standards across all sites to ensure compliance with regulatory requirements, upholding the values of care and accountability in the workplace. Through continuous monitoring, training, and targeted risk management, we work to prevent incidents and ultimately maintain a safe environment for everyone.

Health, Safety and Environment ("HSE") Committee Organisational Chart

To further strengthen our commitment, we have established a HSE Committee responsible for overseeing and driving health, safety, and environmental initiatives across the Group. This committee plays a key role in reviewing policies, identifying potential risks, and implementing improvement measures, ensuring that our operations consistently meet the highest standards of safety and sustainability.



Lost Time Incident Rate ("LTIR")

FYE 2023	FYE 2024	FYE 2025
85	114	129
Number of employees trained on health and safety standards		

Building on this, all new employees are required to attend workplace induction training that introduces the safety protocols and procedures in place across all our sites. This training covers procedures for fire safety and emergency response protocols. Operational staff are also required to attend regular safety briefings to ensure they are well-versed in safe work practices and hazard prevention. These sessions cover topics such as proper machinery handling, safe management of chemicals and the correct use of personal protective equipment. Furthermore, office-based employees are encouraged to participate in basic first-aid training. We remain committed to providing ongoing training and refresher courses for all employees to continuously strengthen the safety standards within our organisation.

During the year, we are pleased to confirm that no work-related fatalities occurred within our facilities, and the LTIR has consistently remained at zero.

FYE 2023	FYE 2024	FYE 2025
0	0	0
Lost time incident rate		

Furthermore, as part of our efforts to continue enhancing our operational excellence and meeting evolving industry standards, we are currently pursuing a certification in ISO 45001: Occupational Health and Safety Management System to bolster our commitment to quality and sustainability.

FYE 2023	FYE 2024	FYE 2025
0	0	0
Number of work-related fatalities		

Sustainability Statement
(Cont'd)

SOCIAL (CONT'D)

SOCIAL CONTRIBUTION

Why is it important to us

Social contribution is an important part of how we create long-term value beyond business performance where we aim to respond to societal needs in meaningful ways through actively supporting the development of local. These efforts not only reflect our role as a responsible corporate citizen but also help strengthen our relationships with key stakeholders, reinforcing our brand image that is built on purpose and positive impact.

Our progress so far

Here at DS Sigma, we believe in providing the highest standard of product and services to the best of our abilities. This guiding principle of ours flows down to our execution of community outreach programmes, whereby being selective in which programme is carried out allow us to choose one that is more meaningful and impactful to our organisation.

With that being said, the selected outreach activity for this fiscal year was our "Dai Suwon Community Earth's Harmony" event carried out in late November 2024 at Bukit Jelutong Eco Community Park with the purpose of offering support for the overall upkeep of the park.

As an extension of our Employee Engagement efforts, we have opened up this opportunity to our employees to "give back" to the environment with their time and energy.

	Measurement Unit	FYE 2025
Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	3,759
Total number of beneficiaries of the investment in communities	Number	1

GOVERNANCE

Good governance is what holds our sustainability efforts together. It keeps us accountable and helps us make decisions that are both ethical and responsible, turning our environmental and social goals into real, lasting action. By putting the right structures and oversight in place, we're able to stay on track, manage risks, and build trust with our stakeholders — all while driving meaningful, sustainable progress within the Group.

BUSINESS ETHICS AND COMPLIANCE

Why is it important to us

For DS Sigma, ethics and compliance shape our business culture, guiding our decisions and ensuring that we operate responsibly, manage risks effectively, and build trust with the people who matter. This means taking a clear stance against bribery and corruption, protecting data with care, and staying fully aligned with all regulatory requirements. By embedding these values into how we work every day, we're helping to create a business that's not only resilient, but also respected and accountable.

Our progress so far

Anti-Bribery and Corruption

We maintain a firm commitment to prohibiting bribery and corruption in all aspects of our business operations, helping us maintain the integrity needed to drive consistent, sustainable results.

In order to maintain this culture of integrity within our Group, awareness on this matter among our employees is essential. Therefore, through the establishment of our Anti-Corruption Policy, all employees are driven by a collective responsibility towards ensuring a zero tolerance towards corruption. The policy also underlines the Group's gift policies, control measures for deterring corruption and provision of anti-corruption training to all employees. As a result of these initiatives, we are proud to report that we achieved a 100% completion rate for all employees and there were also no incidences of corruption detected across our businesses.

FYE 2025
0
Confirmed incidences of corruption and action taken

	FYE 2025
Percentage of employees who have received training on anti-corruption by employee category:-	
Senior Management	100%
Management	100%
Executive	100%
Non-Executive	100%

On top of that, our Whistleblowing Policy also plays an important part in the Group's anti-corruption efforts by providing employees and other stakeholders a secure and confidential way to inform about any incidences of misconduct or unethical behaviour. By offering this safe and secure channel for open communication, we aim to build a more transparent culture. The insights we receive through this channel help us take appropriate action to address any potential corruption in a timely manner. This ongoing process strengthens our internal controls and supports our commitment to doing business with integrity.

At the moment, our enterprise risk management process incorporates the corruption risk assessment across the organisation, rather than in isolation at the operational level. As part of our continuous improvement programme, we are exploring initiatives that enable to us conduct such assessments effectively and efficiently throughout our business operations.

FYE 2025
0
Percentage of operations assessed for corruption-related risks

Sustainability Statement
(Cont'd)

GOVERNANCE (CONT'D)

Data Privacy and Security

As technology continues to transform the way businesses operate, the reliance on data and digital systems has grown significantly. With this shift comes a heightened responsibility to manage information securely and ethically.

We recognise that strong data management is essential for both business continuity and sound corporate governance. Protecting our customers' personal and confidential information remains a key priority, as we are well aware that any breach, loss, or misuse of data can lead to serious operational and reputational risks. In line with the Personal Data Protection Act 2010 ("**PDPA**"), our Privacy Policy sets out clear principles for the collection, handling and storage of personal data.

FYE 2025
0
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

Alongside this, we have implemented organisation-wide preventive measures and Information Technology ("**IT**") protocols to ensure that our IT systems and data assets are consistently maintained. During this financial year, we are pleased to report that there have been no reported breaches of customers data privacy.

PERFORMANCE TARGETS

As part of the Group's commitment to continuous improvement in sustainability practices, this marks our first year of setting formal sustainability-related targets. We are firmly focused in ensuring that the targets we set are meaningful, measurable and achievable. Therefore, the targets established for the upcoming financial reflect our forward-looking approach and may be adjusted in response to evolving market conditions or external developments beyond the Group's control. Currently set on an annual basis, we are also evaluating the potential for longer-term targets in the future to ensure alignment with our sustainability strategy and aspirations.

	Key Indicators	Target for FYE 2026
ENVIRONMENT		
Energy Management	**Energy Management**	To complete installation of solar panels at Nilai and Puchong operation sites
SOCIAL		
Employee Wellbeing	**Labour Practices and Standards**	To maintain compliance to existing social targets communicated to customers, i.e. • Working hours not exceeding sixty (60) hours per week • Mandatory one (1) rest day per week • Employment Contract provided to all workers • Consent from employee for overtime hours • Salaries payable by 7th of each month • Prohibition for hiring under-age workers • All grievances are closed within one (1) month • Ensure 100% training provided for Labour & Ethics • Signing of Personal Data Protection Act and Non-Disclosure Agreement forms
	Occupational Health and Safety	Zero work-related fatalities
GOVERNANCE		
Anti-Bribery and Corruption	**Anti-Bribery and Corruption**	Zero confirmed incidences of corruption
Data Privacy and Security	**Data Privacy and Security**	Zero data privacy and security breaches

FORWARD LOOKING STATEMENT

The Group recognises that we are at the early stages of our sustainability journey, however we are fully aware on the importance of a robust sustainability reporting framework for the Group and its continual improvement. Our planned roadmap for future disclosures aims to align with the latest Bursa reporting requirements and Malaysia's National Sustainability Reporting Framework ("**NSRF**"), which includes the upcoming adoption of IFRS S1 and S2.

While staying focused on our core business operations, we will continue to pursue the targets set for the upcoming year and explore other additional sustainability-related accreditations to further advance this commitment to our sustainability agenda.

Timeline	Sustainability Reporting Disclosure Roadmap
FYE 2027	First year adoption of IFRS S1 and S2, adopting a climate first approach with partial adoption of abovementioned reporting standards.
FYE 2029	Full adoption of IFRS S1 and S2 reporting standards and Scope 3 GHG disclosures.

STATEMENT OF ASSURANCE

This SS 2025 has not been subjected to an assurance process.

Sustainability Statement
(Cont'd)

ESG PERFORMANCE DATA TABLE
from ESG Reporting Platform

Indicator	Measurement Unit	2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	100.00
Management	Percentage	100.00
Executive	Percentage	100.00
Non-Executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	3,759.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Below 31	Percentage	0.00
Senior Management 31-50	Percentage	100.00
Senior Management Above 50	Percentage	0.00
Management Below 31	Percentage	0.00
Management 31-50	Percentage	83.00
Management Above 50	Percentage	17.00
Executive Below 31	Percentage	39.00
Executive 31-50	Percentage	61.00
Executive Above 50	Percentage	0.00
Non-Executive Below 31	Percentage	67.00
Non-Executive 31-50	Percentage	30.00
Non-Executive Above 50	Percentage	3.00
Gender Group by Employee Category		
Senior Management Male	Percentage	50.00
Senior Management Female	Percentage	50.00
Management Male	Percentage	17.00
Management Female	Percentage	83.00
Executive Male	Percentage	33.00
Executive Female	Percentage	67.00
Non-Executive Male	Percentage	87.00
Non-Executive Female	Percentage	13.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	57.00
Female	Percentage	43.00
Below 31	Percentage	14.00
Between 31-50	Percentage	29.00
Above 50	Percentage	57.00

ESG PERFORMANCE DATA TABLE (CONT'D)

from ESG Reporting Platform

Indicator	Measurement Unit	2025
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	2,067,800.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	129
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Director	Hours	114
Manager	Hours	160
Executive	Hours	467
Non-Executive	Hours	832
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Director	Number	0
Manager	Number	3
Executive	Number	3
Non-Executive	Number	11
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	95.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	5.900000

CORPORATE GOVERNANCE OVERVIEW STATEMENT

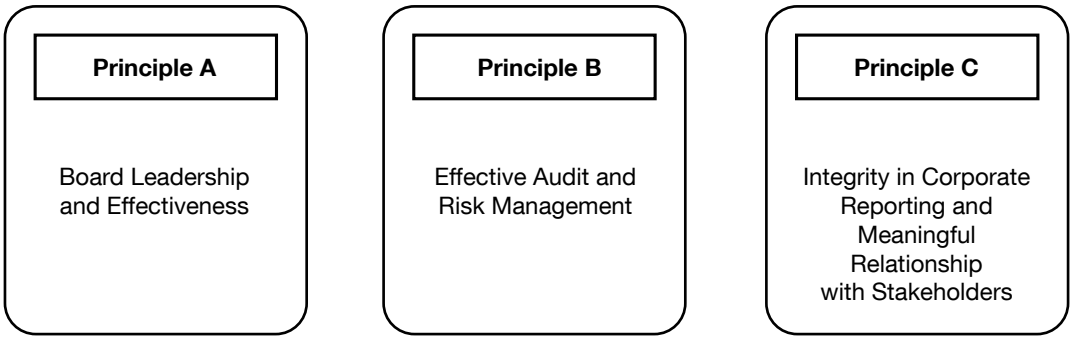
"**Corporate governance**" is the system of rules, practices and processes by which a company is directed and controlled.

The Board of Directors ("**Board**") of DS Sigma Holdings Berhad ("**DS Sigma**" or "**Company**") recognises that the purpose of corporate governance ("**CG**") is to facilitate effective, entrepreneurial and prudent management that can deliver the long-term success to the stakeholders of the Company.

DS Sigma's Commitment

As one of the leading total packaging solutions providers in Malaysia, the Board is committed towards ensuring good CG practices are implemented and maintained throughout the Company and its subsidiaries (collectively referred to as "**Group**") as a fundamental part of discharging its duties to protect shareholders' interests.

As part of this commitment, the Board is pleased to present this CG Overview Statement ("**CG Statement**") to provide investors with an overview of the extent of compliance with the practices as set out in the Malaysian Code on Corporate Governance ("**MCCG**") under the stewardship of the Board. In doing so, the Board has taken guidance from the three (3) key Principles below as set out in the MCCG:-



This CG Statement also serves as a compliance with Paragraph 15.25(1) of the Bursa Malaysia Securities Berhad ("**Bursa Securities**") Main Market Listing Requirements ("**Main LR**") and should be read together with the CG Report of the Company for the financial year ended 30 June 2025 ("**FYE 2025**"), which are available for public access on the Company's corporate website at:-

https://www.dssigma.com.my

The CG Report provides the detailed explanations on how the Company has applied each practice as set out in the MCCG during the FYE 2025.

Applicable Period

This CG Statement covers the period up to 30 June 2025 or where applicable, up to 30 September 2025 (as indicated therein), being the latest practicable date (hereinafter referred to as "**Applicable Period**").

DS Sigma's Key Focus Area

The Board is pleased to provide below a snapshot of the key CG focus areas for the Applicable Period:-

MCCG Practice	Applications by the Company
Practice 1.1 **Key responsibilities of the Board**	• Strategic planning and direction to the management team. • Group business overview and financial performance oversight. • Risk management oversight – assisted by Audit and Risk Management Committee ("**ARMC**"). • Internal control and compliance – ensure robustness, adequate and with integrity. • Stakeholders' communication – designated spokesperson for external parties and general public. • Human resources planning and remuneration – ensure the management team retain Key Senior Management personnel with integrity and competence.
Practice 5.2 **At least half of the Board comprises Independent Directors**	• 57.1% of the Board comprises Independent Non-Executive Directors ("**INEDs**") and the remaining 42.9% are Executive Directors ("**EDs**"). **3 EDs** **4 INEDs**
Practice 5.8 **The Nominating Committee is chaired by an Independent Director or the Senior Independent Director**	• The Nomination Committee ("**NC**") is chaired by Puan Maznida binti Mokhtar ("**Puan Maznida**"), an INED.
Practice 5.9 **The Board comprises at least 30% women Directors**	• 42.9% (3 out of 7 members) of the Board comprises women Directors.
Practice 6.1 **Formal and objective annual evaluation on Board, its Committees and each individual Director**	• Facilitated by the Company Secretary, Puan Maznida, as the Chair of the NC, led the annual review of board effectiveness, ensuring the performance of each Director, the Board Committees, as well as the assessment of the Board as a whole by the NC and documented by the Company Secretary.
Adoption of Step-Up Practice 9.4 **The Audit Committee should comprise solely of Independent Directors**	• The ARMC comprises solely of three (3) INEDs. **INEDs**

The detailed applications of each of the three (3) key CG principles were set out below:-

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

1. Duties and Responsibilities of the Board

The Board is responsible for the leadership, oversight and long-term success of the Group.

Certain responsibilities of the Board are delegated to other Board Committees, which operate within clearly defined Terms of Reference. Standing Committees of the Board include the ARMC, NC, and Remuneration Committee ("**RC**").

Although specific powers are delegated to the Board Committees, the Board keeps itself abreast of the key issues and/or decisions made by each Board Committee through the reports made by the Chairman/ Chairperson or representative of each Committee and tabling of Minutes of Board Committees' meetings of the Applicable Period for notation by the Board.

It is the general policy of the Company that all major decisions be considered by the Board as a whole.

To ensure the effective discharge of its function and duties, the primary responsibilities of the Board include (but are not limited to) the following:-

(a) To provide leadership and oversee the overall conduct of the Group's businesses to ensure that the businesses are being properly managed;
(b) To ensure that the Company has effective Board Committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by MCCG;
(c) To appoint the Board Committees, to delegate powers to such Committees, to review the composition, performance and effectiveness of such Committees, and to review the reports prepared by the Board Committees and deliberate on the recommendations thereon;
(d) To promote, together with the Senior Management, good corporate governance culture within the Group which reinforce ethical, prudent and professional behaviour, including overseeing the ethical conduct of business and preventing bribery on the Group's business;
(e) To review, challenge and decide on management's proposals for the Group and monitor its implementation by management;
(f) To set, review and adopt strategic plans, business plans, risk management, values and standards for the Group and to ensure that the Group's strategic plan supports long-term value creation, focusing on economic, environmental and social considerations underpinning the sustainability of the Group;
(g) To supervise and assess management's performance to determine whether the business is being properly managed;
(h) To ensure there is a sound framework for internal controls and risk management;
(i) To understand the principal risks of the Group's business and recognise that business decisions involve the taking of appropriate risks;
(j) To set the risk appetite within which the Board expects management to operate and ensure there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks faced by the Group;
(k) To ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;
(l) To ensure that the Group has in place procedures to enable effective communication with stakeholders;
(m) To ensure that all Directors are able to understand financial statements and form a view on the information presented;
(n) To ensure the integrity of the Group's financial and non-financial reporting; and
(o) To ensure that the Group's sustainability strategies, priorities and targets as well as performance against such targets are communicated to the Company's shareholders and other stakeholders.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

2. Responsibilities of the Board Chairman

En. Mohamad Ismail bin Abu Bakar ("**En. Ismail**") is the Chairman of the Board and his key responsibilities as a Chairman, include but not limited to the following:-

(a) providing leadership for the Board so that the Board can perform its responsibilities effectively;
(b) leading the Board in the adoption and implementation of good corporate governance practices in the Company;
(c) setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
(d) leading Board meetings and discussions;
(e) encouraging active participation and allowing dissenting views to be freely expressed;
(f) managing the interface between Board and management; and
(g) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole.

