

The logo for Seni Jaya, featuring the company name in a bold, italicized sans-serif font. A small red triangle is positioned above the letter 'i' in 'Jaya'. The logo is set against a yellow rectangular background.

Seni Jaya

SENI JAYA CORPORATION BERHAD
Reg. No.:199301025122 (279860-X)

The title '2019 ANNUAL REPORT' is centered within a large, semi-transparent circular graphic. The year '2019' is in a thin, white, sans-serif font, with a horizontal line underneath it. Below the line, the words 'ANNUAL' and 'REPORT' are stacked in a large, bold, white, sans-serif font. The background of the circle and the entire page is a low-angle photograph of a modern glass skyscraper against a blue sky with light clouds.

2019
**ANNUAL
REPORT**

WWW.SENIJAYACORP.COM

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CORPORATE INFORMATION

Board of Directors

Dato' Sri Anne Teo
(Executive Chairman)

Datin Lee Nai Yee
(Non-Independent Non-Executive Director)

Dato' Sri Liew Lee Leong
(Senior Independent Non-Executive Director)

Dato' Shamsul Falak Bin Abdul Kadir
(Independent Non-Executive Director)

Mr. Lim Chee Khang
(Independent Non-Executive Director)

Audit Committee

Dato' Sri Liew Lee Leong (Chairman)
Dato' Shamsul Falak Bin Abdul Kadir
Mr. Lim Chee Khang

Nomination Committee

Dato' Sri Liew Lee Leong (Chairman)
Dato' Shamsul Falak Bin Abdul Kadir
Mr. Lim Chee Khang

Remuneration Committee

Mr. Lim Chee Khang (Chairman)
Dato' Sri Liew Lee Leong
Dato' Shamsul Falak Bin Abdul Kadir

Company Secretaries

Ms. Chua Siew Chuan (MAICSA 0777689)
(SSM PC No. 201908002648)

Ms. Yau Jye Yee (MAICSA 7059233)
(SSM PC No. 202008000733)

Principal Place of Business

23A-15 & 16, Level 23A, Q Sentral,
2A, Jalan Stesen Sentral 2,
50470 Kuala Lumpur
Wilayah Persekutuan
Tel : 03 -2732 9405
Fax : 03 -2732 9406

Registered Office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2084 9000
Fax : 03-2095 0292/03-2094 9940

Registrar

Securities Services (Holdings) Sdn. Bhd.

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2084 9000
Fax : 03-2095 0292/03-2094 9940

Auditors

Mazars PLT
(Appointed w.e.f. 22 November 2019)
Chartered Accountants

Principal Banker

RHB Bank Berhad

Listing

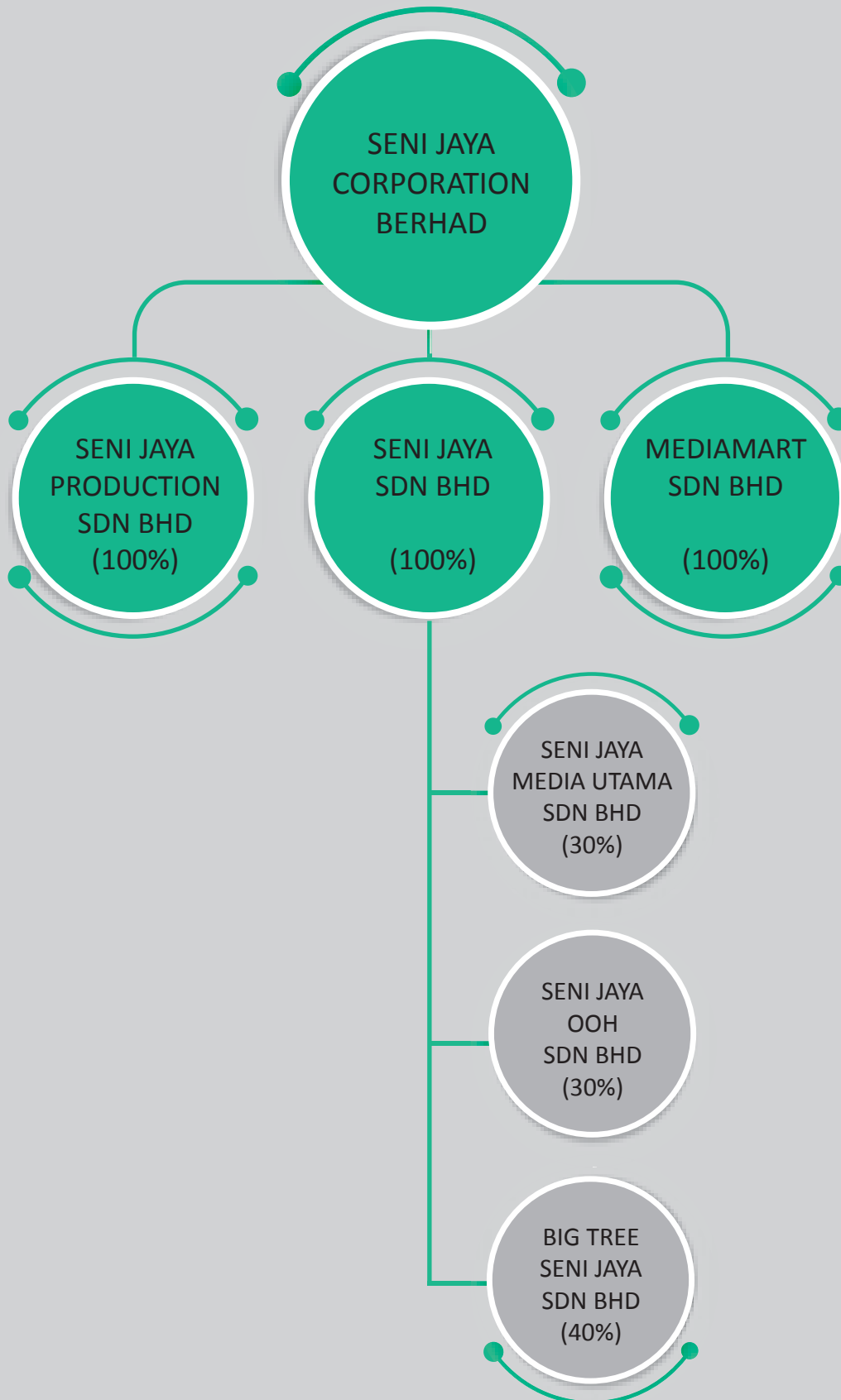
Main Market of Bursa Malaysia Securities
Berhad

