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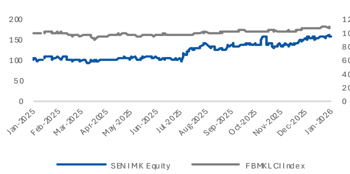
Recommendation:	BUY
Current Price:	RM 0.49
Previous Target Price:	RM 0.43
Target Price: ↑	RM 0.61
Capital Upside/Downside:	24.5%
Dividend Yield (%):	3.0%
Total Upside/Downside:	27.5%

Stock information	
Board	MAIN
Sector	Telecommunications & Media
Bursa / Bloomberg Code	9431/SENI MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	213.5
Market Cap (RM' m)	103.6
52-Week Price Range (RM)	0.25-0.515
Beta (x)	1.0
Free float (%)	55.5
3M Average Volume (m)	4.3
3M Average Value (RM' m)	1.9

Top 3 Shareholders	(%)
Lee Yee Nai	12.0
Ong Kah Hoe	6.2
Cimb Group Holdings Bhd	4.0

Share Price Performance



	1M	3M	12M
Absolute (%)	2.1	14.1	56.5
Relative (%)	-0.3	6.9	43.7

Earnings summary

FYE Jun (RM m)	FY25	FY26F	FY27F
Revenue (RM'm)	69.7	83.6	96.2
PATAMI (RM'm)	10.6	12.7	15.6
CNP (RM'm)	10.6	12.7	15.6
EPS - core (sen)	5.0	6.0	7.3
P/E (x)	9.8	8.1	6.6

Seni Jaya Corporation Bhd

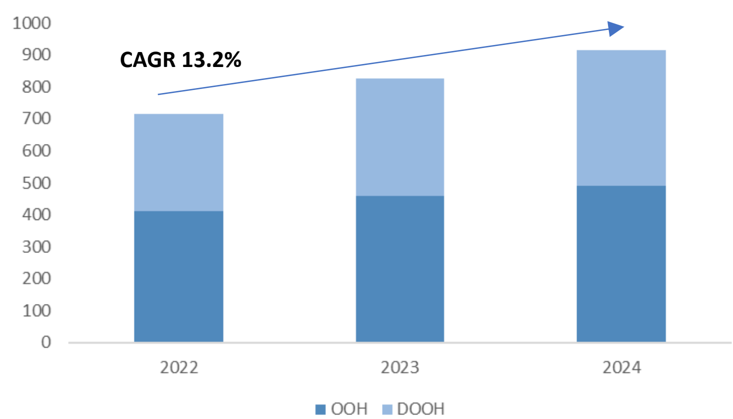
Strategic Growth Anchored by Visit Malaysia 2026

- **The Group remains a primary beneficiary of structural shifts within the media landscape where OOH and DOOH segments demonstrate superior resilience.**
- **The Visit Malaysia 2026 campaign serves as an exceptional structural catalyst for the Group with the anticipated surge in travellers driving a significant uplift in audience impressions across key urban and tourism corridors.**
- **We have revamped our financial model and reintroduced FY26/FY27F earnings at RM12.7m/RM15.6m, representing adjustments of +10.7%/+21.7% versus our previous forecasts. We also introduce FY28F earnings at RM18.8m, representing a 3-year CAGR of 21.0%.**
- **We maintain our BUY recommendation on SJC with an increased TP of RM0.61 (from RM0.43), based on 8.3x rolled over FY27F EPS of 7.3 sen, along with a three-star ESG rating.**

Structural Demand Tailwinds Reinforcing Outdoor & DOOH Effectiveness. The Group remains a primary beneficiary of structural shifts within the media landscape where Out-of-Home (OOH) and Digital Out-of-Home (DOOH) segments demonstrate superior resilience. This momentum is underscored by a robust two-year advertising expenditure CAGR of 13.2%, which significantly outpaces the 6.6% CAGR in total wholesale and retail trade over the same period. This divergence reflects a disproportionate allocation of advertising spend toward the OOH segment, which is increasingly viewed as a critical anchor for brand safety in an evolving media landscape. Unlike the fragmented and high-risk digital landscape, OOH offers a unique institutional premium. The medium is subject to a highly regulated framework that requires rigorous content approvals from local authorities, which in turn provides a level of brand safety and credibility that is becoming increasingly scarce elsewhere.

