

## Seni Jaya proposes 3-for-1 bonus issue, private placement to fuel its growth

By Cheah Chor Sooi | 2 days ago | in Markets



MAIN Market-listed leading provider of outdoor advertising services, Seni Jaya Corp Bhd has announced a proposed private placement exercise of up to 14.56 million new shares subject to the issuance of the placement shares not exceeding 20% of the group's total number of issued shares.

At an indicative price of RM2.33 per placement share, the exercise is expected to raise gross proceeds of up to RM33.98 mil under the maximum scenario which assumes all warrants are exercised prior to the exercise.

Following this, Seni Jaya has also proposed to undertake a bonus issue of up to 262.08 million new shares on the basis of three bonus shares for every one Seni Jaya share held on an entitlement date to be announced later.

“The group is currently undergoing a three-year business transformation by enlarging our portfolio with more technology or digital-centric products to offer comprehensive solutions,” commented Seni Jaya’s CEO Jeff Cheah See Heong.

“This comprises static and digital billboards, programmatic digital out-of-home (pDOOH), mobile light emitting diodes (LEDs), ambient and airport media.”

Thus far in its first year, the group has made substantial progress in its transformation journey, according to Cheah.

“As part of our transformation blueprint, there are other growth strategies in the pipeline as well,” he pointed out.

“Seni Jaya plans to enhance our existing advertising services via the business acquisition of out-of-home (OOH) project or concession which would enable us to improve our overall financial performance.”



*Jeff Cheah See Heong*

With the anticipated growth in outdoor advertising expenditure (adex), the company has the opportunity to embrace a wider audience diversity while expanding its market share. The bulk of the proceeds to be raised from the proposed private placement has been allocated to this initiative.

“Besides this, the group also intends to expand into a new business category. We will deploy LEDs advertising media across 200 outlets or locations across Peninsular Malaysia within the next 18 months,” noted Cheah.

“This complements Seni Jaya’s existing business and in turn, solidifying our position as a comprehensive advertising solutions provider.

On the other hand, the proposed bonus issue is an avenue for us to reward our shareholders as the company progresses forward with its transformation journey, added Cheah.

At the close of today’s mid-day trading, Seni Jaya was down 8 sen or 3.23% to RM2.40 with 15,900 shares traded, thus valuing the company at RM116 mil. – Oct 27, 2021

*Photo Credit: UPshow*