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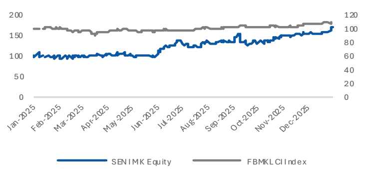
Recommendation:		BUY
Current Price:		RM 0.54
Previous Target Price:		RM 0.61
Target Price:	↑	RM 0.67
Capital Upside/Downside:		24.1%
Dividend Yield (%):		3.0%
Total Upside/Downside:		27.1%

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)	115.3
52-Week Price Range (RM)	0.25-0.56
Beta (x)	1.0
Free float (%)	55.5
3M Average Volume (m)	3.5
3M Average Value (RM' m)	1.6

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 (%)	11.3	30.1	68.8
Relative (%)	9.2	19.6	50.9

Earnings summary

FYE Jun (RM m)	FY25	FY26F	FY27F
Revenue (RM'm)	69.7	86.4	101.6
PATAMI (RM'm)	10.6	13.2	17.4
CNP (RM'm)	10.6	13.2	17.4
EPS - core (sen)	5.0	6.2	8.1
P/E (x)	9.8	7.8	6.0

Seni Jaya Corporation Bhd

Robust End to CY2025

- **SJC's 2QFY26 CNP came in at RM4.2m (-37.8% YoY, -15.8% QoQ), bringing 6MFY26 CNP to RM9.2m. Given that the Group's earnings is seasonally stronger in 1H, the results were in line with our expectations, accounting for 72.4% of our full year forecast.**
- **SJC declared a first interim dividend of 1.0 sen per ordinary share (ex-date: 10 Mar 2026).**
- **SJC has proposed a private placement of up to 209.6m new shares, representing 98.2% of its existing share base for the acquisition of Unilink, Vision and other expenses.**
- **Earnings forecasts have been revised upwards by 3.7%/11.4%/8.6% for FY26F/FY27F/FY28F, respectively, following higher growth assumptions and improved operational efficiencies.**
- **We maintain our BUY recommendation on SJC with an increased TP of RM0.67 (from RM0.61), based on unchanged P/E multiple of 8.3x applied to FY27F revised EPS of 8.1 sen, along with a three-star ESG rating.**

Within Expectation. After excluding exceptional items comprising the utilisation of capital allowances, unabsorbed business losses and recognition of tax adjustments during the quarter which amounted to RM1.2m, SJC registered robust CNP of RM4.2m (-37.8% YoY, -15.8% QoQ). This brings the Group's 1HFY26 CNP to RM9.2m (+19.0% YoY), representing 72.4% of our estimates. We consider the results in line with expectations, as the Group's earnings are typically front-loaded in the first half of the financial year.

YoY. SJC achieved a 19.0% YoY increase in revenue, fuelled by robust billboard demand, enhanced operating leverage and disciplined execution of its growth strategy. However, CNP declined by 37.8% YoY. This contraction was primarily driven by a 53.3% drop in other income and a substantial 1,209.0% surge in tax expenses.

QoQ. While revenue increased by 3.3% due to higher billboard advertising demand, CNP declined by 15.8%. This decrease was primarily driven by the tax and accounting adjustments mentioned previously.

Dividends. The Group declared a first interim dividend of 1.0 sen per ordinary share (ex-date: 10 Mar 2026).

Proposed Private Placement. The Group has proposed a private placement of 64.0m new shares, representing 30.0% of the existing issued share capital of 213.5m shares. The final issue price will be determined at a later date, though it will be set at a discount of no more than 20% to the 5-day VWAP prior to price fixing. Based on an illustrative price of RM0.3770, this placement is expected to raise c.RM24.2m. From these proceeds, RM11.9m will fund the cash portion of the acquisition of Unilink Outdoor Sdn Bhd (Unilink), while the remaining funds will be used for office renovation at The Mate, working capital and related transaction expenses.

Additionally, SJC proposes to issue up to 145.6m new shares as consideration for its strategic acquisitions, representing 68.2% of its existing share capital. At an issue price of RM0.3160, this issuance is valued at RM46.0m. c.RM27.7m of this amount will be used to acquire the remaining equity interest in Unilink while the remaining RM18.4m will facilitate the purchase of the entire equity interest in Vision OOH Sdn Bhd (Vision). These corporate exercises are expected to reach completion in March 2026.