3. Separation of the Positions of the Board Chairman and Managing Director ("MD")

The Board recognises the importance of having a clearly accepted division of power and responsibilities to ensure a balance of power and authority.

En. Ismail, as the Independent Non-Executive Chairman, provides strong leadership and objective judgement with regards to ensuring the adequacy and effectiveness of the Board's governance process. Whereas Ms. Lucille Teoh Soo Lien ("**Ms. Lucille Teoh**"), MD, ensures the effective implementation of the Group's business plan and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation.

The Board is of the view that the separation of the positions of the Chairman of the Board and the MD together with the INEDs, provides further assurance that there is a balance of power and authority in the Company and effective stewardship of the Group in terms of strategies and business performance.

In addition, the Independent Non-Executive Chairman, En. Ismail is not a member of the Board Committees.

The roles of the Chairman of the Board and the MD are clearly demarcated and defined in the Board Charter of the Company.

4. Company Secretaries

The Board is supported by two (2) suitably qualified and competent Company Secretaries as follows:-

- Ms. Chua Siew Chuan, FCIS
- Ms. Chew Kit Yee, ACIS

Both the Company Secretaries are members of The Malaysian Institute of Chartered Secretaries and Administrators ("**MAICSA**") and are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016 ("**CA 2016**").

All Directors have direct access to the advice and support of the Company Secretaries in relation to Board policies and procedures, compliance of applicable rules and regulations by the Group and corporate governance related practices.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

4. Company Secretaries (Cont'd)

The duties and responsibilities of the Company Secretaries, include but not limited to the following:-

(a) Manage all Board and Committee meeting logistics, attend and record minutes of all Board and Committee meetings and facilitate Board communications;
(b) Advise the Board on its roles and responsibilities;
(c) Facilitate the orientation of new Directors and assist in Directors' training and development;
(d) Advise the Board on corporate disclosures and compliance with the CA 2016, securities regulations and Main LR;
(e) Manage processes pertaining to the annual shareholder meeting;
(f) Monitor corporate governance developments and assist the Board in applying corporate governance practices to meet the Board's needs and stakeholders' expectations;
(g) Serve as a focal point for stakeholders' communication and engagement on corporate governance issues; and
(h) Carry out other functions as deemed appropriate by the Board from time to time.

For the FYE 2025, the Company Secretaries had attended the relevant continuous professional development programmes as required by MAICSA for practising company secretaries. Both the Company Secretaries possessed a valid Practising Certificate issued by the Companies Commission of Malaysia for the FYE 2025.

For FYE 2025, the Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its duties and functions.

5. Timely Circulation of Meeting Materials

The Board fixes the annual meeting schedule. The annual meeting schedule, as soon as it has been confirmed by the Board, will be disseminated to the management, for planning of works schedule.

The notices of the scheduled Board meetings are served to the Directors at least seven (7) days prior to the Board meetings. Unless there is exceptional case for convening of Special Meeting of the Board to address emergency issue, shorter notice would be allowed with the consent of all Directors.

To leverage on the usage of technology, the Board papers are circulated to the Directors in electronic form via email prior to the Board meetings, to allow the Directors to consider the relevant information.

All Directors are furnished with a comprehensive Board meeting agenda, minutes of meeting and relevant information materials and documents at least five (5) business days in advance at each Board meeting to enable the Board to make considerations, deliberations and decisions.

Subsequent to the Board meetings, the minutes will be circulated to the Board for confirmation to ensure that deliberations and decisions of the Board are accurately recorded.

The Company Secretaries would ensure that a statement of declaration of interest or abstention from voting and deliberation are recorded in the minutes.

The Chairman of the Board meeting signs the minutes as a correct record of the proceedings and thereafter, the said minutes of all proceedings are kept in the statutory book at the registered office of the Company to be made available for inspection under the CA 2016.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

6. Board Charter

The Board has adopted a Board Charter outlining the authority, responsibilities, membership and operation of the Board and management as well as the matters reserved for the Board, adopting principles of good corporate governance and practices, in accordance with applicable laws in Malaysia.

The Board Charter is applicable to all Directors of the Company and, amongst other things, provides that all Directors must avoid conflicts of interest between their private financial activities and their part in the conduct of company business.

The Board Charter is to be regularly reviewed by the Board as and when required. The Board Charter was last reviewed on 25 August 2025.

The latest Board Charter is available for viewing under the "Investor Relations" section of the Company's corporate website at https://www.dssigma.com.my.

7. Fit and Proper Policy

The Board had adopted a Fit and Proper Policy which is in line with the Main LR. The Board believes that it is in the best interest of the Company and its stakeholders that its Directors have the required character, experience, integrity, competence and time to effectively and diligently discharge their responsibilities and duties and contribute to the proper governance of the Group. The Fit and Proper Policy forms part of the established and approved policy and procedures on nomination and appointment of Director and re-appointment/re-election of Director.

The NC and the Board shall be guided by the following four (4) criteria while evaluating the appointment, re-election or re-appointment of the candidates/Directors, whichever applicable:-

(a) Probity, personal integrity and reputation;
(b) Financial integrity;
(c) Experience and competence; and
(d) Time and commitment.

The Fit and Proper Policy was last reviewed on 25 August 2025. The latest Fit and Proper Policy is available for viewing under the "Investor Relations" section of the Company's corporate website at https://www.dssigma.com.my.

8. Code of Conduct and Ethics

The Board has established a Code of Conduct for the Group and Code of Ethics for Directors (collectively referred to as "**Code**") in order to maintain the highest level of integrity and ethical conduct of the Board, management and employees of the Group and to provide guidance to ensure upholding of the ethical conduct in the Board practices and/or employees daily work.

The Code sets forth the values, expectations and standards of business ethics and conduct to guide the Board, the management and employees of the Group and will be reviewed as and when required.

There was no report of concern received by the Company for the FYE 2025.

The Code are available for viewing under the "Investor Relations" section of the Company's corporate website at https://www.dssigma.com.my.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

9. Whistleblowing Procedures

As recommended under Practice 3.2 of the MCCG, the Board has adopted a full-fledged Whistleblowing Policy.

The Board recognises whistleblowing as a specific means by which an employee/officer or stakeholder can reports or discloses through established channels, the concerns about any violations of the Code, unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place/has taken place/may take place in the future.

Anyone with genuine concerns in relation to unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements may forward his report to the designated persons as provided below (where applicable):-

For matters relating to unethical or illegal conduct, one can report directly to the following designated persons:- Mail the letter by marking "Private and Confidential" to the following address:- To : Chairman of the Board/MD/Audit Committee Chairman c/o : DS Sigma Holdings Berhad No. 36, Jalan BP 5/6, Bandar Bukit Puchong, 47100 Puchong, Selangor Darul Ehsan
For employment-related concerns, one can report directly to the following designated person:- Head of Human Resources Mail the letter by marking "Private and Confidential" to the following address:- To : Head of Human Resources c/o : DS Sigma Holdings Berhad No. 36, Jalan BP 5/6, Bandar Bukit Puchong, 47100 Puchong, Selangor Darul Ehsan

For the FYE 2025, none of the designated persons received any report or concerns vide the abovementioned communication and feedback channels.

10. Anti-Bribery and Corruption Policy ("ABC Policy")

The Board had adopted Anti-Bribery and Corruption Policy to prevent corrupt practices and to provide a measure of assurance and a defence against corporate liability for corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The Board encourages the use of the Group's whistleblowing channel in relation to any suspected corruption incidents or inadequacies in the anti-bribery and corruption programme.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

11. Sustainability

The Board acknowledges its responsibilities over the governance of sustainability in the Group and strives to strike a balance between achieving business strategies and promoting sustainability.

The Board has on 21 February 2022 established a Sustainability Policy to support long-term sustainable value creation and returns for the Company. The said Policy defines, among others, the Company's principles and approach, sustainability focus areas, as well as the scope and governance for its implementation and monitoring.

With the Sustainability Policy in place, the Board will be able to monitor management's effectiveness in integrating sustainability considerations in the day-to-day operations of the Group by setting the Company's sustainability strategies, priorities and targets.

The Board ensures that the Group's sustainability strategies and risk management processes are communicated effectively to all internal and external stakeholders.

The Group engages with internal and external stakeholders through various channels to develop a better understanding of their needs and expectations as below:-

(a) Internal – e-mails, employee engagement, dialogues, etc; and
(b) External – corporate website, press releases, general meetings, quarterly financial announcements, etc.

As addressing material sustainability risks and opportunities is the responsibility of the Board and Key Senior Management, the performance evaluation of the Board and Key Senior Management includes the consideration of Environmental, Social and Governance ("**ESG**") issues or sustainability.

The NC and Board would assess the training needs of the Directors to ensure that the Directors are continuously kept abreast of sustainability issues and climate-related risks and opportunities.

The details of the Group's sustainability practices are set out in the Sustainability Statement in this Annual Report.

II. BOARD COMPOSITION

1. Size and Composition of the Board

For the FYE 2025, the Board comprises seven (7) members, four (4) of whom are INEDs and the remaining three (3) are EDs. The Board comprises a majority of Independent Directors which is in compliance with Paragraph 15.02(1) of the Main LR, as well as Practice 5.2 of the MCCG.

Board Composition

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

1. Size and Composition of the Board (Cont'd)

The NC has ensured the Board structure is reviewed annually and ensured that no individual or group of individuals dominates the Board's decision-making process. The composition of the Board provides an effective mix of industry-specific knowledge, broad based business and commercial experience together with independent judgement on matters of strategy, operations, resources and business conduct. The individuality and vast experience of the Directors in arriving at collective decisions at board level will ensure impartiality.

2. Tenure of Independent Directors

The roles of the Independent Directors are particularly important in ensuring that the strategies proposed by the EDs and management are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

However, an Independent Director may continue to serve the Board subject to the Independent Director's re-designation as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as Independent Director after a cumulative term of nine (9) years, justifications from the Board and shareholders' approval at a general meeting through two-tier voting are required.

3. Procedures for Appointment of Directors and Senior Management

The NC has adopted the following protocol for appointment of Directors in order to ensure that the Board has the right mix and skill to meet its needs and objectives:-

Stage 1 Review of the potential candidate based on the following criteria:-	Stage 2 Board gaps review	Stage 3 Recommendation to the Board
• Qualifications; • Skills and competence; • Functional knowledge; • Experience; • Character; • Gender diversity; • Integrity and professionalism; and • Time commitment.	• The overall composition of the Board; • Combination of skills of existing Directors; and • Any regulatory requirements and/or best practices available.	• Recommendation to be submitted to the Board for consideration and approval.

The NC will not limit themselves by solely relying on the recommendations from the existing Board members, management or major shareholders, but also will utilise independent sources to identify suitably qualified candidates including but not limited to the sourcing from a Directors' registry and open advertisements or the use of independent search firms.

The Group Human Resources is responsible for selection and appointment of candidates for Senior Management position based on selection criteria which best matches the requirements of the open position. The selection criteria includes (but not limited to) diversity in skills, experience, age, cultural background and gender.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

4. Boardroom Diversity

The Board has adopted a Boardroom Diversity Policy to affirm its commitment to boardroom diversity as a truly diversified Board can enhance the Board's effectiveness and capacity with diversity of thoughts and perspectives.

For the FYE 2025, the Board has indicated its commitment to boardroom diversity as follows:-

Ethnicity Diversity

The Board believes that the sharing of viewpoints by Directors from different ethnic backgrounds as when a variety of viewpoints are thrown into the problem-solving mix, new and innovative solutions can be reached.

En. Ismail, Puan Maznida and Cik Hanani Hayati binti Mohd Adhan ("**Cik Hanani**"), who are three (3) INEDs of Malay ethnicity, together with the remaining INEDs and EDs of Chinese ethnicity, provide the Board with a diversity of viewpoints for its deliberations.

Age Diversity

The Board believes that the Directors with diverse age profile will be able to provide a different perspective and bring vibrancy to the Group's strategy making process.

The age profile of the Directors is ranging from twenties (20) to sixties (60) years of age. With an average age of forty-nine (49), it underlies the Board's commitment to age diversity at the Board level appointment.

Gender Diversity

The Board comprises three (3) women Directors, equivalent to 42.9% women representation on the Board, exceeding the 30% target as envisaged in Practice 5.9 of the MCCG.

5. Board Committees

The Board has delegated certain responsibilities to the Board Committees to assist it in discharging its fiduciary duties. All the Board Committees operate within clearly defined Terms of Reference.

- ***ARMC***

  The membership, a summary of works of the ARMC and Internal Audit Function and Activities in respect of the FYE 2025 are stated in the ARMC Report and the Statement on Risk Management and Internal Control of this Annual Report.

- ***NC***

  The NC is chaired by Puan Maznida, an INED.

  The Chairperson of the NC led the NC in overseeing the implementation of the Succession Planning Policy for the Group.

  The Chairperson of the NC is responsible to lead the NC to carry out an annual review of effectiveness of the Board as a whole, and the Board Committees, as well as the contribution and performance of each individual Director.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

5. Board Committees (Cont'd)

- ***NC (Cont'd)***

For the FYE 2025, the NC comprises exclusively of INEDs and the current composition of the NC is as follows:-

Name	Designation	Directorate
Puan Maznida	Chairperson	INED
Mr. Lee Yew Weng	Member	INED
Cik Hanani	Member	INED

The NC is governed by its Terms of Reference which outlines its authority, duties and responsibilities and the same is available for viewing under the "Investor Relations" section of the Company's corporate website at https://www.dssigma.com.my.

a) Summary of Works

The following works were undertaken by the NC during the Applicable Period:-

(i) Reviewed and confirmed the minutes of the preceding NC meetings;
(ii) Reviewed the nomination of Cik Hanani as the member/chairperson of the Board Committees and recommended the same to the Board for approval;
(iii) Examined the composition of the Board and Board Committees;
(iv) Reviewed the required mix of skills, experience, gender diversity and other qualities of the Board;
(v) Reviewed the meetings attendance of the Board and Board Committees for the FYE 2025 and the sufficiency of time commitment of the Directors in discharging their roles and responsibilities in the Company;
(vi) Evaluated the contribution and performance of each individual Director;
(vii) Assessed the effectiveness of the Board as a whole and the Board Committees;
(viii) Reviewed the term of office of the ARMC and assessed its effectiveness as a whole;
(ix) Reviewed the length of service and independence of the INEDs and assessed their ability to bring independent and objective judgement to Board deliberations and proposals;
(x) Reviewed the training programmes attended by the Directors for the FYE 2025 and identified the training needs of the Directors for the financial year ending 30 June 2026 ("**FYE 2026**");
(xi) Assessed the fit and properness and suitability of the Director(s) who will be standing for re-election at the forthcoming Fourth Annual General Meeting ("**AGM**") ("**4th AGM**") of the Company and recommended the same to the Board for approval; and
(xii) Reviewed the Boardroom Diversity Policy, Fit and Proper Policy and Terms of Reference of the NC and recommended changes to the Board for approval.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

5. Board Committees (Cont'd)

- ***NC (Cont'd)***

b) Time Commitment by Directors

The NC has been tasked to review the meeting attendance of the Board and Board Committees.

