

SENI JAYA CORPORATION BERHAD (279860-X)
(Incorporated In Malaysia)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30/06/16 RM' 000	Comparative Quarter Ended 30/06/15 RM' 000	Current Year To Date 30/06/16 RM' 000	Comparative Year To Date 30/06/15 RM' 000
Revenue	3,874	4,799	8,629	9,718
Operating Expenses	(4,053)	(5,225)	(9,045)	(10,203)
Other Operating Income	592	537	1,002	1,052
Profit/(Loss) from Operation	413	111	586	567
Finance costs	(1)	-	(5)	-
Profit/(Loss) before tax	412	111	581	567
Income tax expense	(130)	(37)	(184)	(187)
Profit/(Loss) for the period	282	74	397	380
Attributable to:				
Shareholders of the company	282	74	397	380
Minority interest	-	-	-	-
	282	74	397	380
EPS - Basic (sen)	0.70	0.18	0.98	0.94
- Diluted	NA	NA	NA	NA

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

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	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30/06/16 RM' 000	Comparative Quarter Ended 30/06/15 RM' 000	Current Year To Date 30/06/16 RM' 000	Comparative Year To Date 30/06/15 RM' 000
Profit for the period/ year	282	74	397	380
Other comprehensive income for the period/ year, net of tax	-	-	-	-
Total comprehensive income for the period/ year, net of tax	<u>282</u>	<u>74</u>	<u>397</u>	<u>380</u>
Total comprehensive income attributable to:				
Shareholders of the company	282	74	397	380
Non-controlling interests	-	-	-	-
Profit for the period/ year	<u>282</u>	<u>74</u>	<u>397</u>	<u>380</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

SENI JAYA CORPORATION BERHAD (279860-X)
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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30/06/16 (Unaudited) RM' 000	As At 31/12/2015 (Audited) RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	14,304	10,755
Investment properties	8,827	8,920
Investment in subsidiaries	576	27
Other investments	3	3
Total non-current assets	23,710	19,705
Current Assets		
Trade receivables	6,906	7,502
Other receivables	5,752	7,767
Short term placements	21,445	21,945
Marketable securities	200	217
Cash and bank balances	6,644	7,245
Tax recoverable	944	931
Total current assets	41,891	45,607
TOTAL ASSETS	65,601	65,312
EQUITY & LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	40,533	40,533
Retained profits	14,276	13,879
	54,809	54,412
Minority interest	-	-
Total Equity	54,809	54,412
Non-current liabilities		
Advance billings	2,934	3,310
Deferred taxation	523	523
Total non-current liabilities	3,457	3,833
Current liabilities		
Trade payables	1,478	1,317
Other payables	5,857	5,580
Tax Liabilities	-	170
Total current liabilities	7,335	7,067
Total Liabilities	10,792	10,900
TOTAL EQUITY & LIABILITIES	65,601	65,312
Net assets per share (RM)	1.35	1.34

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Period Ended 30/06/16	Attributable to shareholders of the Company			Minority Interest RM'000	Total Equity RM' 000
	Share Capital RM' 000	Distributable Retained Profits RM' 000	Total RM' 000		
As at 1 January 2016	40,533	13,879	54,412	-	54,412
Profit for the period	-	397	397	-	397
Dividend	-	-	-	-	-
As at 30 Jun 2016	40,533	14,276	54,809	-	54,809

Period Ended 30/06/15	Attributable to shareholders of the Company			Minority Interest RM'000	Total Equity RM' 000
	Share capital RM' 000	Distributable Retained Profits RM' 000	Total RM' 000		
As at 1 January 2015	40,533	12,968	53,501	-	53,501
Profit for the period	-	380	380	-	380
Dividend	-	-	-	-	-
As at 30 Jun 2015	40,533	13,348	53,881	-	53,881

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months Ended 30/06/16 RM' 000	Comparative 6 Months Ended 30/6/2015 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	581	567
Adjustment for non-cash flow :-		
Non cash items	820	600
Operating profit before changes in working capital	1,401	1,167
Changes in working capital		
Net change in current assets	2,062	(981)
Net change in current liabilities	62	869
Cash flow generated from operations	3,525	1,055
Taxation & interest paid	(367)	(849)
Net cash flow generated from operating activities	3,158	206
CASHFLOW FROM INVESTING ACTIVITIES		
Equity investment	-	-
Other investment	(4,259)	(2,610)
Net cash used in investing activities	(4,259)	(2,610)
CASHFLOW FROM FINANCING ACTIVITIES		
Dividends paid on ordinary shares	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(1,101)	(2,404)
Cash and cash equivalents at the beginning of the Year	29,190	32,979
Cash and cash equivalents at the end of the Year	28,089	30,575
Cash and cash equivalent at the end of the financial year comprise the following:		
Cash on hand and at banks	6,644	738
Deposits with licensed banks	21,445	29,837
	28,089	30,575

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



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Note 1 Basis of Preparation, Changes in Accounting Policies & Comparatives

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

Note 2 Summary of Significant Accounting Policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2015 except for the adoption of amendments to existing standards that are applicable to the Group for the financial period beginning 1 January 2016 as set out below.