Rationale of Private Placement. The proposed exercise enables the Group to expand its geographical footprint and strengthen its market presence within the out-of-home (OOH) advertising sector. This expansion aligns with the strategic goal of broadening media network coverage in high-traffic and strategic locations to enhance market share and diversify revenue streams. Additionally, the acquisitions allow the Group to eliminate significant collaboration fees. Under the existing arrangement, SJC promotes the Unilink and Vision portfolios while returning approximately 75% of revenue as collaboration fees. Transitioning away from this revenue-sharing model is expected to result in significantly higher profit margins and a stronger overall financial position.

Upon completion, the enlarged Group is projected to command approximately 10% of the total addressable OOH advertising market. This increased scale will provide the Group with substantially greater bargaining power when negotiating with suppliers, contractors and media buyers. By leveraging this enhanced market position, the Group aims to secure more favourable commercial terms and realize greater cost efficiencies, ultimately solidifying its competitive standing within the advertising landscape.

Table 1: Details of Utilisation

Purpose	RM'm	%
Unilink Acquisition	39,500	56.3%
Vision Acquisition	18,350	26.2%
Office Renovation	2,200	3.1%
Working Capital	8,102	11.5%
Estimated Expenses for Proposed Placement	2,000	2.9%
Total	**70,152**	

Table 2: Pro Forma Effects of Proposed Private Placements

	Current	After Proposed Placements RM'm
Share capital	66,986	137,138
Retained earnings	14,585	12,585
Shareholders' equity	**81,571**	**149,723**
Non-controlling interest	(779)	(779)
Total equity	**80,792**	**148,944**
No. of Shares in issue ('000)	213,549	423,182
NA per Share (RM)	0.38	0.35
Total borrowings (RM'000)	21,440	29,758
Gearing (times)	0.26	0.20

Outlook. We are **positive** on the Group's results and proposed placements. We expect the Group's operations to remain robust moving forward, benefitting from higher asset utilisation as advertiser demand improves. While the issuance will strengthen the Group's positioning in the OOH advertising space, it will also result in an estimated 49.5% dilution to FY27F EPS under the fully diluted scenario. This implies a fully diluted fair value of RM0.31 per share. This placement reflects management's confidence in expanding the Group's operations and capitalise on opportunities arising from tailwinds such as the Visit Malaysia 2026 campaign.

Earnings Revision. Following the proposed private placement, we have revised our growth and margin forecasts upwards. This adjustment reflects an enhanced capacity to capture a large share of advertising expenditure while achieving greater operational efficiencies. As a result, FY26F/FY27F/FY28F earnings forecasts have been revised upwards by 3.7%/11.4%/8.6%, respectively. The impact of the private placement is maintained pending determination of the issue price and completion of the exercise.

Valuation & Recommendation. We maintain our **BUY** recommendation on SJC with an increased TP of **RM0.67** (from RM0.61)**,** based on unchanged P/E multiple of 8.3x applied to FY27F revised EPS of 8.1 sen, along with a three-star ESG rating.

Results Comparison

FYE Jun (RM m)	2QFY26	2QFY25	yoy (%)	1QFY26	qoq (%)	6MFY26	6MFY25	yoy (%)
Revenue	22.8	19.2	*19.0*	22.1	*3.3*	44.9	36.8	*22.1*
EBITDA	9.4	9.1	*3.2*	7.8	*19.6*	17.2	14.6	*18.0*
Pre-tax profit	6.0	6.3	*(4.6)*	4.6	*29.6*	10.6	9.0	*18.1*
Net profit	5.4	6.6	*(17.4)*	3.8	*43.1*	9.2	9.3	*(0.8)*
Core net profit	4.2	6.8	*(37.8)*	5.0	*(15.8)*	9.2	9.4	*(2.2)*
Core EPS (sen)	2.0	3.2	*(37.8)*	2.3	*(15.8)*	4.3	4.4	*(2.2)*
EBITDA margin (%)	41.1	47.4		35.5		38.4	39.7	
PBT margin (%)	26.3	32.8		21.0		23.7	24.5	
Core net profit margin (%)	18.5	35.4		22.7		20.5	25.6	