Stock Code

9431

Corporate website

www.senijayacorp.com



CHAIRMAN'S STATEMENT

Dear valued shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Seni Jaya Corporation Berhad ("SJCB" or "the Group") for the financial year ended 31 December 2019.

REVIEW OF BUSINESS PERFORMANCE

In 2019, the Malaysian economy continued to experience low economic growth which had strongly impacted the local media industry. With lower government spending and market uncertainty, advertisers were cautious about media expenditure. The weakening of the Malaysia Ringgit, declining consumer sentiment and structural shift towards digital marketing such as social media marketing and outdoor digital screens have further impacted the static billboard market in Malaysia. New infrastructure projects by the government such as Light Rapid Transit ("LRT") 3 and Duke Highway 3 had also affected some strategic billboard structures to be removed, causing loss of revenue.

Due to these challenges, the Group struggled to maintain the market share: SJCB recorded revenue of RM14.56 million for the financial year ended 31 December 2019, showing a decrease of RM3.01 million from the revenue in the financial year 2018. However, the gross profit margin increased from 38.92% (restated) in 2018 to 40.81% in 2019. During the current financial year, the Group recorded a loss before taxation of RM0.098 million as compared to last financial year with a loss before taxation of RM0.28 million. The results were negatively impacted by the drop of revenue and the newly adoption of Malaysian Financial Reporting Standards ("MFRS") 16 which came into force on 1st of January 2019, where higher depreciation and finance costs were recognised. However, the overall performance had improved as compared to preceding year as a result of fair value gain on investment on financial assets carried at fair value through profit or loss ("FVTPL"), reduction of operating expenses and over-provision of license fees.

MOVING FORWARD

The total advertising expenditure ("ADEX") for media industry has registered a contraction for the last three (3) consecutive years, with a contraction of another 5% in 2019. However, the outdoor ADEX stays resilient but at the expense of static formats. The outdoor digital screens have recorded a steady growth over the last three (3) years, especially in Klang Valley. Other alternative outdoor media such as Mass Rapid Transit ("MRT"), LRT 2 and e-hailing mobile advertising had also positively contributed to the outdoor ADEX.

Moving forward, the Group will remain cautious in its expansion by forming strategic partnerships to mitigate risks and increase revenue. New product launches like LED screens at strategic locations in the upcoming years will positively contribute to its financials and market positioning. Lastly, rationalisation of existing assets will be another key aspect in maximising yield and keeping operation costs at a healthy level.

STATEMENT ON CORPORATE SOCIAL RESPONSIBILITY

The Group is committed to the practice of giving back to the community and is consciously making efforts towards being a responsible organisation.

APPRECIATION

On behalf of the Board of Directors, I wish to convey my sincere appreciation to our stakeholders, especially the valued shareholders, customers and suppliers for their continued support and confidence in us. Not forgetting the Management and all the employees for their continued commitment, dedication and loyalty in 2019 despite a difficult market condition.

Dato' Sri Anne Teo
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Seni Jaya Corporation Berhad is an investment holding company which engages in the provision of management services to its subsidiaries. The Company's subsidiaries include Seni Jaya Sdn. Bhd., which engages in provision of media services for outdoor advertising; Seni Jaya Production Sdn. Bhd., which engages in provision of media services and supplies of advertising materials, and Mediamart Sdn. Bhd., which engages in supplying of advertising materials and provide of media services for outdoor advertising.

Seni Jaya Corporation Berhad and its subsidiaries ("**Group**") has established itself as one (1) of the market leaders in the provision of outdoor media services in Malaysia through its management's expertise, experience together with the Group's wide range of innovative advertising products.

The Group provides the following services throughout West Malaysia:-

- ◆ Rental of advertising display structures at prime outdoor locations across the nation.
- ◆ Servicing and maintenance of signages and display materials.
- ◆ Design and construct outdoors advertising structures.
- ◆ Supply of advertising display materials.