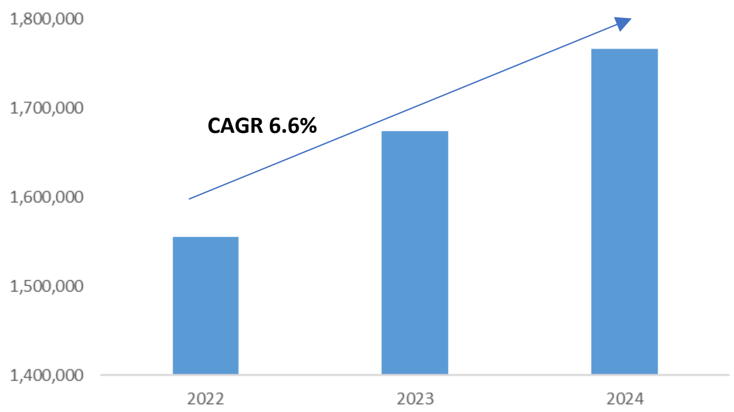
Looking ahead, the Visit Malaysia 2026 campaign serves as an exceptional catalyst for the Group. The anticipated surge in both international and domestic traveller is expected to drive a significant uplift in audience impressions across key urban and tourism corridors. As a result, the utilization of the Group's prime assets is poised for a significant step-up. The Group is strategically positioned to capitalize on this surge through high-footfall zones such as Bukit Bintang, where the installation of a flagship 8,500 sq ft digital screen is currently underway. We forecast this asset to generate approximately RM6m in annual revenue upon commissioning, which represents a highly attractive return on a capital outlay of RM4m.

Figure 1: OOH and DOOH Advertising Expenditure



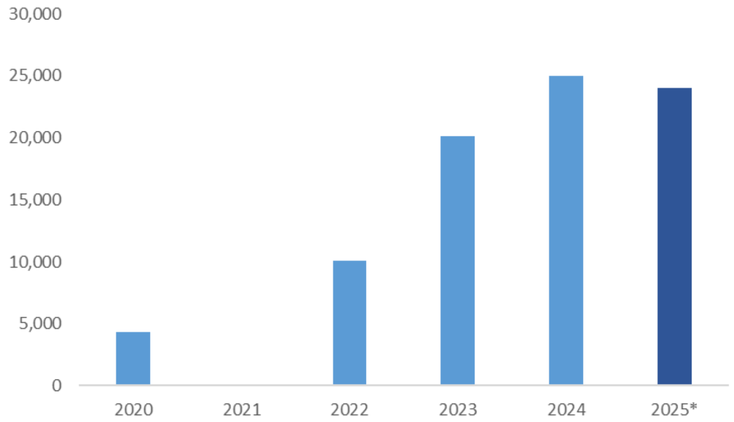
Source: Statista, Apex Securities

Figure 2: Total Wholesale and Retail Trade Sales Value



Source: DOSM, Apex Securities

Figure 3: Total number of Tourists in Malaysia

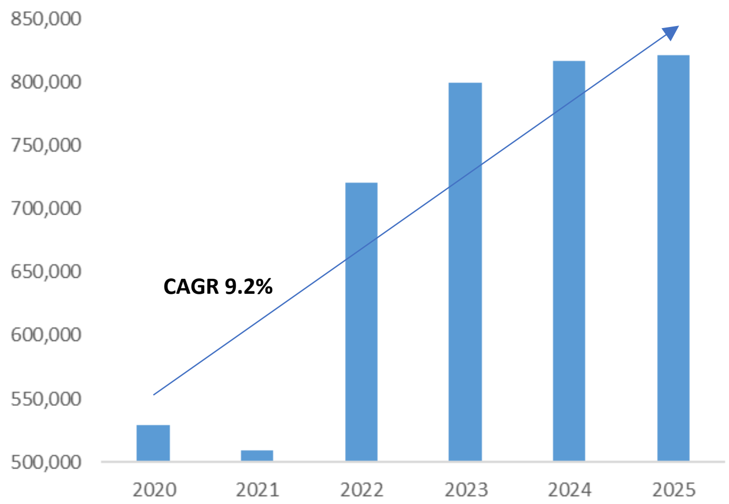


#2025 represents 11M figures*
Source: DOSM, Apex Securities

High-Quality Asset Base on Prime Corridors with Clear Revenue Visibility. Seni Jaya has successfully transitioned into Malaysia's second-largest OOH operator by pivoting from simple site expansion to a sophisticated yield-optimization model. The Group's 500-plus assets are increasingly weighted toward digital formats where a single gantry can host multiple advertisers simultaneously. While these digital assets require an average capital outlay of RM4m, their unit economics are vastly superior to static boards because they allow for real-time inventory rotation. This structural shift ensures that revenue per site is no longer capped by a single physical face, effectively decoupling revenue growth from physical land-bank constraints.

