

Research Team

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

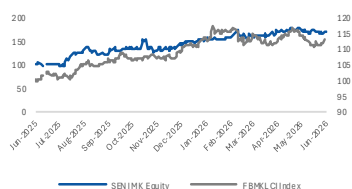
Stock information

Board	MAIN
Sector	Telecommunications & Media
Bursa / Bloomberg Code	9431/SENI.MK
Syariah Compliant	Yes
ESG Rating	★★★
Shares issued (m)	272.8
Market Cap (RM' m)	145.9
52-Week Price Range (RM)	0.3-0.57
Beta (x)	1.1
Free float (%)	59.8
3M Average Volume (m)	4.2
3M Average Value (RM' m)	2.2

Top 3 Shareholders

	(%)
Lee Yee Nai	9.4
Chong Yan Moy	5.3
Ong Kah Hoe	4.9

Share Price Performance



	1M	3M	12M
Absolute (%)	-4.5	3.9	67.2
Relative (%)	-3.5	5.1	47.8

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)	4.9	6.1	8.1
P/E(x)	10.9	8.7	6.6

Seni Jaya Corporation Bhd

Digital Demand Accelerating; Concession Pipeline Building

- SJC's 3QFY26 CNP came in at RM1.6m (-46.4% YoY, -62.7% QoQ), bringing 9MFY26 CNP to RM10.8m, or 81.7% of our full-year forecast, in line with expectations given the seasonally stronger 1H. 4QFY26 may remain soft on geopolitical headwinds, though advertiser sentiment should improve heading into 1HFY27.
- Key briefing highlights: (i) 7-year RTS Link (Johor) advertising concession secured, with revenue from December 2026; (ii) bidding for MRT Kajang & Putrajaya Line concession (65 stations, closing 15 July 2026); (iii) digital billboards contributing 50%+ of revenue from only c.50 of 500+ touchpoints; and (iv) Sqkii gamification and Seni Jaya Digital launching in 2HCY2026 as new earnings vectors.
- We maintain our BUY recommendation on SJC with an unchanged TP of RM0.67, based on unchanged 8.3x P/E multiple applied to FY27F EPS of 8.1 sen, along a three-star ESG rating.

Results Recap. 3QFY26 core net profit came in at RM1.6m (-46.4% YoY, -62.7% QoQ), bringing 9MFY26 core PATAMI to RM10.8m, or 81.7% of our full-year estimate, which we view as in line given SJC's typically stronger 1QFY/2QFY contributions (coinciding with calendar year-end campaign spending and budget utilisation) and softer 3QFY/4QFY quarters as advertisers enter fresh budget planning cycles. Revenue rose 18% YoY to RM20.2m, led by digital billboards (+49% YoY), though GP margin compressed to 35.1% (from 43.3% in 2QFY26) due to a cost-revenue timing mismatch. Core PAT was further weighed down by higher tax expenses of RM1.6m (vs. a RM38k tax credit in 3QFY25), as the Group lost the benefit of prior capital allowances and unabsorbed business losses now that subsidiary entities have returned to profitability. On a reported basis, 3QFY26 PAT was RM3.2m (+75% YoY), buoyed by a RM2.4m fair value gain on quoted shares.

RTS Link Concession & Transit Pipeline. Management highlighted two key concession developments: (i) The Group received a Letter of Award on 18 May 2026 for a 7-year DBOT advertising media concession covering outdoor on-land piers within the Malaysian section of the RTS Link (2.7km), with revenue recognition expected in December 2026 and full-year earnings contribution from FY28F onwards; and (ii) SJC is actively bidding for the MRT Kajang & Putrajaya Line station and train advertising concession (Package A), covering 65 stations with combined monthly ridership of **c.13.3m passengers**, with the tender closing on 15 July 2026. Together with SJC's existing LRT Ampang Line concession (secured February 2023), a successful MRT bid would give the Group a presence across three major rail networks, which we see as a significant competitive moat. Management emphasised that the Group's strategy is evolving from a "locations-based" to an "audiences-based" approach, offering advertisers access to captive, high-frequency audiences across highways, LRT, and MRT corridors, which in our view could support higher wallet share from existing clients and attract new institutional advertisers seeking cross-platform reach.