MFRSs/ Amendments / Interpretations

MFRS14	Regulatory Deferral Accounts
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptance Method of Depreciation and Amortization
Amendments to MFRS 11	Accounting for Acquisition of Interest in Joint Operations
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Amendments to MFRS 5	Annual Improvements to MFRSs 2012-2014 Cycle
MFRS 7, MFRS 119 and MFRS 134	
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception

Adoption of the above standards and interpretations has no material impact to the Group’s consolidated financial statements for the current quarter.

Note 3 Auditors’ Report on Preceding Annual Financial Statements

The audit report in respect of the financial statements for the year ended 31 December 2015 was not subject to any qualification.



Note 4 Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by seasonal or cyclical factors.

Note 5 Exceptional Items

There were no exceptional or unusual items for the current period.

Note 6 Accounting Estimates

There were no changes in estimates of amount reported in previous financial year that have a material effect in the current quarter.

Note 7 Debt and Equity Securities

There was no issuance or repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter to date.

Note 8 Dividends Paid

A final tax exempt (single tier) dividend of 1% on 40,533,330 ordinary shares amounting to a total dividend of RM405,333.33 for the year ended 31 December 2015 was approved in the 23rd AGM and was paid on 15 July 2016.

Note 9 Segmental Reporting

No segment reporting is provided as the Group's activities are predominantly in the outdoor advertising industry and are conducted in Malaysia.

Note 10 Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendment from the previous annual report.

Note 11 Subsequent Material Events

No material event has occurred subsequent to the current quarter that have not been reflected in the financial statements for the said quarter as at the date of issue of this quarterly report.



Note 12 Changes in Composition of the Group

On 10 June 2016, Seni Jaya Corporation Berhad (“SJC” or “the Company”) had announced that Seni Jaya Media Utama Sdn. Bhd. (“SJMU”) ceased to be a subsidiary of Seni Jaya Sdn. Bhd. (“SJSB”), which in turn is a wholly-owned subsidiary for SJC, following an allotment for share in SJMU. Upon allotment of share, the equity interest of SJSB in SJMU has been diluted from 100% to 30%. Henceforth, SJMU has ceased to be an indirect subsidiary of SJC.

Note 13 Contingent Liabilities

Contingent liabilities of the Company as at 30 June 2016 are in respect of bank guarantees for financing facilities of subsidiaries which amount to approximately RM1,545,000.00.

Note 14 Recurrent Related Party Transactions

There was no recurrent related party transaction for quarter and period ended 30 June 2016.

Note 15 Review of Performance For The Current Quarter VS. Corresponding Quarter of the Preceding Financial Year

For the quarter under review, the Group recorded revenue of RM3.87 million and a profit before tax (“PBT”) of RM0.41 million respectively, as compared with the revenue of RM4.8 million and a PBT of RM0.11 million in the corresponding quarter of preceding financial year. The decrease in revenue for the quarter under review as compared with the same quarter of the preceding year is primarily attributed to general economic slowdown and market uncertainties within the local outdoor media industry. The PBT of the group is higher than the corresponding quarter of the preceding financial year in tandem with the decrease in operating expenses.

Note 16 Review of Performance for the Current Period VS. Preceding Period

In the period under review, the Group recorded lower revenue of RM8.63 million, as compared to the preceding period of RM9.72 million. The decrease in revenue is due to the general economic slowdown, stiff competition and cautious spending sentiment within the local outdoor media industry. Meanwhile, the PBT in the period under review is RM0.57 million, as opposed to RM0.56 million in the preceding period.

Note 17 Current Year’s Prospects

Barring unforeseen circumstances, the Board is of the opinion that the Group’s performance will remain positive in the next financial year with provision of additional sites for rental and participation in tender locally. The Group is striving for providing best service to the local advertisers and working aggressively to obtain a bigger market penetration.

Note 18 Profit Forecast or Profit Guarantee

a) Profit Forecast

This is not applicable to the Group for the quarter under review.



b) **Profit Guarantee**

This is not applicable to the Group for the quarter under review.

Note 19 Taxation

The effective rate of taxation of the Group is higher than the statutory rate of taxation principally due to certain expenses being disallowed for taxation purposes.

Note 20 Profit on Sale of Unquoted Investments and/or Properties

There was no disposal for the financial quarter under review.

Note 21 Acquisitions or Disposal of Quoted Securities

There were no acquisitions and disposals of quoted securities by the Group during the financial quarter under review.