The media industry continued to experience a challenging year in financial year 2019 with lower advertising and media expenditure as most of corporations remained cautious in their spending. The unfavourable market sentiments, weak Malaysian Ringgit and geopolitical instability continued to affect consumers' confidence.

For the financial year ended ("FYE") 31 December 2019, the Group recorded a revenue of RM14.56 million, a reduction of RM3.01 million as compared to the previous financial year. The Group's gross profit margin for 2019 was 40.81% (RM5.94 million) which was 1.89% higher than the previous financial year (FYE 2018: 38.92% of RM6.84million).

In 2019, the Group has generated pure operating earnings (known as "EBITDA") of RM7.31 million whereby the previous financial year was RM1.63 million. The Group has recorded a loss before taxation of RM0.098 million in the current FYE 31 December 2019 as compared to loss before taxation of RM0.28 million in the previous financial year. This was primarily attributed from amortisation and interest expenses on leased assets, impairment of billboard structures, fair value gain on investment on financial assets carried at fair value through profit or loss ("FVTPL") and share of loss in associate company which were non-cash flow stream.

Highlights of our Group's financial information for the past five (5) financial years

Year/Financial ratio	2015 (RM)	2016 (RM)	2017 (RM)	2018 (RM) (Restated)	2019 (RM)
Revenue	20,637,906	17,952,724	18,081,100	17,571,941	14,560,824
Profit/ (Loss) before interest and tax	2,700,122	1,020,926	25,930	(394,129)	417,497
Finance cost	-	-	-	-	681,327
Net profit/ (Loss)	1,315,486	595,454	(76,913)	(748,261)	(481,806)
Shareholders' equity	54,411,879	54,602,000	54,119,754	53,177,801	52,695,995
Total assets	65,312,209	68,070,193	61,317,980	61,076,366	67,906,075
Borrowings	-	-	-	-	-
Debt/ equity (%)	-	-	-	-	-
Earnings/ (Loss) per share (sen)	3.24	1.47	(0.19)	(1.85)	(1.19)
Net assets per share	1.34	1.34	1.33	1.31	1.30
Dividend per share	0.01	0.01	0.01	-	-

Share Performance

Year high	RM0.86
Year low	RM0.46
Year close	RM0.55
Trading volume as at 31 December 2019	-
Market capitalisation as at 31 December 2019	RM22.29 million

Our Vision

Our vision is to become one (1) of the most innovative outdoor media company in Malaysia, and to provide the most effective and efficient services to our stakeholders.

INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

I. Overview of the Malaysian economy

The Malaysian economy according to Bank Negara Malaysia's ("BNM") Annual Report 2018 is expected to sustain its growth momentum by expanding from 4.3% to 4.8% in 2019 (2018: 4.7%). In the fourth quarter of 2019 ("4Q 2019"), the Malaysian economy recorded a 3.6% growth (3Q 2019: 4.4%) which is supported by higher private sector spending, recorded at 7.4% as compared to 5.4% in third quarter of 2019 ("3Q 2019"). The private sector activity will remain the anchor of growth in driving the Malaysian economy. However, the growth was affected by a decline in net exports. On a quarter-on-quarter seasonally-adjusted basis, the economy grew by 0.6% (3Q 2019: 0.9%). For 2019 as a whole, the economy expanded by 4.3% (2018: 4.7%).

On the other hand, headline inflation, as measured by the annual percentage change in the Consumer Price Index ("CPI") had decreased to 1.0% in 4Q 2019 (3Q 2019: 1.3%). The lapse in the impact of Sales and Service Tax ("SST") implementation was the main contribution to a lower inflation outcome alongside with domestic retail fuel price ceilings that were maintained had negatively contributed to inflation. Core inflation was stable at 1.4%, reflecting the absence of strong demand pressures in the economy, amid moderate expansion in private sector wages, which grew by 4.2% in the 4Q 2019 (3Q 2019: 4.1%). The wage growth was driven by the firm wage growth in both of the services and manufacturing sectors.

The current account surplus recorded a 2.0% of Gross National Income ("GNI") in the 4Q 2019 (3Q 2019: 3% of GNI). The higher goods surplus was offset by larger income and services deficits. The goods surplus widened to RM32.8 billion (3Q 2019: RM30.8 billion) as the decline in imports outpaced exports. A decline in the travel account surplus (RM6.4 billion in 4Q 2019 as compared to RM9.5 billion in 3Q 2019), followed by lower tourist arrivals had widened the deficit in the services account to RM4.0 billion (3Q 2019: -RM1.6 billion) during this quarter. On top of that, the primary income account had also registered a larger deficit of RM15.7 billion (3Q 2019: -RM12.2 billion) due to higher investment income accrued to foreign investors in Malaysia. The secondary income account remains unchanged with a deficit amount of RM5.5 billion (3Q 2019: -RM5.5 billion), reflected by continued outward remittances by foreign workers.

(Source: https://www.bnm.gov.my/files/publication/qb/2019/Q4/4Q2019_fullbook_en.pdf)

II. Overview and outlook of Out-of-Home ("OOH") media industry

In 2019, the total advertising expenditure (known as "ADEX") registered its third consecutive year of contraction of 5% or RM13.5 billion. Although digital media has grown steadily over the years but the growth was not sufficient to compensate the contraction suffered by other mainstream media. The contraction was mainly attributed by weak consumer sentiments and lack of major events during the calendar year.