Operational flexibility is further supported by the Group's agile contracting model. By utilizing campaign durations that typically range from 1 to 12 months, Management can adjust pricing in response to shifting market demand and specific client needs. This short-to-medium-term structure provides regular opportunities for yield adjustments, ensuring that the Group's rates remain aligned with current market conditions. With vehicular density in Malaysia underpinned by a 9.2% five-year CAGR in Total Industry Volume (TIV), this consistent growth in the national car fleet provides the Group with a robust physical foundation to sustain its premium pricing strategy across all high-demand corridors.

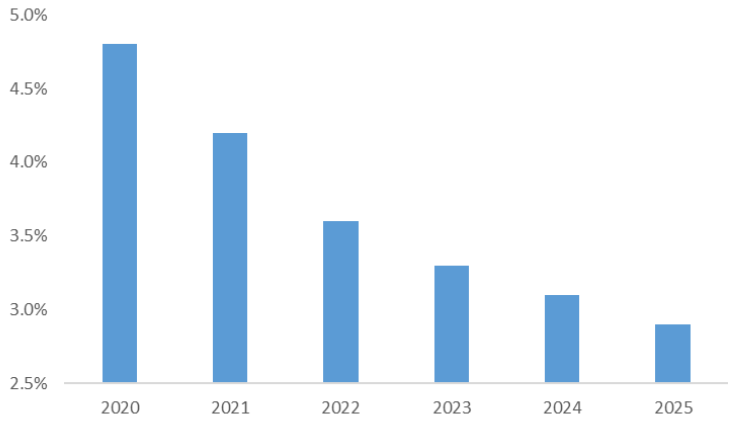
Figure 4: Total Industry Volume (TIV)



Source: MAA, Apex Securities

Margin Expansion Supported by Asset Mix and Structural Cost Improvements. Near-term revenue visibility is further supported by the Sungai Besi digital gantry, which is expected to add RM3m to the annual top line following its commissioning in the current financial year. These developments coincide with a robust macroeconomic backdrop characterized by a persistent return-to-office push and a tightening labour market. With the national unemployment rate recently falling to an 11-year low of 2.9%, consumer sentiment is expected to remain resilient.

Figure 5: Unemployment Rate



Source: DOSM, Apex Securities

We expect a significant expansion in margins driven by a shift in asset mix and improving cost efficiency. Beyond the favourable asset mix, we see additional margin upside stemming from the acquisition of Ganad Media and the elimination of revenue-sharing arrangements with Unilink Outdoor and Vision OOH. This consolidation is expected to materially reduce operating cost leakage and internalize higher proportions of revenue. Additionally, the Group is beginning to benefit from economies of scale as the expanded asset base allows fixed costs to be distributed across a larger revenue stream.

Capital Discipline and Shareholder Returns. Management earmarked RM26m for FY2026 capex to fund both the upgrading of existing sites and the development of new assets. By utilizing a five-year depreciation cycle, the Group ensures high earnings visibility and efficient capital recovery. Working capital risk appears well-contained, supported by a healthy receivables profile of approximately 40 days and a strategy of securing upfront payments from new clients. The outsourcing of construction activities to third-party contractors also provides the Group with significant execution flexibility without the burden of increased fixed costs.

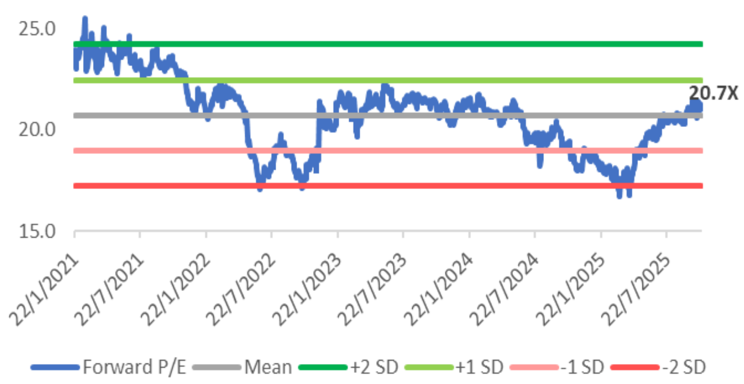
As the free cash flow profile improves through the ramp-up of new high-margin assets, we expect the Group to initiate annual dividend payments starting this year. While not formally guided, we assume a payout ratio of approximately 20% of PAT, signalling our confidence in the Group's matured cash-flow profile. The commencement of dividend payments and the structural mix shift toward higher-yield DOOH formats should improve earnings quality and support a multi-year re-rating.