The meeting attendance of the Board and Board Committees during the FYE 2025 was as follows:-

Board Meetings

Name of Directors	Number of Meetings Attended/Held	%
En. Ismail *(Chairman)*	6/6	100.00
Ms. Lucille Teoh	6/6	100.00
Mr. Beh Seng Lee	6/6	100.00
Mr. Beh Le Hao	6/6	100.00
Mr. Lee Yew Weng	6/6	100.00
Puan Maznida	6/6	100.00
Cik Hanani	6/6	100.00
Mr. Loo Hee Guan *(resigned on 4 February 2025)*	3/3	100.00

ARMC Meetings

Name of Directors	Number of Meetings Attended/Held	%
Mr. Lee Yew Weng (Chairman)	6/6	100.00
Puan Maznida	6/6	100.00
Cik Hanani *(appointed on 19 February 2025)*	3/3	100.00
Mr. Loo Hee Guan *(ceased on 4 February 2025)*	3/3	100.00

NC Meetings

Name of Directors	Number of Meetings Attended/Held	%
Puan Maznida *(Chairperson)*	2/2	100.00
Mr. Lee Yew Weng	2/2	100.00
Cik Hanani *(appointed on 19 February 2025)*	-	-
Mr. Loo Hee Guan *(ceased on 4 February 2025)*	1/1	100.00

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

5. Board Committees (Cont'd)

- ***NC (Cont'd)***

b) Time Commitment by Directors (Cont'd)

RC Meetings

Name of Directors	Number of Meetings Attended/Held	%
Cik Hanani *(Chairperson) (appointed on 19 February 2025)*	1/1	100.00
Mr. Lee Yew Weng	3/3	100.00
Puan Maznida	3/3	100.00
Mr. Loo Hee Guan *(ceased on 4 February 2025)*	1/1	100.00

Upon review, the NC noted the Directors, to the best of their ability, have devoted sufficient time and effort to attend Board and/or Board Committee meetings for the FYE 2025.

c) Continuing Education and Training of Directors

In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board.

The Board has cultivated the following best practices:-

- All newly appointed Directors are required to attend the Mandatory Accreditation Programme as prescribed by the Main LR within the stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars to update their knowledge on the latest regulatory and business environment;
- The Directors may be requested to attend additional training courses according to their individual needs as a Director or member of Board Committees on which they serve; and
- The Directors are briefed by the Company Secretaries on the letters issued by regulatory bodies at each quarterly Board meeting.

All members of the Board had attended the Mandatory Accreditation Programme Part I and Part II as prescribed by Bursa Securities.

The Directors had participated in the following training programmes during the FYE 2025:-

Dates	Description of Training Programmes
En. Ismail	
6 – 7 August 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

Ms. Lucille Teoh	
6 – 7 August 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
8 May 2025	Anti-Bribery and Corruption in the Workplace

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

5. Board Committees (Cont'd)

- ***NC (Cont'd)***

c) Continuing Education and Training of Directors (Cont'd)

Dates	Description of Training Programmes
Mr. Beh Seng Lee	
6 – 7 August 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
8 May 2025	Anti-Bribery and Corruption in the Workplace
Mr. Beh Le Hao	
16 – 18 July 2024	ASEAN Manufacturing Youth Conference 2024
18 July 2024	FutureTech Malaysia 2024
6 – 7 August 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
3 September 2024	FTSE4Good ESG Ratings for All PLCs
24 September 2024	Launch of National Sustainability Reporting Framework
11 October 2024	2024 Vistage CEO Summit
12 February 2025	Cyber Security Act 2024: Everything You Need to Know to Stay Ahead
8 May 2025	Anti-Bribery and Corruption in the Workplace
Mr. Lee Yew Weng	
11 November 2024	Anti-Corruption Training
Puan Maznida	
5 September 2024	Audit Committee Conference 2024
11 November 2024	Understanding Malaysia's E-Invoicing System
2 December 2024	ICDM PowerTalk: Strategic Data & Frameworks in Board Governance
16 April 2025	The Future of Corporate Reporting: Embracing IFRS S1 and S2 and the Continued Integrated Thinking and Reporting
7 May 2025	MIA Digital Month 2025 Complimentary Webinar for Week 4 (Mastering the Future Workplace)
30 June 2025	Webinar - Sales Tax Amendments & Service Tax Expansion
Cik Hanani	
15 August 2024	Webinar on Dawn Raid: Practical Aspects on How Law Firms Can Manage Dawn Raids
19 November 2024	The Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees
27 November 2024	Cybersecurity Awareness Talk
10 – 13 March 2025	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
5 May 2025	KPMG x Spritzer Sustainability Training – Understanding ESG: An In-Depth Look

In addition, the Company Secretaries and External Auditors update the Board on a regular basis the respective changes and amendments to regulatory requirements and laws and accounting standards to help Directors keep abreast of such developments.

Upon review, the NC concluded that the Directors' trainings during the FYE 2025 were adequate.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

5. Board Committees (Cont'd)

- ***NC (Cont'd)***

c) Continuing Education and Training of Directors (Cont'd)

Training Needs of the Directors for the FYE 2026

During the Applicable Period, the NC had conducted a review of the training needs of the Directors for the FYE 2026. Upon review, the NC would encourage the Directors to attend more than one (1) continuing education programme during the FYE 2026, whereby it should be in relation to sustainability, ESG, cyber security or any other applicable topics which would aid in their discharge of fiduciary/statutory duties as Directors.

- ***RC***

The membership of the RC and summary of the works carried out by the RC to discharge their duties during the FYE 2025 are stated in Principle A, Section II Paragraph (9) of this CG Statement.

6. Annual Assessment on Effectiveness of the Board and Individual Directors

The Board has delegated to the NC to carry out annual assessment on the effectiveness of the Board, its Committees and each individual Director.

During the Applicable Period, the Board, through the NC, had conducted the following annual assessments to determine the effectiveness of the Board, its Committees and each individual Director in respect of the FYE 2025. The evaluation results were compiled by the Company Secretaries and tabulated at the NC Meeting, for the NC's review:-

(i) Directors' Self-Evaluation

The Directors' self-evaluation was assessed by way of self-assessment and the performance of the individual Directors was assessed based on the following criteria:-

(i) Fit and proper;
(ii) Contribution and performance; and
(iii) Calibre and personality.

Based on the assessment conducted for the FYE 2025, the NC is satisfied with the performance of the individual Directors.

(ii) Evaluation of the Board and Board Committees

The evaluation of the Board and the Board Committees was assessed based on the following criteria:-

(i) Mix and composition of the Board;
(ii) Quality of information and decision making;
(iii) Boardroom activities;
(iv) Board's relationship with the management;
(v) ESG issues or Sustainability; and
(vi) Board Committees.

The NC is satisfied with the performance of the Board and the Board Committees for the FYE 2025, and acknowledged that the Board and the Board Committees have discharged their duties according to their respective Board Charter and Terms of References.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

7. Annual Assessment on Independence of Directors

The independence assessment was carried out based on the criteria as prescribed by the Bursa Securities Main LR.

Based on the assessment conducted for the FYE 2025, the NC is satisfied that the INEDs had fulfilled in accordance with Main LR of Bursa Securities and would not impede their independence in carrying out their duties in the Board and Board Committees' meetings and their ability to act in the best interest of the Company.

The Board considers that its Independent Directors provide objective and independent views on various issues dealt with at the Board and Board Committee level. All INEDs are independent and free from management. The Board is of the view that the current composition of Independent Directors fairly reflects the interest of minority shareholders in the Company through the Board representation.

8. Assessment on Retiring Directors

The NC is responsible for making recommendations to the Board on the eligibility of the Directors to stand for re-election at the AGM.

During the Applicable Period, the NC conducted assessment on Mr. Beh Seng Lee and Mr. Lee Yew Weng ("**Retiring Directors**") who would retire at the forthcoming 4th AGM of the Company pursuant to Clause 21.7 of the Constitution of the Company, based on the following criteria:-

- Mix of skills;
- Character;
- Experience;
- Integrity;
- Competence;
- Time commitment to discharge their roles;
- Results from evaluation of individual Director performance; and
- Results from Director's fit and properness evaluation.

Upon review, the NC, being satisfied with the performance as well as the fit and proper of the Retiring Directors, recommended to the Board on their re-election at the forthcoming 4th AGM.

The profiles of the Directors who are due to retire are set out in the Directors' Profile of this Annual Report.

9. RC

The members of the RC comprises exclusively of INEDs and the current composition of the RC is as follows:-

Name	Designation	Directorate
Cik Hanani	Chairperson	INED
Mr. Lee Yew Weng	Member	INED
Puan Maznida	Member	INED

The RC is governed by its Terms of Reference which outlines its authority, duties and responsibilities and the same is available for viewing under the "Investor Relations" section of the Company's corporate website at https://www.dssigma.com.my.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

9. RC (Cont'd)

Summary of Works

The following works were undertaken by the RC during the Applicable Period:-

(i) Reviewed and confirmed the minutes of the preceding RC meetings;
(ii) Deliberated on the remuneration package of the EDs for the FYE 2026 and bonus for the FYE 2025 and recommended the same to the Board for approval;
(iii) Reviewed the Directors' fees payable to the Directors of the Company for the FYE 2025 and FYE 2026 and recommended the same to the Board for approval;
(iv) Reviewed the remuneration package of a Senior Management of the Group for the FYE 2025 and recommended the same to the Board for approval; and
(v) Reviewed the revised Remuneration Policy and revised Terms of Reference of the RC and recommended the same to the Board for approval.

III. REMUNERATION

1. Remuneration of Directors and Senior Management

The Board had adopted a Remuneration Policy which sets out the criteria to be used in recommending the remuneration package of Directors and Senior Management, and designed to ensure that the Directors and Senior Management are paid a remuneration commensurate with the responsibilities of their positions.

The RC, when recommending the remuneration package of the EDs and Senior Management, shall be guided by the main components and procedures provided in the Remuneration Policy.

The Remuneration Policy was last reviewed on 25 August 2025. A copy of the said policy is available for viewing under the "Investor Relations" section of the Company's corporate website at https://www.dssigma.com.my.

It is the existing practice of the Company that the respective Directors to abstain from deliberation and voting on fixing their remuneration package or Directors' fee at the RC meeting (where relevant) and the Board meeting.

In compliance with Practice 8.1 of the MCCG, there is detailed disclosure on named basis for the remuneration of individual Directors.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

1. Remuneration of Directors and Senior Management (Cont'd)

For the FYE 2025, the aggregate of remuneration received and receivable by the EDs and INEDs for the Group and the Company, respectively, categorised into appropriate components, are disclosed as follows:-

Received from the Group

Name of Directors	Fees RM'000	Allowance RM'000	Salary RM'000	Bonus RM'000	Benefits-in-Kind RM'000	Other Emoluments RM'000	Total RM'000
INEDs							
En. Ismail	72	-	-	-	-	-	72
Mr. Lee Yew Weng	60	-	-	-	-	-	60
Puan Maznida	60	-	-	-	-	-	60
Cik Hanani	50	-	-	-	-	-	50
Mr. Loo Hee Guan *(resigned on 4 February 2025)*	38	-	-	-	-	-	38
MD							
Ms. Lucille Teoh	-	-	3,000	-	-	571	3,571
EDs							
Mr. Beh Seng Lee	-	-	3,000	-	-	571	3,571
Mr. Beh Le Hao	-	-	247	52	-	58	357

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

1. Remuneration of Directors and Senior Management (Cont'd)

Received from the Company

Name of Directors	Fees RM'000	Allowance RM'000	Salary RM'000	Bonus RM'000	Benefits-in-Kind RM'000	Other Emoluments RM'000	Total RM'000
INEDs							
En. Ismail	72	-	-	-	-	-	72
Mr. Lee Yew Weng	60	-	-	-	-	-	60
Puan Maznida	60	-	-	-	-	-	60
Cik Hanani	50	-	-	-	-	-	50
Mr. Loo Hee Guan *(resigned on 4 February 2025)*	38	-	-	-	-	-	38
MD							
Ms. Lucille Teoh	-	-	-	-	-	-	-
EDs							
Mr. Beh Seng Lee	-	-	-	-	-	-	-
Mr. Beh Le Hao	-	-	-	-	-	-	-

2. Remuneration of Top Five (5) Senior Management

Remuneration for the top five (5) Senior Management (excluding the MD of the Company) of the Group for the FYE 2025 was disclosed in the CG Report in bands of RM50,000/-.

The Board opined that the disclosure on a named basis for the top five (5) Senior Management's remuneration, would have adverse effect on the Company's talent retention in the competitive industry. All Senior Management are remunerated based on their scope of duties and responsibilities, the Group's and individual performance and other criteria as guided by the Remuneration Policy.

During the FYE 2025, the RC had reviewed and assessed the remuneration package of the top five (5) Senior Management in respect of the FYE 2025.

The RC is of the view that the level of remuneration package of the top five (5) Senior Management in respect of the FYE 2025 was fair and reasonable to retain and reward the talents and is competitive in the relevant market and industry.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

1. Separation of the Positions of the Chair of the ARMC and Board

The ARMC is chaired by Mr. Lee Yew Weng, which is a separate person from the chair of the Board.

The membership, a summary of works of the ARMC and Internal Audit Function and Activities in respect of the FYE 2025 are stated in the ARMC Report of this Annual Report.

2. No Appointment of Former Key Audit Partners as Member of ARMC

None of the ARMC members is a former partner of the Company's external audit firm. In line with the MCCG, the Board has adopted the ARMC's Terms of Reference, which require a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC.

3. Assessment on External Auditors

The ARMC has policies and procedures to assess the suitability, objectivity and independence of External Auditors and that such assessment would be carried out annually. The outcome of the assessment would form a basis for the ARMC in making recommendation to the Board on the re-appointment of the External Auditors for the ensuing year at the Annual General Meeting.

The Board had adopted the policies and procedures to assess the suitability, objectivity and independence of the External Auditors of the Company.

During the Applicable Period, the ARMC carried out the annual assessment and the details are explained in the CG Report.

The ARMC noted for the FYE 2025, Grant Thornton Malaysia PLT, the External Auditors of the Company had confirmed in writing that the engagement quality control reviewer and members of the engagement team in the course of their audits were and had been independent in accordance with the terms of relevant professional and regulatory requirements, for the purpose of the audits.

Upon completion of its assessment, the ARMC was satisfied with Grant Thornton Malaysia PLT's technical competency, i.e. suitability and independence during the financial year under review.

4. Skillsets of the ARMC

The NC conducts evaluation annually to assess the performance and skillsets of the ARMC members. Based on the results of the assessment, the NC concluded that the ARMC members are financially literate and understand the Group's business. The ARMC as a whole, has necessary skills and knowledge to discharge their duties.

The members of the ARMC had attended various continuous training and development programmes as detailed in Principle A, Section II, Paragraph (5)(c) of this CG Statement.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. RISK MANAGEMENT AND INTERNAL CONTROL ("RMIC") FRAMEWORK

1. RMIC Framework

The Board has in place an effective RMIC framework for the Group. Further details on the features of the RMIC framework, and the adequacy and effectiveness of this framework have been disclosed in the Statement of Risk Management and Internal Control of this Annual Report.

Risk Management

ARMC

The ARMC was formed by the Board to oversee the Company's risk management framework, function and policies.

Risk Management Working Group ("RMWG")

The RMWG is responsible for implementing processes in identifying, evaluating, monitoring and reporting of risks and internal controls which arise from daily business activities of the Group. The RMWG reports directly to the ARMC.

The RMWG together with the operating units ensure timely resolution of outstanding issues and implementation of action plans that are to be carried out and completed within the reasonable timeframe to mitigate the risks level.

Internal Controls

The internal control system and processes were tested for effectiveness and efficiency during the FYE 2025 by an independent outsourced internal audit service provider using a systematic and disciplined approach. The report of the internal audit was tabled for the ARMC's review and deliberations, and the audit findings were communicated to the Board.

During the FYE 2025, the Board opined that the risk management and internal controls of the Group were effective and adequate.

2. Key Features of the RMIC Framework

The Statement on Risk Management and Internal Control as set out in this Annual Report provides an overview of the state and features of risk management framework and internal control processes within the Group.

3. Internal Audit Function

The internal audit function of the Group is carried out by an outsourced service provider, GovernanceAdvisory.com Sdn. Bhd. ("**GASB**"). The outsourced Internal Auditors report directly to the ARMC and provide the Board with a reasonable assurance of adequacy of the scope, functions and resources of the Group's internal control system and processes.

The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care.

The internal audit review of the Group's operations encompasses an independent assessment of the Company's compliance with its internal controls and recommendations are made for further improvement.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. RISK MANAGEMENT AND INTERNAL CONTROL ("RMIC") FRAMEWORK (CONT'D)

3. Internal Audit Function (Cont'd)

The following matters (non-exhaustive), in relation to the internal audit function of the Group, are reserved matters for the ARMC:-

(a) Consider the appointment of the Internal Auditors, the audit fee and any questions of resignation or dismissal;
(b) Review the internal audit plan, consider the internal audit reports and findings of the Internal Auditors, fraud investigations and actions and steps taken by management in response to audit findings; and
(c) Review the adequacy of the scope, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work.

During FYE 2025, the ARMC reviewed and assessed the adequacy of the scope, functions, competency and resources of the internal audit function of the Group for the FYE 2025 and the internal audit function performed by the Internal Auditors was satisfactory and adequate.