According to the AIMS Research, OOH ADEX was more resilient as compared to other traditional media. In fact, outdoor digital media enjoyed a 6.3% growth in 2019 and its media value was worth 24% in OOH ADEX despite its number of panels were only 5% as compared to static billboards. Advertisers preferred digital billboards because of its dynamicity and it also attracted new advertisers that prefer short term campaigns due to its affordability.

OOH static formats will remain challenging due to change of outdoor media buying pattern, as well as intense competition for static billboards. While there is already a sign of over supply on static billboards, there will be new addition of inventory upon completion of new infrastructure projects such as Light Rapid Transit 3, Mass Rapid Transit (“MRT”) 2 and new urban highways such as Duta-Ulu Kelang Expressway 3 (“DUKE 3”), Sungai Besi-Ulu Kelang Expressway (“SUKÉ”) and Damansara-Shah Alam Elevated Expressway (“DASH”).

III. Risk Profile and Risk Management

Risk Profile

1. Geopolitical & Economy Performance

- The global economic downturn continues as the trade tensions between the United States and the People’s Republic of China remains unresolved as well as a slower-than-expected global growth which directly impact on Malaysia’s domestic economy. With the current environment of low consumer confidence and weak property market, the consumers tends to conserve cash flow, leads to a lower spending power for the year of 2019.
- A competitive market with more than 300 outdoor media players is also one of the main factors that affect the Group’s financial performance.

2. Discontinue of site leasing by Government

- The Group obtained rights of advertising media installation sites by leasing from Government or private companies. Due to expansion of government projects such as MRT infrastructure, a few advertising sites were forced to be taken down for MRT routes and contracts were terminated or discontinued upon expiry.

3. Digital Disruption

- Digitalisation has brought massive disruption to most of the businesses, especially to traditional media industry. OOH media companies continue to struggle with the on-going structural shift in media consumption to digital media.
- Despite on-line digital media being the biggest disruptor to most of the traditional media, digital billboards and E-buntings are the current market trends. It is visible alongside the highways that more digital billboards were being built or converted from static billboards.

Risk Management

1. Stakeholder Management

- The Group had emphasised on cordial working relationship with all stakeholders such as highway concession owner, local Governments, Malaysia Highway Authority, advertising agencies and customers. Maintaining a good reputation in the media industry is always the key to secure various sales contracts and prime locations.
- The Group had managed to secure big advertisers such as Uniqlo, U-mobile, Bonuslink Card and Nestle through long establishment and quality after sales service.
- Extra efforts are being taken by the Group to continuously survey and tender new prime sites across the states to increase profitability. Cordial working relationship with local councils and relevant authorities will gain a higher chance of successful tender.

2. Streamline Advertising Billboards to Manage Cost

- The Group had removed non-profitable advertising billboards to manage cost due to oversupply and low demand of outdoor media.

3. Product Revamp to Improve Yield

- The Group is planning to upgrade some of the existing advertising billboards at prime location to LED display billboards to improve yield.

4. Joint Venture with Media Owners

- The Group is also planning for more possible joint ventures with other media owners due to limitations of prime sites open for tender especially in Klang Valley.
- Collaboration is ideal because it enables the Group effectively erect barriers for competitors, enjoys economies of scales, cost effective and enhanced credibility. Currently, the Group had a joint venture with Big Tree Outdoor Sdn. Bhd. to form Big Tree Seni Jaya Sdn. Bhd. The Group obtained new revenue stream in advertising on the MRT exterior station despite a few sites being removed to construct MRT routes.

V. Forward looking

Moving forward, the outlook for year 2020 will remain challenging, mainly due to uncertainties in global and domestic environments. Domestic political instability and the Covid-19 pandemic will bring severe damages to both global and domestic economy which will lead to cautious advertising spending by most of the businesses.

However, the Management remains cautiously optimistic on the outlook for second half of 2020. Innovation and product revamp will be the driver for the Group to meet customers' needs and to increase profitability. Strategic partnerships will also be the key area to focus to expand market share.

While economy remains tough and challenging in the forthcoming year, management team is committed to provide full support to the Group's business activities and strengthen the market position by strategising unique selling proposition.

The Group has adopted the Dividend Policy on dividend pay-out. The Board of Directors aims to propose a cash dividend pay-out on an annual basis which subject to its financial capability. Factors to be considered in monitoring and assessing financial capability includes earning, capital commitment and cash flow position.

DATO' SRI ANNE TEO

GENDER

Female

AGE

61

NATIONALITY

Malaysian

POSITION

Executive Chairman

Dato' Sri Anne Teo was appointed as an Executive Director on 18 August 1994 and has been the Managing Director of the Company since 25 March 2005. Dato' Sri Anne Teo was re-designated as the Executive Chairman on 15 June 2018.

Dato' Sri Anne Teo graduated with a Bachelor of Commerce degree in 1981 and a Master of Commerce, Hons (Accounting) in 1982 from the University of Canterbury, New Zealand. She is also a member of the Association of Chartered Accountants (New Zealand), Australian Society of CPAS and the Malaysian Institute of Accountants (MIA).