Source: Company, Apex Securities

Financial Highlights

Income Statement

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	**72.5**	**69.7**	**86.4**	**101.6**	**114.3**
Gross Profit	**17.0**	**28.9**	**34.6**	**43.7**	**50.3**
EBITDA	**13.7**	**26.7**	**34.6**	**43.7**	**50.3**
Depreciation & Amortisation	12.5	9.9	17.3	20.3	22.9
EBIT	**1.2**	**16.8**	**17.3**	**23.4**	**27.4**
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**	**15.8**	**21.2**	**25.3**
Tax	-1.9	-3.3	-3.8	-5.1	-6.1
Profit After Tax	**8.4**	**10.1**	**12.0**	**16.1**	**19.2**
Minority Interest	2.5	0.5	1.2	1.2	1.2
Net Profit	**10.9**	**10.6**	**13.2**	**17.4**	**20.4**
Exceptionals	0.0	0.0	0.0	0.0	0.0
Core Net Profit	**10.9**	**10.6**	**13.2**	**17.4**	**20.4**

Key Ratios

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
EPS (sen)	5.1	5.0	6.2	8.1	9.5
P/E (x)	9.5	9.8	7.8	6.0	5.1
P/B (x)	1.5	1.3	1.2	1.0	0.9
EV/EBITDA (x)	8.0	4.1	3.4	2.7	2.2
DPS (sen)	0.0	0.0	1.2	1.6	1.9
Dividend Yield (%)	0.0%	0.0%	2.5%	3.4%	3.9%
EBITDA margin (%)	19.0%	38.3%	40.0%	43.0%	44.0%
EBIT margin (%)	1.7%	24.2%	20.0%	23.0%	24.0%
PBT margin (%)	14.3%	19.2%	18.3%	20.9%	22.1%
PAT margin (%)	11.6%	14.5%	13.9%	15.9%	16.8%
NP margin (%)	15.1%	15.2%	15.3%	17.1%	17.8%
CNP margin (%)	15.1%	15.2%	15.3%	17.1%	17.8%
ROE (%)	15.5%	13.1%	14.8%	17.1%	17.6%
ROA (%)	9.0%	7.7%	8.5%	10.2%	10.9%
Gearing (%)	18.5%	26.5%	34.0%	29.9%	25.5%
Net gearing (%)	10.0%	8.9%	17.2%	14.5%	7.7%

Valuations	FY27F
Core EPS (sen)	8.1
P/E Multiple (x)	8.3
Fair Value (RM)	**0.67**
ESG premium/discount	0.0%
Implied Fair Value (RM)	**0.67**

Source: Company, Apex Securities

Balance Sheet

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Cash	6.0	14.3	15.0	15.6	20.6
Receivables	26.7	28.8	34.6	40.6	45.7
Inventories	4.4	1.6	2.0	2.3	2.5
Other current assets	15.1	23.1	22.9	22.7	22.5
Total Current Assets	**52.2**	**67.7**	**74.5**	**81.2**	**91.4**
Fixed Assets	58.0	61.9	71.5	79.7	86.7
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**	**80.1**	**88.4**	**95.5**
Short-term debt	0.9	4.9	4.9	4.9	4.9
Payables	23.0	22.9	23.1	25.9	28.7
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Total Current Liabilities	**23.9**	**27.8**	**28.1**	**30.9**	**33.6**
Long-term debt	12.1	16.5	25.4	25.3	24.7
Other non-current liabilities	15.1	13.0	12.0	12.3	12.5
Total Non-Current Liabilities	**27.2**	**29.5**	**37.4**	**37.6**	**37.2**
Shareholder's equity	71.0	81.6	89.9	102.0	116.8
Minority interest	-0.3	-0.8	-0.8	-0.8	-0.8
Total Equity	**70.7**	**80.8**	**89.1**	**101.2**	**116.1**

Cash Flow

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Pre-tax profit	**10.4**	**13.4**	**15.8**	**21.2**	**25.3**
Depreciation & amortisation	12.5	9.9	17.3	20.3	22.9
Changes in working capital	-7.4	-0.4	-7.0	-3.3	-2.3
Others	-15.7	-1.2	-4.8	-5.7	-6.4
Operating cash flow	**-0.2**	**21.6**	**21.3**	**32.6**	**39.4**
Net capex	-3.2	-6.9	-26.8	-28.4	-29.7
Others	-10.1	0.0	0.0	0.0	0.0
Investing cash flow	**-13.4**	**-6.8**	**-26.8**	**-28.4**	**-29.7**
Dividends paid	0.0	0.0	-2.6	-3.5	-4.1
Others	15.9	-7.0	8.9	-0.1	-0.6
Financing cash flow	**15.9**	**-7.0**	**6.2**	**-3.5**	**-4.7**
Net cash flow	**2.4**	**7.8**	**0.7**	**0.6**	**5.0**
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	15.6
Ending cash	**32.6**	**14.3**	**15.0**	**15.6**	**20.6**

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 **Wednesday, 25 Feb, 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.