Digital Billboards: Punching Well Above Weight. Digital billboards now account for only **c.50 units** out of SJC's 500+ total touchpoints nationwide, yet contribute over **50% of Group revenue**, reflecting the substantially higher ASPs commanded by digital formats which management noted are offsetting media deflation in legacy static products and pushing up blended margins over time. On the cost side, electricity costs for digital billboards represent only **c.1.2%** of total costs with the bulk of the cost structure (c.80%) comprising license fees, amortisation, depreciation, and site costs, making it a capital-heavy but operationally scalable model that in our view supports widening contribution margins as utilisation rates improve. Management guided that the Group is now targeting greater digital market share, which we believe will be supported by the pipeline of new digital assets under construction.

Key pipeline developments disclosed at the briefing include: (i) A new iconic 3D digital screen at Bukit Bintang targeted for August-September 2026; (ii) a new digital gantry on the Federal Highway near Amcorp Mall, completing by end-June 2026; (iii) an additional static gantry on the

Federal Highway near Naza Motor; (iv) a digital and static series opposite Aman Central in Alor Setar; (v) new sites in Penang (3 locations including Gurney Drive) and near KLIA's Mitsui Outlet Park; and (vi) the PLUS Iconic project (14 iconic billboard locations and 3 OHBs along the North-South Expressway), which has received conditional approval from MHA (LLM) and would materially expand SJC's highway footprint if finalised. We also note that capital commitments for PPE rose to **RM4.9m** as at 31 March 2026 (vs. **RM2.5m** at FYE June 2025), consistent with management's accelerating capex cycle.

Sqkii Gamification & Seni Jaya Digital. Management introduced two new strategic initiatives set to launch in 2HCY2026. First, SJC has entered into a collaboration with Singapore-based Sqkii Pte Ltd, best known for its #HuntTheMouse gamification **campaign (1.1m players, S\$1.39m sponsorship revenue in Singapore in 2024)**, which is slated to launch in Malaysia in July or August 2026. Management guided that SJC will bundle the Sqkii campaign with its existing billboard inventory and sell it as a unified package, with KOLs initially outsourced to amplify the event before developing their own in-house team. Second, management unveiled plans for Seni Jaya Digital Sdn Bhd, a new subsidiary offering unified offline-online advertising packages spanning social media, KOL/KOC management, and media portal placements, with a 10-person team commencing operations in 2H CY2026 and management targeting **20% top-line and 10% bottom-line contribution in its first year**. In our view, these initiatives leverage SJC's existing client relationships and position the Group to capture a larger share of Malaysia's **c.RM4.74b** total advertising expenditure market, where offline OOH represents only **c.10%** of overall ADEX compared to online advertising which commands **c.80%**.

Outlook. Management reiterated a revenue target of **RM85m** for CY2026, of which **RM49.3m (58%)** had been achieved as at 31 May 2026. We believe this target is comfortably achievable given the typical weighting of advertising spend toward 2HCY (coinciding with festive seasons and year-end budget utilisation) as well as the ramp-up of new initiatives including the Sqkii gamification launch, Seni Jaya Digital's online advertising offering, and the commissioning of new billboard inventory, all of which we believe will add new earnings vectors to the Group's revenue base. That said, we expect 4QFY26 to remain soft as lingering geopolitical uncertainties continue to weigh on advertiser confidence and budget commitments in the near term. However, management noted that the progressive easing of geopolitical tensions could provide a meaningful tailwind for advertiser sentiment heading into 1HFY27, and that existing customers are progressively increasing their spend as SJC expands into new geographies and formats. We note that the customer retention rate stands at **43%** over 2022-2025, with **34%** of customers having increased their spending, and recurring customer revenue accounting for **RM57m or 78% of FY25 revenue**.