Dato' Sri Anne Teo started her career with Arthur Young & Co (Australia) in 1981 as a Professional Accountant. In 1983, she joined the Australian Audit Office as an Auditor. In 1984, she was the Assistant Manager of Audit and Investigation in the Health Insurance Commission Australia until 1986 before joining the Seni Jaya Corporation Berhad Group. She is then responsible for the financial management and investments of the Group. She is also an Executive Director of Seni Jaya Sdn. Bhd., Seni Jaya Production Sdn. Bhd., Mediamart Sdn. Bhd. and Seni Jaya Media Utama Sdn. Bhd.

Dato' Sri Anne Teo is a major shareholder in the Company and she is the sister-in-law to Datin Lee Nai Yee, the Non-Independent Non-Executive Director and a major shareholder of the Company. She does not hold any directorship in other public companies and listed issuers. She has no conflict of interest with the Company and has not been convicted for any offences within the past five (5) years other than traffic offences, if any. She does not have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Dato' Sri Anne Teo attended all the five (5) Board Meetings of the Company held during the financial year ended 31 December 2019.

BOARD OF DIRECTORS' PROFILE

DATIN LEE NAI YEE

GENDER

Female

AGE

62

NATIONALITY

Malaysian

POSITION

**Non-Independent
Non-Executive Director**

Datin Lee Nai Yee was appointed as a Non-Independent Non-Executive Director on 28 August 2017.

Datin Lee graduated with a Bachelor of Arts Degree from Universiti Sains Malaysia.

Datin Lee started her career in the hotel industry as Public Relations Manager at the Holiday Inn Penang. In 1981, Datin ventured into the Advertising field as Account Executive with Hexxon Graphic, a local Advertising Agency. In 1983, Datin joined Artscript Sdn. Bhd., another homegrown advertising firm. Her last position was as Client Service Director until she resigned in 1989 to assume responsibility for the management and retail operations of Watchshoppe, a watch retail business at the then Subang International Airport.

Watchshoppe is a subsidiary company of RP Group Sdn. Bhd., which was founded together with her husband, the late Dato' Blace Teo @ Teo Swee Cheng. Datin Lee is currently the Executive Director of RP Group, a position Datin has held since 1989.

Datin Lee is a major shareholder of the Company and she is the sister-in-law to Dato' Sri Anne Teo, the Executive Chairman and a major shareholder of the Company. Datin Lee does not hold any directorship in other public companies and listed issuers. She has no conflict of interest with the Company. She has not been convicted for any offences within the past five (5) years other than traffic offences, if any and does not have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Datin Lee Nai Yee attended all the five (5) Board Meetings of the Company held during the financial year ended 31 December 2019.

DATO' SRI LIEW LEE LEONG

GENDER**Male**

AGE**63**

NATIONALITY**Malaysian**

POSITION**Senior Independent Non-Executive Director**

Dato' Sri Liew Lee Leong was appointed as an Independent Non-Executive Director of the Company on 28 March 2008 and was re-designated as the Senior Independent Non-Executive Director on 23 April 2008. Dato' Sri Liew Lee Leong is the Chairman of both the Audit Committee and Nomination Committee; and a member of the Remuneration Committee of the Company.

Dato' Sri Liew is a Chartered Accountant and holds a Master degree in Business Administration from Henley Management College, UK. He is also a fellow member of both The Association of Chartered Certified Accountants (UK) and the Malaysian Institute of Certified Public Accountants.

Dato' Sri Liew spent over twenty (20) years in the United Kingdom where he has gained extensive work experience with professional firms and multi-national companies in corporate advisory, insolvency, mergers and acquisitions to include corporate tax planning and investigative exercises. He returned to Malaysia in 1997 and has since assisted in numerous corporate recoveries and related due diligence corporate exercises. With his extensive work knowledge, he is a regular writer of technical articles and a frequent speaker at seminars, conferences and training programmes. He is a Trustee of the Malaysian Accountancy Research & Education Foundation and was also a Council member of the Malaysian Institute of Accountants (MIA) (2000-2013) and the Chartered Taxation Institute of Malaysia (CTIM) (2005-2014) and chairs various committees in both the institutes.

Additionally, Dato' Sri Liew is an adjudicator for the National Annual Corporate Report Awards for the past many years. He also represents the institutes in tax dialogues and discussions with the Inland Revenue Board and the Ministry of Finance on a regular basis.

Dato' Sri Liew is a Senior Independent Non-Executive Director of Jadi Imaging Holdings Berhad, a public company listed on Main Market of Bursa Malaysia Securities Berhad. He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has not been convicted for any offences within the past five (5) years other than traffic offences, if any and does not have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Dato' Sri Liew attended all the five (5) Board Meetings of the Company held during the financial year ended 31 December 2019.

BOARD OF DIRECTORS' PROFILE

DATO'
SHAMSUL FALAK
BIN ABDUL KADIR

GENDER
Male

AGE
67

NATIONALITY
Malaysian

POSITION
Independent
Non-Executive Director

Dato' Shamsul Falak Bin Abdul Kadir was appointed as an Independent Non-Executive Director of the Company on 22 January 2009. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company respectively.