Outlook. Our positive outlook is underpinned by the Group's aggressive pivot toward high-margin DOOH solutions and the optimization of its asset portfolio within premium locations. The current corporate structure is highly efficient and provides a clear pathway for margin expansion through substantial operating leverage across its revenue stream. With the upcoming Visit Malaysia 2026 catalyst and a strong commissioning pipeline, we expect the Group to commence dividend payments, supported by robust free cash flow generation.

Earnings Revision. With the change in analyst, we have revamped our financial model and reintroduced FY26/FY27F earnings at RM12.7m/RM15.6m, representing adjustments of +10.7%/+21.7% versus our previous forecasts. We also introduce FY28F earnings at RM18.8m, representing a 3-year CAGR of 21.0%.

Valuation & Recommendation. We maintain our **BUY** recommendation on SJC with an increased TP of **RM0.61** (from RM0.43)**,** based on 8.3x rolled over FY27F EPS of 7.3 sen, along with a three-star ESG rating. The ascribed P/E multiple represents 60% discount to Bursa Malaysia Telecommunication & Media sector's 1-year forward P/E ratio of 20.7x to reflect the Group's smaller market capitalisation, concentrated product offerings and capital-intensive business model.

Figure 6: Bursa Telecommunications & Media Sector Forward P/E Ratio



Risks. Slower-than-expected roll-out in expansion plan and weaker-than-expected occupancy rate.

Financial Highlights

Income Statement

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	**72.5**	**69.7**	**83.6**	**96.2**	**105.8**
Gross Profit	**17.0**	**28.9**	**33.5**	**40.4**	**46.6**
EBITDA	**13.7**	**26.7**	**33.5**	**40.4**	**46.6**
Depreciation & Amortisation	12.5	9.9	16.7	19.2	21.2
EBIT	**1.2**	**16.8**	**16.7**	**21.2**	**25.4**
Net Finance Income/ (Cost)	-1.2	-1.4	-1.5	-2.1	-2.1
Associates & JV	0.0	0.0	0.0	0.0	0.0
Other Income/ (Cost)	10.4	-2.1	0.0	0.0	0.0
Pre-tax Profit	**10.4**	**13.4**	**15.2**	**19.1**	**23.3**
Tax	-1.9	-3.3	-3.7	-4.6	-5.6
Profit After Tax	**8.4**	**10.1**	**11.6**	**14.5**	**17.7**
Minority Interest	2.5	0.5	1.2	1.1	1.1
Net Profit	**10.9**	**10.6**	**12.7**	**15.6**	**18.8**
Exceptionals	0.0	0.0	0.0	0.0	0.0
Core Net Profit	**10.9**	**10.6**	**12.7**	**15.6**	**18.8**

Key Ratios

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
EPS (sen)	5.1	5.0	6.0	7.3	8.8
P/E (x)	9.5	9.8	8.1	6.6	5.5
P/B (x)	1.5	1.3	1.2	1.0	0.9
EV/EBITDA (x)	8.0	4.1	3.5	2.9	2.4
DPS (sen)	0.0	0.0	1.2	1.5	1.8
Dividend Yield (%)	0.0%	0.0%	2.5%	3.0%	3.6%
EBITDA margin (%)	19.0%	38.3%	40.0%	42.0%	44.0%
EBIT margin (%)	1.7%	24.2%	20.0%	22.0%	24.0%
PBT margin (%)	14.3%	19.2%	18.2%	19.8%	22.0%
PAT margin (%)	11.6%	14.5%	13.8%	15.1%	16.7%
NP margin (%)	15.1%	15.2%	15.2%	16.2%	17.7%
CNP margin (%)	15.1%	15.2%	15.2%	16.2%	17.7%
ROE (%)	15.5%	13.1%	14.3%	15.7%	16.6%
ROA (%)	9.0%	7.7%	8.3%	9.4%	10.4%
Gearing (%)	18.5%	26.5%	33.7%	30.1%	26.0%
Net gearing (%)	10.0%	8.9%	16.8%	14.6%	8.4%

Valuations	FY27F
Core EPS (sen)	7.3
P/E Multiple (x)	8.3
Fair Value (RM)	**0.61**
ESG premium/discount	0.0%
Implied Fair Value (RM)	**0.61**