Further details of the Internal Audit Function have been disclosed under the ARMC Report of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. ENGAGEMENT WITH STAKEHOLDERS

1. Communication with Stakeholders

The Board has developed an internal corporate disclosure practice to ensure effective communications to the investing public regarding the business, operations and financial performance of the Group are accurate, timely, factual, informative, consistent, broadly disseminated and where necessary, information filed with regulators is in accordance with applicable legal and regulatory requirements.

The Board has a Corporate Disclosure Policy in place to ensure only designated spokesmen will be authorised to disseminate information to ensure consistent and accurate flow of information disclosure to the stakeholders. The Corporate Disclosure Policy was last reviewed on 25 August 2025.

The Board has designated a limited number of spokespersons who are responsible for communication with the investment community, regulators and media.

Primary Spokespersons:-
(i) The Chairman; and (ii) ED/MD.

The Board ensures that there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follows:-

(a) Announcements to Bursa Securities;
(b) Annual Reports;
(c) Annual General Meeting/General Meetings;
(d) Corporate Website; and
(e) Investor Relations Activities.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

II. CONDUCT OF GENERAL MEETINGS

(a) Notice of AGM

The Notice of the Third Annual General Meeting ("**3rd AGM**"), together with the Annual Report for the financial year ended 30 June 2024, was sent to the shareholders on 29 October 2024.

The Notice of the 3rd AGM included the details of the proposed resolutions and the explanatory notes to enable shareholders to make an informed decision in exercising their voting rights.

(b) Directors' Commitment

All Directors attended the 3rd AGM of the Company held on 25 November 2024.

The 3rd AGM of the Company was chaired by En. Ismail, the Chairman of the Board. The Chairman provided sufficient time for the shareholders, proxies and corporate representatives who were present at the 3rd AGM to ask questions for each agenda in the Notice of the 3rd AGM.

The Chairman and management had responded the questions received from the shareholders accordingly at the 3rd AGM. The questions and answers were recorded in the minutes of the 3rd AGM.

(c) Minutes of AGM

The minutes of the 3rd AGM of the Company held on 25 November 2024 have been made available to shareholders within thirty (30) business days after the 3rd AGM on the Company's corporate website at https://www.dssigma.com.my.

(d) Voting Format

In line with the Main LR, all resolutions set out in the Notice of the 3rd AGM were voted by poll. An independent scrutineer was appointed to validate the votes cast at the 3rd AGM.

(e) Remote Shareholders' Participation at General Meeting

Although the Board recognises the importance of leveraging on technology to facilitate remote shareholders' participation and voting on all resolutions via remote participation and voting facilities, but after due consideration of the affordability of technology and infrastructure as well as sufficient number of shareholders residing at particular remote location(s), the Board is of the view that physical general meetings support more meaningful engagement and interaction between Directors, Senior Management and shareholders. The shareholders are allowed to vote in absentia by appointing proxy to vote on their behalf by submitting their proxy form with pre-determined voting instructions for the proxy to vote for and on their behalf.

CONCLUSION

The Board is satisfied that, it complies substantially with the recommendations of the practices of the MCCG throughout the FYE 2025.

This CG Statement and the CG Report are made in accordance with the resolution passed by the Board on 14 October 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("**Board**") of DS Sigma Holdings Berhad ("**Company**") is pleased to present the Audit and Risk Management Committee ("**ARMC**") Report to provide insights on the discharge of the ARMC's functions during the financial year ended 30 June 2025 ("**FYE 2025**"), in compliance with Paragraph 15.15 of the Bursa Malaysia Securities Berhad ("**Bursa Securities**") Main Market Listing Requirements ("**Main LR**").

AUTHORITY

The ARMC is established to assist the Board in discharging its fiduciary and statutory duties and responsibilities relating to financial practices of the Company and its subsidiaries ("**Group**"). In addition, the ARMC also assisted in fulfilling the Board's stewardship accountability to its stakeholders. The ARMC is committed to its role in ensuring the integrity of the Group's financial reporting process and monitoring the management of risk and system of internal controls, external and internal audit process, and such other matters that may be specifically delegated to the ARMC by the Board.

Compliance Dashboard

The ARMC is pleased to provide below a snapshot of the key Corporate Governance ("**CG**") compliance by the ARMC for the FYE 2025:-

<table>
<tr><th>MCCG Practices</th><th colspan="2">Applications by the Company</th></tr>
<tr><td>Practice 9.1

Chairman of the Audit Committee is not Chairman of the Board</td><td>Chairman of the Board

En. Mohamad Ismail bin Abu Bakar</td><td>Chairman of the ARMC

Mr. Lee Yew Weng</td></tr>
<tr><td>Practice 9.2

Cooling-off Policy of at least three (3) years for any former partner of external audit firm and/or affiliated firm(s) to be appointed as the member of Audit Committee</td><td colspan="2">Incorporated in the Terms of Reference of ARMC</td></tr>
<tr><td>Practice 9.3

Policies and Procedures to assess the suitability, objectivity and independence of External Auditors</td><td colspan="2">External Auditors Policy and Procedures established</td></tr>
</table>

Audit and Risk Management Committee Report
(Cont'd)

Compliance Dashboard (Cont'd)

MCCG Practices	Applications by the Company
***Step-Up* Practice 9.4** **The Audit Committee comprises solely Independent Directors**	✓ The ARMC comprises solely of three (3) Independent Non-Executive Directors ("**INEDs**") **INEDs**
Practice 9.5 **Audit Committee members possess wide range of skills and financially-literate**	✓ ARMC members with diverse background, experience and skills, financially-literate and understand the financial reporting process
Practice 11.1 **Effective and independent internal audit function**	✓ Appointed outsourced independent Internal Auditors, GovernanceAdvisory.com Sdn. Bhd. ("**GASB**"), to review the Group's internal control system

COMPOSITION

The ARMC comprises three (3) members, all of whom are INEDs which satisfied the requirement under Paragraph 15.09 of the Main LR and Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance ("**MCCG**"). All of the members of the ARMC also satisfied the test of independence under the Main LR and met the requirements of the MCCG.

The current composition of the ARMC is as follows:-

Name	Designation	Directorate
Mr. Lee Yew Weng	Chairman	INED
Puan Maznida binti Mokhtar	Member	INED
Cik Hanani Hayati binti Mohd Adhan	Member	INED

The Chairman of the ARMC, Mr. Lee Yew Weng is an INED. In this respect, the Company complies with Paragraph 15.10 of the Main LR. Furthermore, in compliance with Practice 9.1 of the MCCG, the Chairman of the ARMC is not the Chairman of the Board.

In addition, Mr. Lee Yew Weng is a member of the Certified Public Accountants Australia since 2003 as well as a member of the Malaysian Institute of Accountants (**"MIA"**). In this respect, the Company complies with Paragraph 15.09(1)(c) of the Main LR.

The Company acknowledges the importance of upholding independency with the External Auditors and that should be no possible conflict of interest that may arise at any point of time. None of the members of the ARMC were former audit partners of the External Auditors appointed by the Group. Nonetheless, the Company will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the ARMC was an audit partner of the External Auditors of the Group.

Assessment on the Term of Office and Performance of the ARMC

The Nomination Committee ("**NC**") had reviewed the term of office and performance of the ARMC as well as whether its members have carried out their duties in accordance with the Terms of Reference ("**TOR**") of ARMC for the FYE 2025.

Upon review, the NC is satisfied with the overall performance of the ARMC and its individual members for FYE 2025. The NC had reported the outcome of assessment to the Board for notation.

Formal Assessment on the External Auditors

In compliance with Practice 9.3 of the MCCG, the ARMC has adopted the policies and procedures to assess the suitability, objectivity and independence of the External Auditors ("**EA Policy**") on annual basis.

Upon assessment, the ARMC is satisfied with Grant Thornton Malaysia PLT's technical competency i.e. effectiveness, suitability and independence during the financial year under review.

MEETINGS AND ATTENDANCES

The ARMC held a total of six (6) meetings during the FYE 2025 and the attendance of the members was as below:-

Members	Total No. of Meetings Attended	Total No. of Meetings Held during the FYE 2025	%
Mr. Lee Yew Weng	6	6	100.00
Puan Maznida binti Mokhtar	6	6	100.00
Cik Hanani Hayati binti Mohd Adhan *(appointed on 19 February 2025)*	3	3	100.00
Mr. Loo Hee Guan *(ceased on 4 February 2025)*	3	3	100.00

The lead audit partner of the External Auditors responsible for the Group had attended three (3) ARMC meetings held in FYE 2025.

The External Auditors were encouraged to raise to the ARMC, any matters they considered important to bring to the ARMC's attention. For FYE 2025, two (2) private sessions were held between the ARMC and the External Auditors without the presence of the Executive Board members and management personnel.

The Chairman of the ARMC also sought information on the communication flow between the External Auditors and the management which is necessary to allow unrestricted access to information for the External Auditors to effectively perform their duties.

Notices of the ARMC meeting were sent to the members of ARMC in advance. The Company Secretaries would then compile the relevant meeting papers and disseminate the electronic copy and/or hardcopy to the members of the ARMC prior to the commencement of the ARMC meetings.

All deliberations during the ARMC meetings were duly minuted by the Company Secretary in attendance. Minutes of the ARMC meetings were tabled for confirmation at every succeeding ARMC meeting.

The Chairman of the ARMC presented the ARMC's recommendations together with the respective rationale to the Board for approval of the annual audited financial statements and the unaudited quarterly financial results. As and when necessary, the Chairman of the ARMC would convey to the Board, matters of significant concern raised by the Internal and External Auditors.

Audit and Risk Management Committee Report
(Cont'd)

TERMS OF REFERENCE

The authority, duties and responsibilities of the ARMC are set out in its TOR. It is available for viewing under "Investors Relations" section of the Company's website at https://www.dssigma.com.my.

SUMMARY OF WORKS

The summary of works carried out by the ARMC during the FYE 2025 were as follows:-

1. Financial Performance and Reporting

- Reviewed the Group's unaudited quarterly financial results before recommending the same to the Board for approval and release to Bursa Securities;
- Reviewed the annual budget of the Group for the financial year ending 30 June 2026 ("**FYE 2026**") and deliberated on the underlying assumptions made by the management in preparing the annual budget, and recommended the same to the Board for approval and adoption;
- Reviewed the financial performance and financial highlights of the Group on quarterly basis;
- Reviewed the Group's compliance with the accounting standards and relevant regulatory requirements;

2. Oversight of External Auditors

- Reviewed the audit completion memorandum for the financial year ended 30 June 2024 prepared by the External Auditors, entailing mainly the comparison of results, summary of uncorrected misstatements, recommendation for improvement in internal control and expected opinions;
- Reviewed the audit planning memorandum for the FYE 2025 prepared by the External Auditors, entailing mainly the overview of audit approach, scope of work, auditing developments, significant risks and areas of audit focus of the Group;
- Met with the External Auditors without the presence of the Executive Directors and management personnel to provide External Auditors with an avenue to express any concerns they may have, including those relating to their ability to perform their work without interference by management;
- Reviewed the effectiveness, suitability and independence of the External Auditors vide a formalised "Assessment on External Auditors" and upon reviewed and being satisfied with the results of the said assessment, recommended the same to the Board for approval;
- Reviewed the statutory audit fees for the FYE 2025 and recommended the same for the Board's approval;

3. Oversight of Internal Audit Function and Risk Assessment

- Reviewed and assessed the adequacy of the scope, functions, competency and resources of the internal audit function in respect of the FYE 2025;
- Reviewed and assessed the risk register encompassing the severity scale, likelihood scale, risk level and risk owners;

4. Oversight of Internal Control Matters

- Reviewed and confirmed the minutes of the ARMC meetings;
- Reviewed the disclosures in ARMC Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report in respect of the financial year ended 30 June 2024;

5. Related Party Transactions and Conflict of Interest ("COI")

- Reviewed the related party transactions and COI situation that arise within the Group on quarterly basis, including any transaction, procedure or course of conduct that raises questions on management's integrity;

There were no COI or any potential COI reported during the FYE 2025; and

6. Sustainability Oversight

- Received updates on the Group's Environmental, Social and Governance initiatives.

The Board is satisfied that the ARMC has carried out their responsibilities and duties in accordance with the ARMC's TOR.

INTERNAL AUDIT FUNCTION

1. Internal Auditors

The internal audit function plays an important role to provide the Board, through the ARMC, reasonable assurance of the effectiveness of the system of internal control in the Group.

The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care.

For the FYE 2025, the engagement team personnel from GASB, the outsourced Internal Auditors of the Company, had affirmed to the ARMC that in relation to the Company and the Group, they were free from any relationships or conflicts of interest, which could impair their objectivity and independency.

2. Summary of Works of the Internal Audit Function for the FYE 2025

During the FYE 2025, the summary of works undertaken by the Internal Auditors comprised the following:-

- Reviewed compliance with policies, procedures and standards, relevant external rules and regulations;
- Assessed the adequacy and effectiveness of the Group's system of internal control and recommended appropriate actions to be taken where necessary;
- Ensured that those weaknesses were appropriately addressed and that recommendations from the internal audit reports and corrective actions on reported weaknesses were taken appropriately within the required timeframe by the management; and
- Presentation of audit findings and corrective actions to be taken by the management in the ARMC meeting.

For the FYE 2025, the following business processes or areas of the Group were reviewed by GASB in accordance with the approved audit plan:-

Audited Entity	Audited Area/Function
The Group	• Human Resource Management
The Group	• Follow-up review on Inventory Management

3. Total Costs Incurred for the FYE 2025

The total cost incurred for the internal audit function of the Group for the FYE 2025 amounted to RM16,000/-.

This ARMC Report is made in accordance with the Resolution passed by the Board on 14 October 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("**Board**") of DS Sigma Holdings Berhad ("**DS Sigma**") and its subsidiary entities ("**Group**") is delighted to present our Statement on Risk Management and Internal Control. This statement is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**") and recommendations of the Malaysian Code of Corporate Governance 2021 and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**the Guidelines**"). It outlines the extent and nature of the Group's internal control and risk management efforts for the financial year ended 30 June 2025.

BOARD RESPONSIBILITIES

The Board maintains a clear understanding of its role in overseeing the Group's risk management and internal control systems, which are vital to protect shareholders' investments, uphold customer interests, and safeguard the Group's assets. This responsibility encompasses a comprehensive evaluation of the system's effectiveness, sufficiency and reliability.

In addition, the Board's oversight of the internal control system extends across all subsidiaries of the Group. This system does not solely relate to financial controls but also encompasses operational and compliance controls. The Board's commitment ensures a holistic approach to risk management and internal control that encompasses various facets of the Group's operations.

To further assist the Board, the Audit and Risk Management Committee ("**ARMC**") has been established. This Committee assists the Board in recognising, evaluating, and overseeing significant risks. This includes the implementation of an appropriate internal control system to protect shareholders' investments and the Group's assets. The ARMC is supported by an internal audit function, which carries out regular evaluations of the Group's internal control system to gauge its efficiency and effectiveness.

However, there are inherent limitations in any system of internal control system as it is designed to manage rather than to eliminate the risk of failure to meet the Group's business objectives. As such, it can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

The Group has in place an Enterprise Risk Management Framework ("**Framework**") which encompasses the identification, analyse, response, monitoring and reporting of substantial risks. Within each step, regular and meaningful communication is essential to improve the likelihood of success. By viewing this cycle as a continual loop, managers are reminded of the need for thoughtful and regular feedback, as continuous improvement is critical to successful risk management.

The key aspects of the Group's framework are:-

1. **Risk Identification** - The objectives, processes, and related risks pertaining to the primary business activities of each department are identified.

2. **Risk Analyse** - Every risk undergoes a comprehensive evaluation encompassing both its likelihood of occurrence and the severity of impact on the Group. Likelihood is expressed as either the probability of a singular event or condition occurring, or as the frequency of occurrences for repeated events. On the other hand, impact entails an estimation of the severity of adverse consequences, encompassing both financial and non-financial, to the Group. The likelihood of occurrence and severity of impact are evaluated using a Risk Matrix Analysis.

3. **Risk Response** - The risk response options encompass all possible management responses to risk, whether viewed as opportunities, uncertainties, or hazards. The risk response options included mitigate, exploit, accept, transfer and avoid.

RISK MANAGEMENT FRAMEWORK (CONT'D)

The key aspects of the Group's framework are (cont'd):-

4. **Risk Monitoring** - Risk monitoring consists of a combination of regular communication, periodic reviews or audits and evaluation by independent executives at appropriate levels at the Group. To maximise efficiency and effectiveness, monitoring and reporting should be integrated into existing business processes.

5. **Risk Reporting** - All employees are responsible for risk management within their respective areas, ARMC and Enterprise Risk Management Team drive policy, design, and framework implementation. An enterprise risk management activity should be systematically reported across the Group, ensuring transparency, accountability, and continuous improvement.