Investments in quoted securities as at 30 June 2016 are as follows: -

- i) at cost RM134,527
- ii) at book value RM191,123
- iii) at market value RM191,123

Note 22 Corporate Proposals

a) **Status of Corporate Proposals**

As at the date of this report, being the latest practicable date, there are no corporate proposals announced and pending completions, save for the following:-

The Company announced that SJSB, a wholly-owned subsidiary of the Company had entered into a Joint Venture Agreement ("JVA") with Kontek Abbadi Sdn. Bhd. ("KASB") on 15 June 2016, inter alia to jointly collaborate under a joint venture company called "Seni Jaya Media Utama Sdn. Bhd.", ("Joint Venture") to explore, collaborate and undertake and bid for tenders related to all business involving setting up of advertising panels and facilities, marketing, sales, operation, maintenance and management of advertising media ("Business")

This agreement is pending the fulfilment of condition precedent by both parties as spelt out in the JVA as at the date of this report.

b) **Status of Utilisation of Proceeds**

This is not applicable to the Group for the quarter under review.



Note 23 Group Borrowings and Debt Securities

There were no borrowings and debt securities as at 30 June 2016.

Note 24 Financial Instruments with off Balance Sheet Risks

There is no financial instrument with off balance sheet risks as at the date of this report.

Note 25 Material Litigation

- i) SJSB and Orion Mesra Sdn Bhd ("The Plaintiffs") have instituted a legal suit in the Federal Court of Malaya against Dato' Hj Ahmad Termizi B. Hj Puteh (1st Defendant) and Majlis Bandaraya Petaling Jaya (2nd Defendant) for breach of contract and damages commensurate with the substantial losses suffered by the SJSB and Orion.

The aforesaid legal suit was dismissed by Shah Alam High Court on 31 December 2014 with cost RM60,000 to be paid by the plaintiffs to the 2nd Defendant.

The Court has fixed the next hearing dated 29 August 2016.

- ii) SJSB and SJP claimed against Ghazand Media Sdn. Bhd. ("GM") for the sum of RM437,841.45 and RM75,123.50 respectively being services rendered.

The Shah Alam Sessions Court has granted decision on 2 December 2014 in favour of SJSB and SJP, and has ordered full settlement of the abovementioned claim amount with applicable interests and costs of RM3,000 to be paid by GM to SJSB and SJP.

The sealed order and judgement pertaining to the above has been served to GM's solicitor as at 26 January 2015. However to-date, GM has not made any payment pertaining to the settlement. SJSB and SJP is currently in midst of considering further legal alternatives to be taken against GM.

- iii) SJSB and SJP claimed against Impress Led Advertise Sdn. Bhd. ("ILA") for the sum of RM35,139 and RM2,700 respectively being services rendered.

The Shah Alam Magistrate's Court has granted decision on 14 January 2015 in favour of SJSB and SJP, for the abovementioned claim amount and costs of RM800 to be paid by ILA to SJSB and SJP, and also dismissed ILA's application for transfer of proceedings from Shah Alam Magistrate's Court to Georgetown Magistrate's Court.

Nevertheless appeals to the Shah Alam High Court were filed by ILA pertaining to the above judgments. As all the cause papers for both the Appeals are in order, the court has fixed the hearing for both Appeals on 26.10.2015 before the High Court Judge.



After hearing the parties, the judge has found that there were no merits in both the Appeals filed by Impress Led Advertise Sdn Bhd.

The Judge has dismissed both the Appeals with costs of RM1,000 (RM500 for each Appeals) to be paid by Impress Led to SJSB.

SJSB and SJP is currently in midst of considering further legal alternatives to be taken against ILA.

- iv) SJSB claimed against ACMS Resources Sdn Bhd (“ACMS”) for the sum of RM120,002.60 being services rendered.

ACMS Resources Sdn Bhd (“ACMS”) had been wound up by the Court via winding-up filed by another creditor. SJSB is currently considering for filing the proof of debts against ACMS at the Insolvency Department to claim for the debts owned by ACMS.

Note 26 Dividend

- (i) A final tax exempt (single tier) dividend of 1.0 cents per ordinary share of RM1 each was paid on 15 July 2016 in respect of the previous financial year.
- (ii) The Directors do not recommend the payment of any dividend for the current period ended 30 June 2016.

Note 27 Realised and Unrealised Profits/Losses

Realised and unrealised profits/losses of the Group is analysed as follows:

	Group RM'000	Company RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	19,915	1,508
- Unrealised	(523)	-
	<hr/> 19,392	<hr/> 1,508
Total share of retained profits from associate		
- Realised	-	-
- Unrealised	-	-
	<hr/> 19,392	<hr/> 1,508
Less: Consolidation adjustments	(5,116)	-
Retained profits as per financial statements	<hr/> <hr/> 14,276	<hr/> <hr/> 1,508

Note 28 Earnings Per Share

The basic earnings per share for the current period and comparative period are calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.



By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)

YAU JYE YEE (MAICSA 7059233)

Company Secretaries

Date: 26 August 2016