Source: Company, Apex Securities

Balance Sheet

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Cash	6.0	14.3	15.0	15.4	19.9
Receivables	26.7	28.8	33.5	38.5	42.3
Inventories	4.4	1.6	2.0	2.2	2.3
Other current assets	15.1	23.1	22.9	22.7	22.5
Total Current Assets	**52.2**	**67.7**	**73.3**	**78.7**	**87.0**
Fixed Assets	58.0	61.9	71.2	79.0	85.4
Intangibles	10.3	7.8	7.7	7.6	7.5
Other non-current assets	1.4	0.6	0.8	1.0	1.2
Total Non-Current Assets	**69.6**	**70.4**	**79.8**	**87.7**	**94.2**
Short-term debt	0.9	4.9	4.9	4.9	4.9
Payables	23.0	22.9	22.4	25.0	26.6
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Total Current Liabilities	**23.9**	**27.8**	**27.3**	**29.9**	**31.5**
Long-term debt	12.1	16.5	25.0	25.0	24.4
Other non-current liabilities	15.1	13.0	12.0	12.2	12.3
Total Non-Current Liabilities	**27.2**	**29.5**	**37.0**	**37.1**	**36.7**
Shareholder's equity	71.0	81.6	89.6	100.2	113.8
Minority interest	-0.3	-0.8	-0.8	-0.8	-0.8
Total Equity	**70.7**	**80.8**	**88.8**	**99.4**	**113.0**

Cash Flow

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Pre-tax profit	**10.4**	**13.4**	**15.2**	**19.1**	**23.3**
Depreciation & amortisation	12.5	9.9	16.7	19.2	21.2
Changes in working capital	-7.4	-0.4	-6.6	-2.5	-2.2
Others	-15.7	-1.2	-4.7	-5.4	-5.9
Operating cash flow	**-0.2**	**21.6**	**20.7**	**30.5**	**36.3**
Net capex	-3.2	-6.9	-25.9	-26.9	-27.5
Others	-10.1	0.0	0.0	0.0	0.0
Investing cash flow	**-13.4**	**-6.8**	**-25.9**	**-26.9**	**-27.5**
Dividends paid	0.0	0.0	-2.5	-3.1	-3.8
Others	15.9	-7.0	8.5	0.0	-0.5
Financing cash flow	**15.9**	**-7.0**	**6.0**	**-3.2**	**-4.3**
Net cash flow	**2.4**	**7.8**	**0.7**	**0.4**	**4.5**
Forex	0.0	0.0	0.0	0.0	0.0
Others	-0.1	0.5	0.0	0.0	0.0
Beginning cash	30.4	6.0	14.3	15.0	15.4
Ending cash	**32.6**	**14.3**	**15.0**	**15.4**	**19.9**

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★	Traditional lighting has been replaced with LED lights and inverter-type air conditioners are introduced.
Waste & Effluent	★★★	Redesign billboards to allow for easy disassembly, reuse and recycling.
Energy	★★★	Transitions to energy-efficient LED screens, which consume less power and offer a longer lifespan.
Emissions	★★★	Optimise logistics and transport practices to minimize carbon emissions.

Social

Diversity	★★★	55% male and 45% female composition across all organizational levels.
Human Rights	★★	Enforce and adopts a workplace free from harassment, discrimination, enslavement, child, or forced labour..
Occupational Safety and Health	★★★	Engage qualified safety officers to be present on-site to ensure that all safety protocols are strictly adhered to.
Fair Compensation & Benefits	★★★	Continuously evaluates employee compensation and benefits to ensure fair remuneration.

Governance

CSR Strategy	★★★	Complies with principles and practices set out in the Malaysian Code on Corporate Governance (MCCG).
Management	★★★	The Board provides strategic oversight of the Group's overall sustainability direction.
Stakeholders	★★★	Major announcements and financial reports were announced in timely manner.

Overall ESG Scoring: ★★★

Recommendation Framework:
BUY: Total returns* are expected to exceed 10% within the next 12 months.
HOLD: Total returns* are expected to be within +10% to – 10% within the next 12 months.
SELL: Total returns* are expected to be below -10% within the next 12 months.
TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.
TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.
*Capital gain + dividend yield

Sector Recommendations:
OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.
NEUTRAL: The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.
UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:
★★★★★ : Appraised with 3% premium to fundamental fair value
★★★★ : Appraised with 1% premium to fundamental fair value
★★★ : Appraised with 0% premium/discount to fundamental fair value
★★ : Appraised with -1% discount to fundamental fair value
★ : Appraised with -5% discount to fundamental fair value

As of **Monday, 26 Jan, 2026**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.

KDN PP13226/06/2024 (035469)