Dato' Shamsul Falak holds a Degree in Mechanical Engineering from Brighton Polytechnic, United Kingdom. He is also an Honorary Fellow of Hospitality Management, Ireland and a member of the Malaysian Institute of Management, Kuala Lumpur.

Dato' Shamsul Falak started his career as an engineer in Tenaga National Berhad and left the service in 1981. He then joined the private sector and was involved in the oil and gas, construction and engineering fields. He later founded the FAL Group of companies which was involved in the tourism and hospitality industry. He is currently the Managing Director of FAL Management Resources Sdn. Bhd., a tourism and hospitality management Company. He has held various key posts in various Tourism Agencies and Associations, the Immediate Past President of Kuala Lumpur Tourism Association, Past President of the National Tourism Council of Malaysia, Past President of Car Rental Association of Malaysia. He had served as a Council Member of the Kuala Lumpur Tourism Development Council. Currently he sits in the Board of PATA Malaysia and in various assessment and judging panels of tourism agencies.

Dato' Shamsul Falak does not hold any directorship in other public companies and listed issuers. He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has not been convicted for any offences within the past five (5) years other than traffic offences, if any and does not have any public sanction or penalty imposed by the relevant regularity bodies during the financial year.

Dato' Shamsul Falak attended four (4) out of the five (5) Board Meetings of the Company held during the financial year ended 31 December 2019.

LIM CHEE KHANG

GENDER

Male

AGE

53

NATIONALITY

Malaysian

POSITION

Independent
Non-Executive Director

Mr. Lim Chee Khang was appointed as an Independent Non-Executive Director of the Company on 28 September 2011. He is the Chairman of the Remuneration Committee and a member of both the Audit Committee and Nomination Committee of the Company.

Mr. Lim is a member of the Honourable Society of Lincoln's Inn and has graduated with a Bachelor of Laws (Honours) degree from London School of Economics and Political Science, University of London and is a member of the Honourable Society of Lincoln's Inn. He was called to the Bar of England and Wales in 1992. He has been practising as an advocate & solicitor in Malaysia since 1993.

Mr. Lim co-founded Messrs. Jal & Lim, Advocates & Solicitors in 1996. He is currently the Managing Partner of the firm.

Mr. Lim is an Independent Non-Executive Director of Jadi Imaging Holdings Berhad, a public company listed on Main Market of Bursa Malaysia Securities Berhad. He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has not been convicted for any offences within the past five (5) years other than traffic offences, if any and does not have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Mr. Lim attended all the five (5) Board Meetings of the Company held during the financial year ended 31 December 2019.

KEY SENIOR MANAGEMENT

Dato' Sri Anne Teo (Executive Chairman)

The profile of Dato' Sri Anne Teo is listed under Board of Directors' Profile.

Dato' Badsha Sahib bin Meera Shaib, 54 years old Director, Business Development, Malaysian, Male

Dato' Badsha Sahib bin Meera Shaib joined Seni Jaya Sdn. Bhd. in 3 January 2012 as General Manager, Business Development with primary focus in tender for various projects and subsequently promoted as Director, Business Development in 2016.

He is responsible for the overall compliance with rules and regulations imposed by various authorities on the billboard business and securing new sites for the Company. His works require frequent liaison with the local regulatory bodies and authorities.

Dato' Badsha obtained his Diploma in Business Administration from UiTM, Shah Alam. He has vast experience in commercial and financial sectors, hands-on experience in the construction sector including liaison with consultant, government and local authorities and sub-contractors.

Through years of involvement in the business circle and industries, he has developed himself though rank and file with knowledge, hands-on experience and know-how, covering office management, factory operation and production and marketing.

Dato' Badsha has no family relationship with any Directors and/or major shareholders of the Company and has no conflict of interest with the Company. He has not been convicted for any offences within the past five (5) years other than traffic offences, if any and does not have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Fong Yew Chuen, 59 years old General Manager, Sales, Malaysian, Female

Madam Fong Yew Chuen joined Seni Jaya Sdn. Bhd. on 16 May 1996 as General Manager, Sales.

Her responsibilities lie with assisting the Managing Director in the formulation of the Company's sales growth and marketing strategies as well as securing outdoor advertising concession rights.

Madam Fong graduated with a Diploma in Computer Programming & Information Processing (C & G of London) in 1982 and was attached to a software house designing computing software related to legal and banking industries.

Prior to joining Seni Jaya Group, she was attached to Tele Dynamics for 10 years and was solely responsible for setting up a strong customer service team for Toshiba Office Equipment clients as well as managing the sales and marketing of Toshiba Notebook Computers.

Madam Fong has no family relationship with any Directors and/or major shareholders of the Company and has no conflict of interest with the Company. She has not been convicted for any offences within the past five (5) years other than traffic offences, if any and does not have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Seni Jaya Corporation Berhad (“**the Board**” or “**the Directors**”) (“**Seni Jaya**” or “**the Company**”) values the importance of maintaining high standards of corporate governance throughout the Company and its subsidiaries (“**the Group**”) in order to discharge its responsibilities to uphold its’ shareholders’ interest and increase its shareholders’ value.

The Board presents this Corporate Governance Overview Statement (“**Statement**”) to provide shareholders and investors with an overview of the corporate governance practices of the Company under the leadership of the Board during the financial year ended 31 December 2019. The overview takes guidance from the key corporate governance principles as set out in the Malaysian Code on Corporate Governance (“**MCCG**”).