INTERNAL CONTROL SYSTEM

The Board acknowledges the crucial importance of a robust internal control system in ensuring the Group's business is managed effectively and efficiently. This approach is implemented in a top-down manner, with internal control principles permeating from the strategic management level all the way down to the foundational operational level.

INTERNAL AUDIT FUNCTION

The Board places significant importance on the internal audit function and has engaged an independent professional firm namely, GovernanceAdvisory.com Sdn. Bhd., to conduct a thorough evaluation of the adequacy, efficiency, and effectiveness of the Group's internal control system.

The internal audit function is free from any relationship or conflict of interest which could impair their objectivity and independence. They possess the relevant experience, knowledge, competency and authority to discharge its functions effectively; obtain sufficient resources and has unrestricted access to employees and information for the internal audit activity.

The Internal Auditors performed audits based on the internal audit plan approved by the ARMC and directly reports to the ARMC during the ARMC meeting. The findings of these audits were discussed with the management before being presented to the ARMC. The ARMC, representing the Board, routinely examines internal control matters pinpointed and recommendations provided in both internal and external audit reports.

In the event that the internal audit reveals any internal control gaps and weaknesses for improvement, action plans have to be put in place by the Group to address such matters. Identified improvement opportunities are to be reported and discussed with ARMC prior to reporting to the Board. Action plans will be followed-up closely by the management with improvement results to be tabulated at the next follow-up meeting.

Internal audit review conducted during the financial year under review is on Human Resource Management. Notably, the internal audit review did not uncover any weaknesses resulting in material losses, contingencies or uncertainties necessitating separate disclosure in this Annual Report, nor are they expected to materially impact the Group's financial statements.

REVIEW OF EFFECTIVENESS

The Managing Director and the Chief Financial Officer have assured the Board and ARMC that the Group's risk management processes and internal control measures were operating in an adequate and effective manner in all material aspects. They further confirmed that no significant losses were incurred due to any deficiencies in internal controls that would necessitate disclosure in this report.

The Board is of the view that the risk management and internal control systems have been established and operational for the current financial year, up to the point of approving this statement. These systems are deemed robust and adequate, effectively safeguarding shareholders' investments, the welfare of customers, regulators, employees, and the Group's assets. Nevertheless, the Board maintains a vigilant stance and persistently evaluates the efficacy and sufficiency of the risk management and internal control systems, recognising the ever evolving and dynamic nature of the business environment.

Statement on Risk Management and Internal Control (Cont'd)

REVIEW OF STATEMENT ON INTERNAL CONTROL BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements, the External Auditors, Grant Thornton Malaysia PLT ("**GTM**"), has reviewed this statement. Their review procedures were performed in accordance with Audit and Assurance Practice Guide 3 ("**AAPG 3**"): *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control in the Annual Report* issued by the Malaysian Institute of Accountants.

AAPG 3 does not require GTM to consider whether this statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control procedures.

Based on the procedures performed and evidence obtained, GTM have reported to the Board that nothing has come to their attention that causes them to believe that this statement included in this Annual Report, is not prepared in all material aspects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Guidelines, nor is it factually inaccurate.

CONCLUSION

The Board asserts that the Group's risk management and internal control system has proven to be satisfactory and efficient for the financial year under assessment, up until the issuance of the financial statements. However, the Board acknowledges the importance of an ongoing evolution in the Group's risk management and internal control system, necessitated by the shifting business landscape. Consequently, the Board is committed to implement necessary action plans whenever required, aimed at augmenting the internal control system and risk management practices.

This statement is provided in adherence to the resolution passed by the Board of Directors on 14 October 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

FOR PREPARING THE FINANCIAL STATEMENTS

In accordance with the Companies Act 2016 and the applicable approved accounting standards, the Directors are required to prepare annual financial statements that give a true and fair view of the financial position and the results and cash flows of the Company and its subsidiaries ("Group") and of the Company for that financial year then ended.

The Directors have reviewed the accounting policies to ensure that they are consistently applied throughout the financial year and are of the view that relevant approved accounting standards have been followed in the preparation of these financial statements. In cases where judgements and estimations were made, they were based on reasonableness and prudence.

The Directors have relied on the system of internal controls to ensure that the information generated for the preparation of the financial statements from the underlying accounting records are accurate and reliable.

The Directors are responsible for ensuring that the Company maintains accounting records which disclose with reasonable accuracy of the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect frauds and other irregularities.

This Statement of Directors' Responsibility for preparing the financial statements is approved by the Board of Directors on 14 October 2025.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with 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 engaged in investment holding.

The principal activities of the subsidiaries are disclosed in Note 4 to the financial statements.

There have been no significant changes in the Group's and the Company's principal activities during the financial year.

RESULTS

	Group RM	Company RM
Net profit for the financial year	10,811,007	8,428,439
Attributable to:-		
Owners of the Company	10,811,007	8,428,439

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

DIVIDENDS

The dividend declared and paid by the Company since the end of the previous financial year is as follows:-

	RM
First interim single tier dividend of 1 sen per ordinary share in respect of financial year ended 30 June 2024 paid on 28 October 2024	4,800,000

On 25 August 2025, the Company declared interim single tier dividend of 1 sen per ordinary share amounting to RM4.8 million in respect of financial year ended 30 June 2025 and to be paid on 30 October 2025. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2026.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of new shares or debentures of the Company during the financial year.

Directors' Report
(Cont'd)

DIRECTORS

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

Beh Seng Lee *
Lucille Teoh Soo Lien *
Beh Le Hao *
Lee Yew Weng
Maznida Binti Mokhtar
Mohamad Ismail Bin Abu Bakar
Hanani Hayati Binti Mohd Adhan
Loo Hee Guan (resigned on 4.2.2025)

* also Director of subsidiaries

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests in the ordinary shares of the Company and its related corporations of those who were Directors at the end of the financial year are as follows:-

	Number of ordinary shares			
	At 1.7.2024	Bought	Sold	At 30.6.2025
The Company				
Direct interests				
Beh Seng Lee	7,272,900	-	-	7,272,900
Lucille Teoh Soo Lien	28,453,900	-	-	28,453,900
Beh Le Hao	1,000,000	-	-	1,000,000
Lee Yew Weng	300,000	-	-	300,000
Maznida Binti Mokhtar	50,000	-	-	50,000
Mohamad Ismail Bin Abu Bakar	305,000	-	-	305,000
Indirect interests				
Beh Seng Lee *	293,042,900	-	-	293,042,900
Lucille Teoh Soo Lien ^	292,800,000	-	-	292,800,000

* deemed interests by virtue of his shares in DS Kaizen Sdn. Bhd. and close family member
^ deemed interests by virtue of her shares in DS Kaizen Sdn. Bhd.

By virtue of their substantial interests in the shares of the Company, Beh Seng Lee and Lucille Teoh Soo Lien are deemed to be interested in the shares of all the subsidiaries of the Company to the extent that the Company has an interest.

DIRECTORS' BENEFITS

During the financial year, the fees, remunerations and other benefits received and receivable by the Directors of the Company are as follows:-

	Group RM	Company RM
Directors' fee	279,000	279,000
Directors' remuneration and other benefits	7,499,457	-

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debenture of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as shown above and those disclosed in Note 23 to 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.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There was no indemnity coverage and insurance premium paid for Directors and officers of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the provision for doubtful debts, and satisfied themselves that adequate provision had been made for doubtful debts and there were no bad debts to be written off; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:-

(a) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

Directors' Report
(Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the Directors:-

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve 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;

(b) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transactions or event of a material and unusual nature; and

(c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the result of operation of the Group and of the Company for the current financial year in which this report is made.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 7 June 2024, the Company has proposed to transfer the listing and quotation for the entire issued share capital of the Company from the ACE Market to Main Market of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"). The application had been approved by Securities Commission and Bursa Malaysia on 2 October 2024 and 22 October 2024 respectively. Subsequently, the Company has been successfully listed on the Main Market of Bursa Malaysia on 6 November 2024.

AUDITORS

The Auditors, Grant Thornton Malaysia PLT is not seeking reappointment as auditors.

The amount of audit and other fees paid or payable to the Auditors and its member firms by the Group and the Company for the financial year ended 30 June 2025 amounted to RM221,000 and RM110,000 respectively. Further details are disclosed in Note 17 to the financial statements.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the provision of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

Signed on behalf of the Directors in accordance with a resolution of the Directors,

.....)
BEH SENG LEE)
)
)
)
)
) DIRECTORS
)
)
)
)
.....)
LUCILLE TEOH SOO LIEN

14 October 2025

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 85 to 115 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements 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 their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Directors in accordance with a resolution of the Directors,

.....	.....
BEH SENG LEE	LUCILLE TEOH SOO LIEN

14 October 2025

STATUTORY DECLARATION

I, Goh Hooi Chin, being the Officer primarily responsible for the financial management of DS Sigma Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 85 to 115 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
14 October 2025)

.....
GOH HOOI CHIN
(MIA NO.: 24463)
CHARTERED ACCOUNTANT

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DS SIGMA HOLDINGS BERHAD
(Incorporated in Malaysia)
[Registration No: 202101030362 (1430662-K)]

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DS Sigma Holdings Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, 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 policies information, as set out on pages 85 to 115.

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 their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, 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. 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

The risk – The Group's revenue arises from manufacturing of corrugated paper packaging products and supplying of protective packaging products. The magnitude and high volume of transactions may give rise to material misstatements in the timing and recognition of revenue.

Our responses – We tailored our procedures to ensure that revenue was recognised only when performance obligations are satisfied. Amongst other procedures, we have reviewed and tested the controls over the revenue recognition including evaluating the design and operating effectiveness of controls surrounding revenue cycle. We have also verified samples of revenue separately to supporting evidence including the sales invoices and delivery orders and performed cut-off test to ensure the revenue is recognised in the correct period.

The Group's disclosures regarding revenue recognition and revenue are included in Notes 16 to the financial statements.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Report on the Audit of the Financial Statements (Cont'd)

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 the other information, we are required to report that fact. We have nothing to report in this regard.

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 Malaysian Financial Reporting Standards, 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 Group's and the Company's ability 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 International Standards on Auditing 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 International Standards on Auditing, 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report
To The Members Of DS Sigma Holdings Berhad (Cont'd)

(Incorporated in Malaysia)
[Registration No: 202101030362 (1430662-K)]

Report on the Audit of the Financial Statements (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We also (Cont'd):-

- 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 Group's or the Company's ability to continue as a going concern. If we conclude that 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 group financial statements. 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.

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.

Other Matter

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.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

LIM SOO SIM
(NO: 03335/11/2025 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
14 October 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	40,152,894	34,751,544	-	-
Investment in subsidiaries	4	-	-	29,161,499	29,161,499
Total non-current assets		40,152,894	34,751,544	29,161,499	29,161,499
Current assets					
Inventories	5	1,795,257	1,646,026	-	-
Trade receivables	6	16,465,395	18,403,917	-	-
Other receivables	7	1,536,739	429,770	805,878	26,200
Amount due from a subsidiary	4	-	-	23,393,199	15,099,432
Tax recoverable		-	85,603	-	-
Short term investments	8	25,636,823	14,549,701	-	-
Fixed deposits with licensed banks		30,096,085	5,000,000	25,096,085	-
Cash and bank balances		17,363,566	56,213,136	3,994,430	34,713,749
Total current assets		92,893,865	96,328,153	53,289,592	49,839,381
Total assets		133,046,759	131,079,697	82,451,091	79,000,880
EQUITY AND LIABILITIES					
EQUITY					
Share capital	9	77,549,880	77,549,880	77,549,880	77,549,880
Merger deficit	10	(26,461,499)	(26,461,499)	-	-
Retained earnings		69,174,156	63,163,149	4,623,638	995,199
Total equity		120,262,537	114,251,530	82,173,518	78,545,079
LIABILITIES					
Non-current liabilities					
Lease liabilities	11	335,462	1,390,750	-	-
Borrowing	12	-	1,325,133	-	-
Deferred tax liabilities	13	2,157,368	2,158,132	-	-
Total non-current liabilities		2,492,830	4,874,015	-	-
Current liabilities					
Trade payables	14	6,433,904	7,244,291	-	-
Other payables	15	2,382,555	2,479,210	91,028	208,001
Lease liabilities	11	553,324	1,095,132	-	-
Borrowing	12	-	423,550	-	-
Tax payable		921,609	711,969	186,545	247,800
Total current liabilities		10,291,392	11,954,152	277,573	455,801
Total liabilities		12,784,222	16,828,167	277,573	455,801
Total equity and liabilities		133,046,759	131,079,697	82,451,091	79,000,880

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	16	89,405,428	88,829,170	7,800,000	7,500,000
Cost of sales		(62,389,813)	(61,881,497)	-	-
Gross profit		27,015,615	26,947,673	7,800,000	7,500,000
Finance income		2,533,676	2,188,947	2,112,518	2,091,413
Other income		316,829	110,457	-	-
Selling and distribution expenses		(723,768)	(717,651)	-	-
Impairment loss on financial asset		(517,742)	-	-	-
Administrative expenses		(14,239,775)	(14,524,162)	(999,587)	(1,228,650)
Finance cost		(95,858)	(146,739)	-	-
Profit before tax	17	14,288,977	13,858,525	8,912,931	8,362,763
Tax expense	18	(3,477,970)	(2,849,329)	(484,492)	(481,841)
Net profit/total comprehensive income for the financial year		10,811,007	11,009,196	8,428,439	7,880,922
Earnings per share attributable to owners of the Company (sen):-					
Basic and diluted	19	2.25	2.29		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Share capital RM	Merger deficit RM	Retained earnings RM	Total RM
Group					
Balance at 1 July 2023		77,549,880	(26,461,499)	55,753,953	106,842,334
Transaction with owners of the Company					
- Dividend paid	20	-	-	(3,600,000)	(3,600,000)
Total comprehensive income for the financial year		-	-	11,009,196	11,009,196
Balance at 30 June 2024		77,549,880	(26,461,499)	63,163,149	114,251,530
Transaction with owners of the Company					
- Dividend paid	20	-	-	(4,800,000)	(4,800,000)
Total comprehensive income for the financial year		-	-	10,811,007	10,811,007
Balance at 30 June 2025		77,549,880	(26,461,499)	69,174,156	120,262,537

	Note	Share capital RM	(Accumulated losses)/ retained earnings RM	Total equity RM
Company				
Balance at 1 July 2023		77,549,880	(3,285,723)	74,264,157
Transaction with owners of the Company				
- Dividend paid	20	-	(3,600,000)	(3,600,000)
Total comprehensive income for the financial year		-	7,880,922	7,880,922
Balance at 30 June 2024		77,549,880	995,199	78,545,079
Transaction with owners of the Company				
- Dividend paid	20	-	(4,800,000)	(4,800,000)
Total comprehensive income for the financial year		-	8,428,439	8,428,439
Balance at 30 June 2025		77,549,880	4,623,638	82,173,518

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	2024 RM	2025 RM	2024 RM
OPERATING ACTIVITIES					
Profit before tax		14,288,977	13,858,525	8,912,931	8,362,763
Adjustments for:-					
Depreciation of property, plant and equipment		3,727,142	3,473,271	-	-
Gain on lease termination		(66,810)	(364)	-	-
Gain on disposal of property, plant and equipment		(103,290)	-	-	-
Property, plant and equipment written off		14,893	-	-	-
Impairment loss on trade receivables		517,742	-	-	-
Distribution income from short term investment		(93,910)	(93,910)	-	-
Dividend income		-	-	(7,800,000)	(7,500,000)
Interest income		(2,439,766)	(2,095,037)	(2,112,518)	(2,091,413)
Interest expense		95,858	146,739	-	-
Operating profit/(loss) before working capital changes		15,940,836	15,289,224	(999,587)	(1,228,650)
Changes in working capital:-					
Inventories		(149,231)	90,881	-	-
Receivables		1,104,234	(5,629,256)	10,745	(26,200)
Payables		(907,042)	2,689,797	(116,973)	155,281
Cash generated from/(used in) operations		15,988,797	12,440,646	(1,105,815)	(1,099,569)
Interest received		1,649,343	2,095,037	1,322,095	2,091,413
Interest paid		(95,858)	(146,739)	-	-
Net tax paid		(3,183,491)	(2,345,134)	(545,747)	(292,041)
Net cash from/(used in) operating activities		14,358,791	12,043,810	(329,467)	699,803
INVESTING ACTIVITIES					
Placement of fixed deposit with licensed banks		(25,096,085)	-	(25,096,085)	-
Advances to a subsidiary		-	-	(8,293,767)	(15,099,432)
Dividend received		-	-	7,800,000	7,500,000
Purchase of property, plant and equipment	**A**	(9,701,048)	(9,042,085)	-	-
Distribution received from short term investment		93,910	93,910	-	-
Proceeds from disposal of property, plant and equipment		341,000	-	-	-
Net cash used in investing activities		(34,362,223)	(8,948,175)	(25,589,852)	(7,599,432)