We remain positive on the Group's medium-term outlook, supported by improving advertiser demand, higher asset utilisation across its OOH network, and tailwinds from the Visit Malaysia 2026 campaign. The acquisitions of Unilink, Vision and Ganad are expected to enhance profitability through the elimination of significant collaboration fees under the current revenue-sharing arrangement, where c.75% of revenue is returned as fees. Upon completion, the enlarged Group is projected to command **c.10%** of the total addressable OOH advertising market, strengthening its bargaining power with suppliers, contractors and media buyers, while supporting better commercial terms, improved cost efficiencies and stronger long-term earnings prospects.

Earnings Revision. We make no changes to our earnings forecast. Our forecast has yet to factor in potential earnings contribution from the RTS Link concession (commencing December 2026), the MRT Kajang/Putrajaya Line tender (outcome pending), the Sqkii gamification collaboration, and Seni Jaya Digital's online advertising operations. These represent potential upside catalysts to our estimates once visibility improves.

Valuation & Recommendation. We maintain our **BUY** rating on Seni Jaya with an unchanged target price of **RM0.67**, based on 8.3x FY27F EPS of 8.1 sen, with a 3-star ESG rating (0% ESG premium/discount). Our TP implies **27.1%** upside from the current price of **RM0.535**.

Earnings Summary

FYE Jun (RM m)	FY24	FY25	FY26F	FY27F	FY28F
Revenue	72.5	69.7	86.4	101.6	114.3
EBITDA	13.7	26.7	34.6	43.7	50.3
Pre-tax profit	10.4	13.4	15.8	21.2	25.3
Net profit	10.9	10.6	13.2	17.4	20.4
Core net profit	10.9	10.6	13.2	17.4	20.4
Core EPS (sen)	5.1	4.9	6.1	8.1	9.5
P/E (x)	10.5	10.9	8.7	6.6	5.6
P/B (x)	1.6	1.4	1.3	1.1	1.0
EV/EBITDA (x)	8.9	4.5	3.7	3.0	2.5
Dividend Yield (%)	0.0%	0.0%	2.3%	3.0%	3.5%
Net Gearing (%)	10.0%	8.9%	17.2%	14.5%	7.7%

Source: Company, Apex Securities

Results Comparison

FYE Jun (RM m)	3QFY26	3QFY25	yoy (%)	2QFY26	qoq (%)	9MFY26	9MFY25	yoy (%)
Revenue	20.2	17.1	17.9	22.8	(11.4)	65.1	53.9	20.7
EBITDA	9.0	5.0	78.3	9.4	(4.4)	26.2	19.6	33.5
Pre-tax profit	4.8	2.1	133.6	6.0	(19.7)	15.4	11.1	39.7
Net profit	3.2	1.8	74.9	5.4	(41.5)	12.4	11.1	11.5
Core net profit	1.6	2.9	(46.4)	4.2	(62.7)	10.8	12.3	(12.7)
Core EPS (sen)	0.7	1.4	(46.4)	2.0	(62.7)	5.0	5.7	(12.7)
EBITDA margin (%)	44.4	29.3		41.1		40.2	36.4	
PBT margin (%)	23.8	12.0		26.3		23.7	20.5	
Core net profit margin (%)	7.8	17.1		18.5		16.6	22.9	

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	4.9	6.1	8.1	9.5
P/E(x)	10.5	10.9	8.7	6.6	5.6
P/B(x)	1.6	1.4	1.3	1.1	1.0
EV/EBITDA(x)	8.9	4.5	3.7	3.0	2.5
DPS (sen)	0.0	0.0	1.2	1.6	1.9
Dividend Yield (%)	0.0%	0.0%	2.3%	3.0%	3.5%
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

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As of **Thursday, 18 Jun, 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.