This Statement, which is made pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“**Main LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) and is to be read together with the Corporate Governance Report (“**CG Report**”) as published on the Company’s website at www.senijayacorp.com/investor.html.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

(1) Clear Functions of the Board and Management

The Board has been entrusted by the shareholders in guiding the business activities of the Group through achieving an optimum balance of sound and sustainable business operation and embracing good corporate governance practice. The Board has been steadfast in upholding the responsibilities in establishing strategic direction, corporate goals and monitoring the achievement of these objectives.

The Board has maintained certain matters including the review of financial statements, risk management, significant acquisitions and disposals, investments in significant joint ventures, significant property transactions, significant capital expenditure, dividend declaration and board appointments for its approval and in the meanwhile delegating responsibilities to other Board Committees within their terms of reference. The Board receives reports at its meetings from the Chairman of each Committee. It is a general policy that the Board collectively deliberates on all major decisions.

The formal schedule of matters reserved for the Board has been duly stipulated in the Board Charter and is available for viewing on the Company’s corporate website at www.senijayacorp.com/about.html.

The Board had put in place the Dividend Policy which was adopted on 21 November 2018. The said Policy has set out the factors which the Board should consider the level of dividend payments. The Dividend Policy is available for viewing on the Company’s corporate website at www.senijayacorp.com/about.html.

(2) Roles and Responsibilities of the Board

A Board Charter which distinguishes the roles, functions, compositions, duties and processes of the Board has been adopted. In line with the practice of good corporate governance, the Board has established and implemented various processes to assist members of the Board in the discharge of their roles and responsibilities. The Board’s roles and responsibilities include the following: -

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- Reviewing and adopting strategies and business plans of the Company;
- Overseeing the conduct of the Company's business;
- Establishing policies for strengthening the performance of the Company;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Succession planning;
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems;
- Developing and implementing an investor relations programme or shareholder communications policy for the Company;
- Deciding on whatever steps necessary to protect the Company's financial position;
- Ensuring that the Company's financial statements are true and fair and conform to any applicable laws and/or regulations;
- Determining the remuneration of Executive Directors and Non-Executive Directors of the Company; and
- Ensuring that the Company adheres to high standards of ethics and corporate behaviour.

(3) Separation of Position of the Chairman and Managing Director ("MD")

Dato' Sri Anne Teo assumes the role of Executive Chairman of the Company since 15 June 2018 and she is assisted by the Senior Management. The Board is mindful of the separation of the position of the Chairman and MD. The Board is of the view that there are sufficient experienced and independent-minded Directors on the Board to provide sufficient check and balance.

Notwithstanding the foregoing, the Board Charter specifies a clear separation of powers and responsibilities between the Chairman of the Board and the MD to ensure that an equilibrium of power, authority and accountability are maintained. The Chairman plays a role in ensuring effectiveness and proper conduct by the Board. The MD is responsible for overseeing the Groups' effectiveness and implementation of Board policies and decisions in the day-to-day's business operations.

The Board Charter has outlined the role of the Chairman as well as the role of the MD to ensure accountability and division of responsibilities.

(4) Company Secretaries

The appointment and removal of the Company Secretaries are matters for the Board's approval. All the Directors have access to the advice and services of the Company Secretaries, who are responsible for ensuring that board procedures are followed and that applicable rules and regulations are complied with. Also, the Company Secretaries ensure that the deliberations at the Board meetings are well captured and minuted.

Both the Company Secretaries are members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and are qualified to act as company secretary under Section 235(2) of the Companies Act 2016.

(5) Access to Information and Advice

All the Directors were given due notices of proposed meetings held during the financial year. The Board meeting materials were sent to the Board members in advance prior to such meetings. The Directors may participate in Board meetings and Committee meetings either

in person or via tele-conferencing. Minutes of the meetings are circulated to all members of the Board.

The Board has access to the advice and services of the Company Secretaries who are suitably qualified, and competent, to support the Board in carrying out its roles and responsibilities. The Board may seek independent advice from the Company Secretaries should the need arise.

The Board may also obtain independent professional advice at the Company's expense in furtherance of its duties. Whenever necessary, consultants and experts are invited to brief the Board on their areas of expertise or their reports.

(6) Board Charter

The Company has adopted a Board Charter which sets out the mandate, responsibilities and procedures of the Board in accordance with the principles of good corporate governance as stated in the guidelines and requirements issued by regulatory authorities. The Board Charter also sets out the Board's role, powers, duties and functions. The objectives of this Board Charter are to ensure that all the Board members acting on behalf of the Company are aware of their duties and responsibilities as the Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good corporate governance are applied in all their dealings in respect, and on behalf of the Company.

The Board Charter is available on the Company's corporate website at www.senijayacorp.com/about.html.

(7) Code of Conduct

A Code of Conduct has been adopted by the Board in order to achieve a high standard of ethics while dealing with the Group's stakeholders namely its customers, partners, communities and shareholders. It is the framework of the Group's underlying core ethical values and standards. The Directors and employees are expected to uphold the ethical standards and values integrated in their duties and operations of the Group.