Statements Of Cash Flows
For The Financial Year Ended 30 June 2025 (Cont'd)

	Note	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
FINANCING ACTIVITIES					
Dividend paid		(4,800,000)	(3,600,000)	(4,800,000)	(3,600,000)
Repayments of lease liabilities	**B**	(1,210,333)	(1,112,168)	-	-
Repayments of borrowing		(1,748,683)	(3,069,003)	-	-
Net cash used in financing activities		(7,759,016)	(7,781,171)	(4,800,000)	(3,600,000)
CASH AND CASH EQUIVALENTS					
Net changes		(27,762,448)	(4,685,536)	(30,719,319)	(10,499,629)
At the beginning of financial year		70,762,837	75,448,373	34,713,749	45,213,378
At the end of financial year	**C**	43,000,389	70,762,837	3,994,430	34,713,749

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group 2025 RM	Group 2024 RM
Aggregate cost of property, plant and equipment acquired	10,260,770	9,061,707
Financed via lease liabilities arrangements	(559,722)	(19,622)
Cash payment	9,701,048	9,042,085

B. CASH OUTFLOWS FOR LEASE AS A LESSEE

	Group 2025 RM	Group 2024 RM
Included in net cash from/(used in) operating activities:-		
Payment relating to short-term leases	440,897	343,524
Payment relating to lease of low-value assets	48,174	30,668
Interest paid in relation to lease liabilities	95,858	146,739
Included in net cash used in financing activities:-		
Payment of lease liabilities	1,210,333	1,112,168
	1,795,262	1,633,099

Statements Of Cash Flows
For The Financial Year Ended 30 June 2025 (Cont'd)

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following items:-

		Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances		17,363,566	56,213,136	3,994,430	34,713,749
Fixed deposits with licensed banks	*	30,096,085	5,000,000	25,096,085	-
Short term investments		25,636,823	14,549,701	-	-
		73,096,474	75,762,837	29,090,515	34,713,749
Less: Placement of fixed deposits with maturity of more than 3 months		(30,096,085)	(5,000,000)	(25,096,085)	-
		43,000,389	70,762,837	3,994,430	34,713,749

* Fixed deposits with licensed banks earned interest rates ranging from 3.80% to 4.05% (2024: 2.80% to 4.05%) per annum.

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are disclosed in page 2.

The Company is principally engaged in investment holding.

The principal activities of the subsidiaries are disclosed in Note 4 to the financial statements.

There have been no significant changes in the Group's and the Company's principal activities during the financial year.

The financial statements were authorised for issue by the Directors in accordance with a resolution of the Directors on 14 October 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in the summary of material accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("**RM**"), which is the Group and of the Company's functional currency and all values are rounded to the nearest RM, except when otherwise stated.

2.4 Adoption of new standards/amendments/improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted new standards/ amendments/improvements to MFRSs which are mandatory for the current financial year.

Initial application of the new standards/amendments/improvements to the standards did not have material impact to the financial statements.

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards issued but not yet effective

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

Amendments to MFRS effective 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

MFRSs and Amendments to MFRS effective 1 January 2026:-

Amendments to MFRS 9 and MFRS 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, MFRS 7, MFRS 9, MFRS 10 and MFRS 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

The initial application of the above standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for MFRS 18 Presentation and Disclosure in Financial Statements.

MFRS 18 introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to MFRS 107 Statement of Cash Flows and MFRS 134 Interim Financial Reporting.

The amendments will have an impact on the Group's and the Company's presentation of statements of profit or loss and other comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements.

The Group and the Company are currently assessing the impact of MFRS 18 and plan to adopt the new standard on the required effective date.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from judgements, estimates and assumptions made by the management, and will seldom equal the estimated results.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainty

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets

Management estimates the useful lives of the property, plant and equipment to be within 2 to 75 years and reviews the useful lives of depreciable assets at each reporting date. At the reporting date, management assesses that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's assets.

The carrying amount of the Group's property, plant and equipment at the reporting date is disclosed in Note 3 to the financial statements.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to economical factors which may cause selling prices to change rapidly and the Group's profit to change.

The carrying amount of the Group's inventories at the reporting date is disclosed in Note 5 to the financial statements.

Provision for expected credit losses ("**ECLs**") of receivables

The Group uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing and trading sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainty (cont'd)

Provision for expected credit losses ("**ECLs**") of receivables (cont'd)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Income taxes

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain in the ordinary course of business. The Group and the Company recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the years in which such determination is made.

Leases – estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Determining the lease term of contracts with renewal options – as lessee

The Group determines the lease term with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension. The Group applies judgement in evaluating whether to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew (e.g. if significant leasehold improvements or significant customisation to the leased assets).

The Group includes the renewal period as part of the lease term for such leases of premises with non-cancellable period (i.e. two-three years). The Group typically exercises its option to renew for these leases because the Group is using the premises for operations purpose.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Freehold building RM	Leasehold land RM	Leasehold land and building RM	Computer and software, furniture, fittings and office equipment RM	Plant and machineries RM	Motor vehicles RM	Renovation and electrical installation RM	Premises RM	Capital work-in-progress RM	Total RM
Cost											
At 1 July 2023	2,288,473	3,915,831	-	7,632,029	3,134,261	16,150,098	1,888,894	4,273,253	3,054,113	-	42,336,952
Additions	-	-	-	-	35,739	5,578,880	325,316	52,950	19,622	3,049,200	9,061,707
Written off	-	-	-	-	(22,257)	(26,000)	-	-	-	-	(48,257)
Lease termination	-	-	-	-	-	-	-	-	(28,894)	-	(28,894)
At 30 June 2024	2,288,473	3,915,831	-	7,632,029	3,147,743	21,702,978	2,214,210	4,326,203	3,044,841	3,049,200	51,321,508
Additions	-	-	-	-	147,065	57,388	481,158	122,837	304,722	9,147,600	10,260,770
Disposal	-	-	-	-	(50,000)	-	(597,167)	-	-	-	(647,167)
Written off	-	-	-	-	(90,954)	-	-	-	-	-	(90,954)
Reclassification	-	-	12,196,800	-	-	-	-	-	-	(12,196,800)	-
Lease termination	-	-	-	-	-	-	-	-	(2,639,020)	-	(2,639,020)
At 30 June 2025	2,288,473	3,915,831	12,196,800	7,632,029	3,153,854	21,760,366	2,098,201	4,449,040	710,543	-	58,205,137
Accumulated depreciation											
At 1 July 2023	-	725,915	-	515,679	1,785,283	6,834,681	1,203,333	1,078,878	1,020,444	-	13,164,213
Charge for the financial year	-	78,317	-	103,136	417,953	1,692,349	240,473	427,165	513,878	-	3,473,271
Written off	-	-	-	-	(22,257)	(26,000)	-	-	-	-	(48,257)
Lease termination	-	-	-	-	-	-	-	-	(19,263)	-	(19,263)
At 30 June 2024	-	804,232	-	618,815	2,180,979	8,501,030	1,443,806	1,506,043	1,515,059	-	16,569,964
Charge for the financial year	-	78,316	40,656	103,136	267,242	1,990,284	274,142	395,869	577,497	-	3,727,142
Disposal	-	-	-	-	(29,167)	-	(380,290)	-	-	-	(409,457)
Written off	-	-	-	-	(76,061)	-	-	-	-	-	(76,061)
Lease termination	-	-	-	-	-	-	-	-	(1,759,345)	-	(1,759,345)
At 30 June 2025	-	882,548	40,656	721,951	2,342,993	10,491,314	1,337,658	1,901,912	333,211	-	18,052,243
Net carrying amount											
At 30 June 2025	2,288,473	3,033,283	12,156,144	6,910,078	810,861	11,269,052	760,543	2,547,128	377,332	-	40,152,894
At 30 June 2024	2,288,473	3,111,599	-	7,013,214	966,764	13,201,948	770,404	2,820,160	1,529,782	3,049,200	34,751,544

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Leasehold land and building of the Group with net carrying amount of RM6,910,078 (2024: RM7,013,214) are pledged as securities to a licensed bank to secure banking facilities granted to the Group as disclosed in Note 12 to the financial statements and is in the process of being discharged.

Information on right-of-use assets are as follows:-

Group	Carrying amount RM	Depreciation for the year RM	Additions RM
2025			
Leasehold land and building	19,066,222	143,792	-
Plant and machineries	1,055,513	175,919	-
Motor vehicles	399,516	111,048	413,292
Premises	377,332	577,497	304,722
	20,898,583	1,008,256	718,014
2024			
Leasehold land and building	7,013,214	103,136	-
Plant and machineries	1,231,432	175,919	-
Motor vehicles	291,816	97,272	-
Premises	1,529,782	513,878	19,622
	10,066,244	890,205	19,622

The right-of-use assets are included in the same items as where the corresponding underlying assets would be presented if they were owned.

Material accounting policy information

Property, plant and equipment

All the property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses.

Freehold land with an infinite life is not depreciated. Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life as follows:-

Freehold building	2%
Leasehold land	over 75 years
Leasehold land and building	over 74 years
Computer and software, furniture, fittings and office equipment	10% – 20%
Plant and machineries	10% – 20%
Motor vehicles	20%
Renovation and electrical installation	10%
Premises	over 2 – 6 years

In prior year, capital work-in-progress consists of leasehold land under improvement for future development as production facilities. The amount was stated as cost until the property was ready for its intended use. The capital work-in-progress is reclassified to leasehold land during the year.

Right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:-

Leasehold land and building	over 74 – 75 years
Plant and machineries	10%
Motor vehicles	20%
Premises	over 2 – 6 years

4. SUBSIDIARIES

4.1 Investment in subsidiaries

	Company	
	2025 RM	2024 RM
Unquoted shares, at cost	29,161,499	29,161,499

Details of the subsidiaries are as follows:-

Name of subsidiaries	Principal place of business	Principal activities	Effective equity interest	
			2025 %	2024 %
Dai Suwon Packaging Sdn. Bhd.	Malaysia	Manufacturing of corrugated paper packaging products and supplying of protective packaging products	100	100
Dai Suwon Manufacturing Sdn. Bhd.	Malaysia	Manufacturing of corrugated paper packaging products	100	100
Kaisung Industries Sdn. Bhd.	Malaysia	Supplying of protective packaging products	100	100

Material accounting policy information

Subsidiaries are entities, including structured entities, controlled by the Company. Investments in subsidiaries are measured at cost less impairment losses, if any.

Subsidiaries are consolidated by applying acquisition method from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases, except for those applying merger method as mentioned below.

Merger method

A business combination involving entities under common control is a business combination in which all the combining entities or business are ultimately controlled by same party or parties both before or after the business combination, and that control is not transitory. The acquisition of Dai Suwon Packaging Sdn. Bhd., Dai Suwon Manufacturing Sdn. Bhd. and Kaisung Industries Sdn. Bhd. resulted in a business involving common control entities since the management of all the entities which took part in the acquisition were controlled by common Directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the combining entities in the consolidated financial statements. The merger method of accounting on a retrospective basis and restated its comparative as if the consolidation had taken place before the state of the earliest period presented in the financial statements.

Under the merger method of accounting, the results of subsidiary are presented as if the merger had been effected throughout the current year. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any reserves which are attributable to share capital of the merged entities, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other capital reserves.

Notes to the Financial Statements
30 June 2025 (Cont'd)

4. SUBSIDIARIES (CONT'D)

4.2 Amount due from a subsidiary

The amount due from a subsidiary is non-trade related, unsecured, receivable on demand and bears interest ranged from 4.92% to 5.32% (2024: 5.35%) per annum.

5. INVENTORIES

	Group	
	2025 RM	2024 RM
At cost		
Raw materials	526,225	305,762
Work in progress	77,941	154,470
Goods-in-transit	197,056	-
Finished goods	994,035	1,185,794
	1,795,257	1,646,026
Recognised in profit or loss		
Inventories recognised at cost of sales	50,105,320	49,671,486

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a first-in-first-out basis.

6. TRADE RECEIVABLES

	Group	
	2025 RM	2024 RM
Trade receivables	16,983,137	18,403,917
Less: Allowance for expected credit losses		
Beginning of the financial year	-	-
Recognised during the financial year	(517,742)	-
End of financial year	(517,742)	-
	16,465,395	18,403,917

The normal trade credit terms granted by the Group to trade receivables range from 1 to 90 days (2024: 1 to 90 days).

7. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-trade receivables	228,673	96,148	-	-
Interest receivable	790,423	-	790,423	-
Deposits	351,121	300,423	-	-
Prepayments	166,522	33,199	15,455	26,200
	1,536,739	429,770	805,878	26,200

8. SHORT TERM INVESTMENTS

The short term investments are managed and invested into fixed income securities and money market instruments by a fund management company. The short term investments are readily convertible to cash.

9. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
Group				
Issued and fully paid with no par value:-				
At beginning/end of financial year	480,000,000	480,000,000	77,549,880	77,549,880
Company				
Issued and fully paid with no par value:-				
At beginning/end of financial year	480,000,000	480,000,000	77,549,880	77,549,880

The holders of ordinary shares are entitled to receive dividend as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

10. MERGER DEFICIT

The merger deficit arises as and when the combination takes place, it comprises the difference between the cost of merger and the nominal value of shares acquired in subsidiaries as disclosed in Note 4 to the financial statements.

11. LEASE LIABILITIES

	Group	
	2025 RM	2024 RM
At beginning of financial year	2,485,882	3,588,423
Additions	559,722	19,622
Lease termination	(946,485)	(9,995)
Lease payments	(1,210,333)	(1,112,168)
Lease interest	95,858	146,739
Payments for lease interest	(95,858)	(146,739)
At end of financial year	888,786	2,485,882
Presented as:-		
- Current	553,324	1,095,132
- Non-current	335,462	1,390,750
	888,786	2,485,882

The lease liabilities are secured by the related underlying right-of-use assets as disclosed in Note 3 to the financial statements.

The maturity analysis of lease liabilities is disclosed in Note 25.2 to the financial statements.

The Group also has certain leases of assets with short-term leases and low-value assets as detailed below.

The following are the amounts relating to lease liabilities recognised in profit or loss:-

	Group	
	2025 RM	2024 RM
Interest expense on lease liabilities	95,858	146,739
Expenses relating to short-term leases		
- rental of office	12,000	12,000
- rental of motor vehicles	209,150	172,050
- rental of hostel	219,747	159,474
	440,897	343,524
Expenses relating to lease of low-value assets		
- rental of office equipment	15,484	10,128
- rental of server	12,150	20,540
- rental of machinery	20,540	-
	48,174	30,668

11. LEASE LIABILITIES (CONT'D)

The table below describes the nature of the Group's leasing activities by type of right-of-use assets recognised in property, plant and equipment on the statements of financial position:-

	Range of remaining term	Number of leases with extension options	Number of leases with variable payment linked to an index	Number of leases with termination options
Right-of-use assets				
Group				
2025				
Leasehold land and building	68 to 73 years	-	-	-
Plant and machineries	1 year	-	-	-
Motor vehicles	3 years	-	-	-
Premises	1 to 2 years	2	-	-
Group				
2024				
Leasehold land and building	69 years	-	-	-
Plant and machineries	1 to 2 years	-	-	-
Motor vehicles	1 to 2 years	-	-	-
Premises	1 to 3 years	3	-	-

The effective interest rates of the lease liabilities range from 2.21% to 3.76% (2024: 2.60% to 3.76%) per annum.

Material accounting policy information

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group applies the short-term lease recognition exemption to its short-term lease of assets (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies for the lease of low-value assets recognition exemption to lease of assets that are considered to be low-value. Lease payments on short-term lease and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

12. BORROWING

	Group	
	2025 RM	2024 RM
Non-current		
Term loan	-	1,325,133
Current		
Term loan	-	423,550
	-	1,748,683

In prior year, the above borrowing was secured by way of:-

(a) legal charge over leasehold land and building of the Group; and
(b) corporate guarantee by the Company.

13. DEFERRED TAX LIABILITIES

	Group	
	2025 RM	2024 RM
At beginning of financial year	2,158,132	1,786,829
Recognised in profit or loss (Note 18)	(764)	371,303
At end of financial year	2,157,368	2,158,132

The deferred tax liabilities are made up of tax impact on temporary differences arising from carrying amount of qualifying property, plant and equipment in excess of their tax base.

14. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 1 to 120 days (2024: 1 to 120 days).

15. OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-trade payables	150,046	93,617	-	20,000
Accruals	2,232,509	2,385,593	91,028	188,001
	2,382,555	2,479,210	91,028	208,001

16. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers				
Sales of packaging and paper products	89,405,428	88,829,170	-	-
Other revenue				
Dividend income	-	-	7,800,000	7,500,000
	89,405,428	88,829,170	7,800,000	7,500,000
Timing of revenue recognition				
Satisfied at a point in time	89,405,428	88,829,170	-	-

Material accounting policy information

The Group is in the business of manufacturing of corrugated paper packaging products and supplying of protective packaging products. Revenue from contracts with customers is recognised when control of the goods is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods, generally on delivery of goods.

Dividend income is recognised when the Company's right to receive such payment is established.

All of the Group's and the Company's revenue are generated in Malaysia.

17. PROFIT BEFORE TAX

Profit before tax has been determined after charging amongst others, the following items:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration:-				
Grant Thornton Malaysia PLT ("**GTM**")				
- statutory audits	129,000	129,000	34,000	34,000
- assurance-related services	74,000	34,000	74,000	34,000
GTM's member firm				
- other services	18,000	90,000	2,000	2,000

18. TAX EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax:-				
- current year provision	3,548,248	3,120,300	485,500	485,300
- overprovision in prior years	(69,514)	(642,274)	(1,008)	(3,459)
	3,478,734	2,478,026	484,492	481,841
Deferred tax (Note 13):-				
- current year provision	(764)	451,303	-	-
- overprovision in prior years	-	(80,000)	-	-
	(764)	371,303	-	-
	3,477,970	2,849,329	484,492	481,841

Malaysian income tax is calculated at the statutory rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

A reconciliation of the tax expense on profit before tax with the applicable statutory income tax rate is as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	14,288,977	13,858,525	8,912,931	8,362,763
Income tax at rate of 24% (2024: 24%)	3,429,354	3,326,046	2,139,103	2,007,063
Tax effects in respect of:-				
Non-allowable expenses	387,370	325,468	218,397	278,237
Income not subject to tax	(269,240)	(79,911)	(1,872,000)	(1,800,000)
Overprovision of current tax in prior years	(69,514)	(642,274)	(1,008)	(3,459)
Overprovision of deferred tax in prior years	-	(80,000)	-	-
Total tax expense	3,477,970	2,849,329	484,492	481,841

19. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing net profit for the financial year attributable to ordinary equity holders of the Company over the weighted average number of ordinary shares in issue during the financial year as follows:-

	Group	
	2025	2024
Net profit for the financial year attributable to ordinary equity holders of the Group (RM)	10,811,007	11,009,196
Weighted average number of ordinary shares in issue (units)	480,000,000	480,000,000
Basic earnings per share (sen)	2.25	2.29

Diluted earnings per share

Diluted earnings per share equals basic earnings per share as there are no potential dilutive instruments in existence at the reporting date.

20. DIVIDENDS

	Group and Company	
	2025 RM	2024 RM
In respect of the financial year ended 30 June 2024:-		
A first interim single tier dividend of 1 sen per ordinary share	4,800,000	-
In respect of the financial year ended 30 June 2023:-		
A first interim single tier dividend of 0.75 sen per ordinary share	-	3,600,000
	4,800,000	3,600,000

On 25 August 2025, the Company declared interim single tier dividend of 1 sen per ordinary share amounting to RM4.8 million in respect of financial year ended 30 June 2025 and to be paid on 30 October 2025. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2026.

21. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries and other emoluments	15,235,629	14,933,976	279,000	264,000
Defined contribution plan	1,657,347	1,678,517	-	-
Social security contribution	88,156	67,483	-	-
Other benefits	838,742	753,518	-	-
	17,819,874	17,433,494	279,000	264,000

Included in the above is the Directors' remuneration during the financial year as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
Salaries and other emoluments	6,298,700	6,260,000	-	-
Defined contribution plan	1,196,754	1,189,400	-	-
Social security contribution	4,003	3,475	-	-
Fee	279,000	264,000	279,000	264,000
	7,778,457	7,716,875	279,000	264,000

22. CAPITAL COMMITMENT

	Group	
	2025 RM	2024 RM
Authorised and contracted for property, plant and equipment	-	9,147,600

23. RELATED PARTY DISCLOSURES

23.1 Significant related party transactions

Significant related party transactions during the financial year are as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental of premises charged by certain Directors	492,000	492,000	-	-
Rental of premises charged by a company in which certain Directors have interests	72,000	72,000	-	-
Delivery fees charged by an entity owned by a person connected to a Director	150,340	159,180	-	-
Dividend received from subsidiaries	-	-	7,800,000	7,500,000
Loan interest charged to a subsidiary	-	-	878,059	1,503,103

The Directors of the Company are of the opinion that the above transactions were entered into in the normal course of business and were established under negotiated basis.

23.2 Related party balances

The outstanding related party balances as at the reporting date is disclosed in Note 4 to the financial statements.

23.3 Remuneration of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group or of the Company either directly or indirectly and the entity that provides key management personnel service to the Group or the Company.

Key management personnel includes all the Directors of the Company and certain management of the Group.

The remuneration of the Directors is disclosed in the Note 21 to the financial statements while the remuneration of the other key management personnel is shown as follows:-

	Group	
	2025 RM	2024 RM
Salaries and other emoluments	800,600	835,141
Defined contribution plan	125,268	130,216
Social security contribution	3,770	3,476
Other benefits	243,047	233,441
	1,172,685	1,202,274

The estimated monetary value of benefits-in-kind received and receivable by the key management personnel otherwise than in cash from the Group amounted to RM17,400 (2024: RM27,300).

24. SEGMENTAL REPORTING

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, 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.

Geographical segments

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

Major customers

The following are major customers with revenue equal or more than 10 percent of the Group's revenue:-

Group	RM	%
2025		
Customer A	17,062,425	19
Customer B	17,957,659	20
	35,020,084	39
2024		
Customer A	17,670,809	20
Customer B	14,788,222	17
	32,459,031	37

25. FINANCIAL INSTRUMENTS

25.1 Categories of financial instruments

At the reporting date, the Group and the Company carry only financial assets and financial liabilities measured at amortised cost on their statements of financial position as detailed below:-

	2025 RM	2024 RM
Group		
Financial assets		
Trade receivables	16,465,395	18,403,917
Other receivables and deposits	1,370,217	396,571
Short term investments	25,636,823	14,549,701
Fixed deposits with licensed banks	30,096,085	5,000,000
Cash and bank balances	17,363,566	56,213,136
	90,932,086	94,563,325
Financial liabilities		
Trade payables	6,433,904	7,244,291
Other payables	2,382,555	2,479,210
Borrowing	-	1,748,683
	8,816,459	11,472,184
Company		
Financial assets		
Other receivables	790,423	-
Amount due from a subsidiary	23,393,199	15,099,432
Fixed deposits with licensed banks	25,096,085	-
Cash and bank balances	3,994,430	34,713,749
	53,274,137	49,813,181
Financial liability		
Other payables	91,028	208,001

25.2 Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group's and the Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing their risks. The Group and the Company operate within policies that are approved by the Directors and the Group's and the Company's policies are not to engage in speculative transactions.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.2 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's and the Company's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group and the Company do not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the Group's and the Company's counterparties whose aggregate credit exposure is significant in relation of the Group's and the Company's total credit exposure. The Group's and the Company's portfolio of financial instrument is broadly diversified along industry, product and geographical lines, and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's and the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

Following are the areas where the Group and the Company are exposed to credit risk:-

i. Trade receivables

At the reporting date, the maximum exposure to credit risk arising from receivables is limited to the carrying amounts in the statements of financial position.

With a credit policy in place to ensure the credit risk is monitored on an on-going basis, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group uses aging analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar pattern (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about the past events, current conditions and forecasts of future economic conditions.

Generally, the gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities. The Group does not hold collateral as security.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.2 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

i. Trade receivables (cont'd)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:-

Group	Gross carrying amount RM	Allowance for expected credit loss RM	Net RM
2025			
Not past due	7,467,570	-	7,467,570
Past due 1 to 30 days	6,278,864	-	6,278,864
Past due 31 to 60 days	2,600,510	-	2,600,510
Past due 61 to 90 days	114,667	-	114,667
Past due 91 to 120 days	3,784	-	3,784
	16,465,395	-	16,465,395
Credit impaired	517,742	(517,742)	-
	16,983,137	(517,742)	16,465,395
2024			
Not past due	7,847,189	-	7,847,189
Past due 1 to 30 days	6,353,100	-	6,353,100
Past due 31 to 60 days	3,958,837	-	3,958,837
Past due 61 to 90 days	244,613	-	244,613
Past due 91 to 120 days	178	-	178
	18,403,917	-	18,403,917

The net carrying amount of trade receivables is considered a reasonable approximate of their fair value. The maximum exposure to credit risk is the carrying value of each class of receivables mentioned above.

In respect of trade receivables, the Group has significant concentration of credit risk of which 36% (2024: 29%) were due from 3 (2024: 2) customers. As at the reporting date, there was no indication that the trade receivables are not recoverable.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.2 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

ii. Other receivables

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

iii. Intercompany balance

The Company provides advances to a subsidiary and monitors the result of the subsidiary regularly. As at the end of the reporting year, there was no indication that advances to the subsidiary is not recoverable. The maximum exposure to credit risk is represented by its carrying amount in the statements of financial position.

iv. Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks or financial institutions with high quality external credit ratings.

v. Financial guarantees

In prior year, the maximum exposure to credit risk of the Company was RM1,748,683 in respect of corporate guarantee given to licensed bank for banking facilities granted to a subsidiary.

The Company monitors on an ongoing basis the result of the subsidiary and repayments made by the subsidiary. As at the end of the reporting date, there was no indication that the subsidiary would default on repayment.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due as a result of shortage of funds. In managing its exposures to liquidity risk, the Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

The Group and the Company aim at maintaining a balance of sufficient cash and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.2 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):-

(b) Liquidity risk (cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligation are set out as follows:-

	Carrying amount RM	Contractual cash flows RM	Current Less than 1 year RM	Non-current 1 to 5 years RM
Group				
2025				
Secured:-				
Lease liabilities	888,786	923,111	577,440	345,671
Unsecured:-				
Trade payables	6,433,904	6,433,904	6,433,904	-
Other payables	2,382,555	2,382,555	2,382,555	-
	8,816,459	8,816,459	8,816,459	-
Total	9,705,245	9,739,570	9,393,899	345,671
2024				
Secured:-				
Lease liabilities	2,485,882	2,631,812	1,188,108	1,443,704
Borrowing	1,748,683	1,856,217	492,372	1,363,845
	4,234,565	4,488,029	1,680,480	2,807,549
Unsecured:-				
Trade payables	7,244,291	7,244,291	7,244,291	-
Other payables	2,479,210	2,479,210	2,479,210	-
	9,723,501	9,723,501	9,723,501	-
Total	13,958,066	14,211,530	11,403,981	2,807,549

The maturity profile of all the financial liabilities of the Company based on the contractual undiscounted repayment obligation is less than a year, which included the financial guarantee of Nil (2024: RM1,748,683) granted to a subsidiary.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.2 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):-

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

Fixed rate instruments are exposed to a risk of change in its fair value due to changes in interest rates. Variable rate instruments are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

The Group's and the Company's interest rate management objective is to manage the interest expense consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debt based on assessment of its existing exposure and desired interest rate profile.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting date is as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed rate instruments				
Fixed deposits with licensed banks	30,096,085	5,000,000	25,096,085	-
Lease liabilities	(888,786)	(2,485,882)	-	-
	29,207,299	2,514,118	25,096,085	-
Variable rate instruments				
Amount due from a subsidiary	-	-	23,393,199	15,099,432
Borrowing	-	(1,748,683)	-	-
	-	(1,748,683)	23,393,199	15,099,432

25. FINANCIAL INSTRUMENTS (CONT'D)

25.2 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activities are set out as follows (cont'd):-

(c) Interest rate risk (cont'd)

Sensitivity analysis for fixed rate instruments:-

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the financial year would not affect profit or loss.

Sensitivity analysis for variable rate instruments:-

The following table illustrates the sensitivity of net profit/equity to a reasonably possible change in interest rates of +/- 0.5%. These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on a change in the average market interest rate for each year, and the financial instruments held at each reporting date that are sensitive to changes in interest rates with all other variables held constant.

	(Decrease)/increase in net profit/equity for the financial year	
	+0.5% RM	-0.5% RM
Group		
Variable rate instrument		
2025	-	-
2024	(8,743)	8,743
Company		
Variable rate instrument		
2025	(116,966)	116,966
2024	(75,497)	75,497

25.3 Reconciliation of liabilities arising from financing activities

	At 1.7.2024 RM	Acquisition* RM	Lease termination RM	Repayments RM	At 30.6.2025 RM
Group					
Lease liabilities	2,485,882	559,722	(946,485)	(1,210,333)	888,786
Borrowing	1,748,683	-	-	(1,748,683)	-
	4,234,565	559,722	(946,485)	(2,959,016)	888,786

25. FINANCIAL INSTRUMENTS (CONT'D)

25.3 Reconciliation of liabilities arising from financing activities (cont'd)

	At 1.7.2023 RM	Acquisition* RM	Lease termination RM	Repayments RM	At 30.6.2024 RM
Group					
Lease liabilities	3,588,423	19,622	(9,995)	(1,112,168)	2,485,882
Borrowing	4,817,686	-	-	(3,069,003)	1,748,683
	8,406,109	19,622	(9,995)	(4,181,171)	4,234,565

* *Arising from acquisition of property, plant and equipment under lease arrangements.*

25.4 Fair value of financial instruments

The carrying amounts of financial assets and financial liabilities of the Group and the Company at the reporting date approximate their fair values due to their short-term nature or that they are variable rate instruments that are re-priced to market interest rates on or near the reporting date or have immaterial discounting impact.

25.5 Fair value hierarchy

No fair value hierarchy disclosed as the Group and the Company do not have financial instrument measured at fair value.

26. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, sell assets to reduce debts or issue new share capital.

There was no change in the Group's approach to capital management during the financial year.

27. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 7 June 2024, the Company has proposed to transfer the listing and quotation for the entire issued share capital of the Company from the ACE Market to Main Market of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"). The application had been approved by Securities Commission and Bursa Malaysia on 2 October 2024 and 22 October 2024 respectively. Subsequently, the Company has been successfully listed on the Main Market of Bursa Malaysia on 6 November 2024.

LIST OF PROPERTIES
AS AT 30 JUNE 2025

No.	Location	Address	Description/ Existing Use	Tenure	Approximate Age of Building (Years)	Land Area/ Built-up Area (Square Feet)	Carrying Amount (RM)	Date of Acquisition
1	Port Klang, Selangor	PN 32397, Lot 77153, Mukim Klang, Daerah Klang No. 27, Lorong Jala 14/KS 10, Jalan Telok Gong, 42000 Port Klang, Selangor	Single storey semi-detached factory with double storey office/ Manufacturing facilities and office	Leasehold of 99 years expiring on 5 October 2092	7	46,070/ 27,832	6,910,078	6 July 2018
2	Nilai, Negeri Sembilan	GRN136296, Lot 16132, Mukim Setul, Daerah Seremban Lot 16132, Jalan Nilai 3/12, Kawasan Industri Nilai 3, 71800 Nilai, Negeri Sembilan	Double storey detached office cum single storey factory/ Manufacturing facilities and office	Freehold	11	53,507/ 31,632	5,321,756	16 April 2014
3	Serendah, Selangor	HSD 63084, Lot PT 17945 and PN 15879, Lot 15007 Seksyen 20, Bandar Serendah, Daerah Ulu Selangor, Negeri Selangor	Vacant industrial land	Leasehold of 99 years expiring on 25 October 2098	-	4,932,285	12,156,144	25 March 2025

ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds

As at 30 June 2025, the utilisation of the proceeds raised from the initial public offering is as follows:-

Purpose	Proposed utilisation	Actual utilised	Re-allocation	Unutilised amount	Estimated timeframe for utilisation from Listing date
	RM'000	RM'000	RM'000	RM'000	
Expansion of operational facilities	17,200	-	(16,000)[1]	1,200	Within 54 months[2]
Purchase of new machinery and equipment	16,000	(3,955)	-	12,045	Within 54 months[2]
Establish packaging design and innovation centre	1,140	(1,140)	-	-	Within 24 months
Repayment of bank borrowings	6,000	(6,000)	-	-	Within 12 months
Working capital	5,409	(5,409)	-	-	Within 12 months
Estimated listing expenses	4,400	(4,400)	-	-	Within 3 months
Acquisition of vacant industrial land	-	(10,000)	10,000[1]	-	Within 48 months
Construction of Serendah Factory	-	-	6,000[1]	6,000	Within 60 months[2]
Total	**50,149**	**(30,904)**	**-**	**19,245**	

Notes:-

[1] The unutilised balance of RM16.0 million for the expansion of operational facilities has been re-allocated to the acquisition of vacant industrial land and construction of Serendah Factory.

[2] 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.

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

2. Recurrent Related Party Transactions of a Revenue Nature

During the financial year under review, the Group has not entered into any significant recurrent related party transactions of a revenue or trading nature.

Additional Compliance Information
(Cont'd)

3. Audit and Non-Audit Services

For the financial year ended 30 June 2025 ("**FYE 2025**"), Grant Thornton Malaysia PLT, the External Auditors, has rendered certain audit and non-audit services to the Company and the Group. The breakdown of the fees payable to the External Auditors is as follows:-

	Company (RM)	Group (RM)
Audit services rendered		
Statutory audit in respect of FYE 2025	34,000	129,000
Non-audit services rendered		
Review of the Statement on Risk Management and Internal Control	4,000	4,000
Other services	72,000	88,000
Total	**110,000**	**221,000**

4. Material Contracts

Save as disclosed below, there was no material contract entered into by the Group involving the interest of Directors and major shareholders, either still subsisting as at the end of the financial year or entered into since the end of the previous financial year.

SHAREHOLDERS' INFORMATION/ ANALYSIS OF SHAREHOLDINGS
AS AT 30 SEPTEMBER 2025

Total Number of Issued Shares	:	480,000,000 Ordinary Shares
Class of Shares	:	Ordinary shares
Number of Shareholders	:	2,617
Voting Rights	:	One (1) vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1-99	0	0.00	0	0.00
100-1,000	222	8.48	114,700	0.03
1,001-10,000	1,171	44.74	7,164,100	1.49
10,001-100,000	1,003	38.33	35,485,100	7.39
100,001-23,999,999 (*)	219	8.37	119,482,200	24.89
24,000,000 and above (**)	2	0.08	317,753,900	66.20
Total	**2,617**	**100.00**	**480,000,000**	**100.00**

Remark: * Less than 5% of issued shares
** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

No.	Name	Direct		Indirect	
		No. of Shares	(%)	No. of Shares	(%)
1.	Lucille Teoh Soo Lien	163,141,900	33.99	-	-
2.	ONI (L) Foundation	158,112,000	32.94	-	-
3.	Beh Seng Lee	7,272,900	1.52	158,354,900 (1)	32.99

DIRECTORS' SHAREHOLDINGS

No.	Name	Direct		Indirect	
		No. of Shares	(%)	No. of Shares	(%)
1.	Mohamad Ismail bin Abu Bakar	305,000	0.06	-	-
2.	Lucille Teoh Soo Lien	163,141,900	33.99	-	-
3.	Beh Seng Lee	7,272,900	1.52	158,354,900 (1)	32.99
4.	Beh Le Hao	1,000,000	0.21	-	-
5.	Lee Yew Weng	300,000	0.06	-	-
7.	Maznida binti Mokhtar	50,000	0.01	-	-
8.	Hanani Hayati binti Mohd Adhan	-	-	-	-

Note:-

(1) Deemed interested by virtue of his position as the founder, council member and beneficiary of ONI (L) Foundation and his daughter, Beh Le Shen's shareholdings in the Company.

Shareholders' Information/ Analysis of Shareholdings

As At 30 September 2025 (Cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	Shareholdings	%
1.	ONI (L) Foundation	158,112,000	32.94
2.	Lucille Teoh Soo Lien	134,688,000	28.06
3.	Lucille Teoh Soo Lien	24,860,000	5.18
4.	Yong Chong Long	13,852,000	2.88
5.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Loi Guak Lian	7,085,600	1.48
6.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chin Peng Kong	5,993,000	1.25
7.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Beh Seng Lee	4,000,000	0.83
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lucille Teoh Soo Lien	3,500,000	0.73
9.	Public Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Yap Booi Lek	3,400,000	0.71
10.	CIMB Group Nominees (Tempatan) Sdn. Bhd. – CIMB Bank Berhad	3,200,000	0.67
11.	Maybank Investment Bank Berhad	3,200,000	0.67
12.	RHB Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Liew Sen Hoi	2,807,900	0.58
13.	Lindy Loh Swee Lee	2,740,000	0.57
14.	Public Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Wong Chong Wui	2,500,000	0.52
15.	Beh Koon Chiew	2,217,400	0.46
16	Public Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Wong Sheng Yip	2,151,200	0.45
17.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Koon Poh Tat	2,000,000	0.42
18.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Beh Seng Lee	1,836,900	0.38
19.	Beh Seng Lee	1,436,000	0.30
20.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lindy Loh Swee Lee	1,262,500	0.26
21.	Dato' Yap Yit Leong	1,200,000	0.25
22.	Pang Chung Tat	1,050,000	0.22
23.	Teoh Hui Peng	1,005,000	0.21
24.	Choo Kian Woon	1,000,000	0.21
25.	Maybank Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Beh Le-Hao	1,000,000	0.21
26.	Poong Hooi Cheng	900,000	0.19
27.	Loh Lih Ken	850,000	0.18
28.	Tan Teng Loon @ Anuar Tan B.Abdullah	850,000	0.18
29.	PTB Ventures Sdn. Bhd.	844,600	0.17
30.	Ng Chor Mong	797,000	0.16
	TOTAL	**390,339,100**	**81.32**

NOTICE OF THE FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth ("**4th**") Annual General Meeting ("**AGM**") of DS Sigma Holdings Berhad ("**the Company**") will be held at Promenade 6, Level 3A, KSL Esplanade Hotel, No. 1, Persiaran Bestari 2/ KS09, Bandar Bestari, 41200 Klang, Selangor Darul Ehsan on Thursday, 27 November 2025 at 10:00 a.m. for the transaction of the following business:-

A G E N D A

Ordinary Business

1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2025 together with the Reports of the Directors and Auditors thereon. ***(Refer to Note 2)***

2. To approve the payment of Directors' fees to the Non-Executive Directors of the Company of up to RM352,000/- for the financial year ending 30 June 2026. ***Ordinary Resolution 1***

3. To re-elect the following Directors who retire pursuant to Clause 21.7 of the Constitution of the Company and being eligible, have offered themselves for re-election:-

   (a) Mr. Beh Seng Lee; and ***Ordinary Resolution 2***

   (b) Mr. Lee Yew Weng. ***Ordinary Resolution 3***

4. To appoint TGS TW PLT as Auditors of the Company in place of the retiring Auditors, Grant Thornton Malaysia PLT and to authorise the Board of Directors of the Company to fix their remuneration. ***Ordinary Resolution 4***

Special Business

To consider and, if thought fit, with or without any modification, to pass the following resolutions:-

5. ORDINARY RESOLUTION ***Ordinary Resolution 5***
- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 ("THE ACT")

"THAT pursuant to Sections 75 and 76 of the Act, Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the Constitution of the Company, and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

THAT pursuant to Section 85 of the Act to be read together with Clause 16.6 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Act;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company."

Notice of the Fourth Annual General Meeting (Cont'd)

6. ORDINARY RESOLUTION *Ordinary Resolution 6*

- PROPOSED SHARE BUY-BACK AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED SHARE BUY-BACK AUTHORITY")

"THAT subject to the compliance with Section 127 of the Act, the Constitution of the Company, the Main LR of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem and expedient in the interest of the Company, provided that:-

(i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this Resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-

(i) cancel all the shares so purchased; or
(ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; or
(iii) retain part thereof as treasury shares and cancel the remainder; or in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-

(a) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
(b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
(c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting; whichever occurs first.

AND THAT the Directors of the Company be authorised to give effect to the Proposed Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities and to take such steps and do all such acts and things as they may deem fit and expedient in the best interest of the Company."

7. To transact any other business that may be transacted at an AGM, due notice of which shall have been given in accordance with the Act and the Constitution of the Company.

BY ORDER OF THE BOARD

(duly signed)

CHUA SIEW CHUAN (SSM PC No. 201908002648 & MAICSA 0777689)
CHEW KIT YEE (SSM PC No. 202208000376 & MAICSA 7067474)
Company Secretaries

Kuala Lumpur
29 October 2025

Notes:-

(1) Information for Shareholders/Proxies

a. For the purpose of determining a member who shall be entitled to attend the 4th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 18.7(b) of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") to issue a General Meeting Record of Depositors as at 20 November 2025. Only a depositor whose name appears on the Record of Depositors as at 20 November 2025 shall be entitled to attend the 4th AGM or appoint proxies to attend and/or speak and/or vote on his/her behalf.

b. A member entitled to attend and vote at the 4th AGM is entitled to appoint a proxy/proxies to attend, participate, speak and vote instead of him. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the 4th AGM shall have the same rights as the member to speak and vote at the 4th AGM.

c. A member may, subject to Notes (d) and (e) below, appoint more than one (1) proxy to attend and vote at the 4th AGM, to the extent permitted by the Act, SICDA, Main LR of Bursa Securities and the Rules of Central Depository. Where a member appoints two (2) proxies to attend and vote at the 4th AGM, such appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.

d. Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.

e. Where a member of the Company is an exempt authorised nominee which holds security(ies) standing to the credit of a securities account and includes securities in a securities account that is in suspense, in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

f. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, in the event the appointer is a corporation, the instrument appointing a proxy must be either under the appointer's Common Seal or under the hand of an officer or attorney duly authorised.

g. Publication of Notice of the 4th AGM on Corporate Website

Pursuant to Section 320(2) of the Act, a copy of this Notice together with the proxy form are available at the corporate website of the Company at https://www.dssigma.com.my.

Notice of the Fourth Annual General Meeting (Cont'd)

h. Appointment of Proxy(ies)

A member may obtain the proxy form for the 4th AGM vide Note (g) above or the Annual Report (hard copy) or Annual Report (electronic copy) released to Bursa Securities.

The appointment of proxy(ies) may now be made either in hard copy form or by electronic form, and, shall be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit in the drop-in box at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the 4th AGM or adjournment thereof.

In the case of electronic appointment, the proxy form must be deposited via Vistra Share Registry and IPO (MY) portal at https://srmy.vistra.com not less than forty-eight (48) hours before the time appointed for holding the 4th AGM or adjournment thereof. Please follow the procedures as set out in the Administrative Guide for the electronic submission of proxy form.

Explanatory Notes:-

(2) Audited Financial Statements for the Financial Year Ended 30 June 2025

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda item is not put forward for voting.

(3) Ordinary Resolution 1 – Payment of Directors' Fees

The proposed Directors' Fees payable to the Non-Executive Directors of the Company for the financial year ending 30 June 2026 shall be up to a total of RM352,000/- only, comprised the following rates based on responsibilities assumed:-

Office	Amount (RM) per annum
Board Chairman	72,000/-
Non-Executive Directors	280,000/-
	352,000/-

The Ordinary Resolution 1, if approved, will authorise the payment of Directors' Fees pursuant to Clause 21.4 of the Constitution of the Company.

(4) Ordinary Resolutions 2 and 3 – Re-Election of Directors

In determining the eligibility of the Directors to stand for re-election at the forthcoming 4th AGM, the Nomination Committee ("**NC**"), guided by the Directors' Fit and Proper Policy has considered the criteria as stated in the said Policy as well as the requirements of Main LR of Bursa Securities and recommended the re-election of the following Directors pursuant to Clause 21.7 of the Constitution of the Company:-

(i) Mr. Beh Seng Lee; and
(ii) Mr. Lee Yew Weng.

(collectively, the "**Retiring Directors**")

The Board of Directors, vide the NC, has conducted a separate assessment and being satisfied with the performance/contribution/fit and properness of the Retiring Directors, has recommended the same be tabled to the shareholders for approval at the forthcoming 4th AGM of the Company under Ordinary Resolutions 2 and 3 respectively. The fit and proper as well as evaluation criteria adopted as well as the process of assessment by the Board of Directors have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report in respect of the financial year ended 30 June 2025 of the Company ("**Annual Report 2025**").

All the Retiring Directors have consented to their re-election, and have abstained from deliberation and voting in relation to their individual re-election at the NC and/or Board of Directors' meetings, respectively.

The profiles of the Retiring Directors are set out in the Annual Report 2025.

(5) Ordinary Resolution 4 – Change of Auditors

Grant Thornton Malaysia PLT has indicated that they do not wish to seek re-appointment as Auditors at the forthcoming 4th AGM of the Company.

The Company's retiring Auditors, Grant Thornton Malaysia PLT was re-appointed Auditors of the Company at the Third ("**3rd**") AGM of the Company held on 25 November 2024 to hold office until the conclusion of the forthcoming 4th AGM. Grant Thornton Malaysia PLT has been the Auditors of the Company since 2022.

The Board has nominated TGS TW PLT as new Auditors in place of the retiring auditors, Grant Thornton Malaysia PLT.

(6) Ordinary Resolution 5 – Authority to Issue Shares pursuant to the Act

The Company had been granted a general mandate on the authority to issue shares pursuant to the Act by its shareholders at the 3rd AGM of the Company held on 25 November 2024 ("**Previous Mandate**"). The Company wishes to renew the mandate on the authority to issue shares of not exceeding ten percent (10%) of the total number of issued shares of the Company for the time being pursuant to the Act at the 4th AGM ("**General Mandate**").

As at the date of this notice, the Previous Mandate granted by shareholders has not been utilised and hence no proceeds were raised therefrom.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting solely for such issuance and allotment of shares. This authority unless revoked or varied by the Company in general meeting, will expire at the next AGM. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisition(s).

Pursuant to Section 85 of the Act read together with Clause 16.6 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other securities.

The Ordinary Resolution 5, if passed, would allow the Directors to issue new shares to any person under the authority to issue shares pursuant to the Act without having to offer the new shares to be issued equally to all existing shareholders of the Company prior to issuance.

(7) Ordinary Resolution 6 – Proposed Share Buy-Back Authority

The Ordinary Resolution 6, if passed, will provide a mandate for the Company to purchase its own ordinary shares up to ten percent (10%) of the total number of issued shares of the Company and shall lapse at the conclusion of the next AGM unless authority for the renewal is obtained from the shareholders of the Company at a general meeting.

Further information on the Proposed Share Buy-Back Authority is set out in the Statement to Shareholders dated 29 October 2025.

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DS SIGMA HOLDINGS BERHAD
[Registration No.: 202101030362 (1430662-K)]

CDS Account No. (For Nominees Account Only)	Total Number of Shares Held

PROXY FORM

(Before completing this form please refer to the notes below)

*I/We,……*NRIC/Passport/Registration No.:……
(FULL NAME IN BLOCK LETTER)

Contact No.: …….. of …….
(FULL ADDRESS)

…….

being a *member/members of **DS SIGMA HOLDINGS BERHAD** ("**Company**"), hereby appoint:-

Full Name (IN BLOCK LETTER)	**NRIC/Passport No.:**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address			
Email Address			
Telephone No.:			

*and/or,

Full Name (IN BLOCK LETTER)	**NRIC/Passport No.:**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address			
Email Address			
Telephone No.:			

or failing *him/her, the Chairman of the Meeting as *my/our proxy/proxies to vote for *me/us on *my/our behalf at the Fourth Annual General Meeting ("**AGM**") of the Company to be held at Promenade 6, Level 3A, KSL Esplanade Hotel, No. 1, Persiaran Bestari 2/KS09, Bandar Bestari, 41200 Klang, Selangor Darul Ehsan on Thursday, 27 November 2025 at 10:00 a.m. or any adjournment thereof.

No.	Ordinary Resolutions	FOR	AGAINST
1.	To approve the payment of Directors' fees to the Non-Executive Directors of the Company of up to RM352,000/- for the financial year ending 30 June 2026.		
2.	To re-elect Mr. Beh Seng Lee as Director.		
3.	To re-elect Mr. Lee Yew Weng as Director.		
4.	To appoint TGS TW PLT as Auditors of the Company in place of the retiring Auditors, Grant Thornton Malaysia PLT and to authorise the Board of Directors of the Company to fix their remuneration.		
5.	Authority to issue shares pursuant to the Companies Act 2016.		
6.	Proposed Share Buy-Back Authority for the Company to purchase its own ordinary shares up to 10% of the total number of issued shares of the Company.		

(Please indicate with an "X" in the spaces provided how you wish your votes to be cast. If no specific direction as to vote is given, the proxy/proxies will vote or abstain from voting at his/her discretion.)

Dated this …….. day of …… ., 2025.

……
delete whichever is not applicable **Signature/Common Seal of Shareholder**

Notes:-

(1) **Information for Shareholders/Proxies**

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The Share Registrar

DS SIGMA HOLDINGS BERHAD
[Registration No. 202101030362 (1430662-K)]
c/o Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan

Fold this flap for sealing