The Code of Conduct is available on the Company's corporate website at www.senijayacorp.com/about.html.

(8) Whistle Blowing

The Group's Whistle Blowing guidance has been encapsulated in the Code of Conduct. It is a specific means by which an employee/officer or stakeholder can report or disclose through established channels, concerns about any violations of the Code of Conduct, unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place / has taken place / may take place in the future.

(9) Promote Sustainability

The Board is conscious on the intricacy of maintaining a sustainable business through pursuing its corporate goals whilst committing to promote best practice principles within its Group. The Board have carefully considered the impact it has on the environment, social and governance when developing its corporate strategies.

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II. Board Composition

(1) Board Composition and Balance

The Board consists of five (5) members comprising one (1) Executive Chairman and four (4) Non-Executive Directors, of whom three (3) of them are Independent Non-Executive Directors (“INED”) i.e. at least half of the Board members comprise of independent directors and complied with the recommendations of the MCCG.

The presence of the INED brings an objective and independent judgement to the decision-making process of the Board. The biographical details of the Board members are set out in the Directors’ Profile of this Annual Report.

There are two (2) female members on the Board, representing 40% of the total Board members. The two (2) female Directors provide the Board with gender diversity that serves to bring value to the Board discussions from different perspectives and approaches as well as different leadership styles.

The composition of the Board is diverse, comprising of highly respectable and experienced professionals, lawyer and entrepreneurs. The diversity of experience, background, mixed of skills and expertise are required for successful direction of the Group. The Directors’ profiles are presented in this Annual Report.

As part of the Board’s yearly appraisal and assessment, the Board is of the view that the current size and composition of the Board is adequate. The Board will consider appropriate candidates in future to enhance the composition of the Board if necessary.

(2) Re-election of Directors

Any Director appointed during the year is required under the Company’s Constitution to retire and may seek for re-election by the shareholders at the following Annual General Meeting (“AGM”) immediately after their appointment. The Company’s Constitution also require that one-third of the Directors including the Managing Director to retire by rotation and seek re-election at each AGM and that each Director shall submit himself/herself for re-election at least once in every three (3) years.

The Directors who are subject for re-election at the AGM had been assessed by the NC whereupon their recommendation had been considered by the Board for recommendation to the shareholders for approval at the upcoming AGM.

Dato’ Sri Liew Lee Leong and Dato’ Shamsul Falak bin Abdul Kadir will be standing for re-election and re-appointment at the forthcoming 27th AGM of the Company.

(3) Tenure of Independent Directors

The MCCG recommended that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director’s re-designations as a Non-Independent Director.

In the event that the Independent Director was to remain designated as an Independent Non-executive Director, the Board shall firstly to provide justification, upon the recommendation of the NC and thereafter to obtain the relevant shareholders' approval.

If the Board continues to retain the Independent Director after the twelfth (12) years, annual shareholders' approval must be sought through a two-tier voting process to retain the said Director as an Independent Director as described in the Guidance to Practice 4.2 of the MCGG.

The Board noted that the Independent Directors have declared their respective independence.

Retention of Independent Non-Executive Directors

At the Twenty-Sixth ("26th") AGM of the Company, Dato' Sri Liew Lee Leong ("**Dato' Sri Liew**") and Dato' Shamsul Falak Bin Abdul Kadir ("**Dato' Shamsul**") were retained to hold office until the conclusion of the 27th AGM.

Dato' Sri Liew was appointed as Independent Non-Executive Director of the Company on 28 March 2008. Therefore, he has on 27 March 2020 served the Board in that capacity for a cumulative of more than twelve (12) years, offered himself to continue in office as an Independent Non-Executive Director of the Company.

Dato' Shamsul was appointed as Independent Non-Executive Director of the Company on 22 January 2009. Therefore, he has served the Board in that capacity for a cumulative of more than nine (9) years. He has offered himself to continue in office as an Independent Non-Executive Director of the Company.

Mr. Lim Chee Khang ("**Mr. Lim**") was appointed as Independent Non-Executive Director of the Company on 28 September 2011. Therefore, he would have served the Board in the capacity for a cumulative term of more than nine (9) years from 27 September 2020 onwards. He has offered himself to continue in office as an Independent Non-Executive Director of the Company.

In accordance with the MCGG, prior approval should be obtained from the shareholders at the 27th AGM, to enable Mr. Lim to continue in office as Independent Non-Executive Director before he reaches the nine (9) years term limit on 27 September 2020.

The Board has vide the NC, after having assessed of the independence of Dato' Sri Liew, Dato' Shamsul and Mr. Lim, regards themselves to be independent based amongst others, the following justifications and recommends that Dato' Sri Liew, Dato' Shamsul and Mr. Lim be retained as Independent Non-Executive Directors of the Company:-

- (i) They have met the independent guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities.
- (ii) Dato' Sri Liew and Dato' Shamsul have been with the Company for more than twelve (12) years and nine (9) years respectively and Mr. Lim would have been with the Company for more than (9) years and therefore understand the business operations of the Group.

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- (iii) They actively participate and contribute to the discussions and deliberations of the Board and Board Committees meetings. They have diligently attended all of the meetings held for the Board and the Board Committees for the financial year ended 31 December 2019.
- (iv) They have exercised due care and diligence during their tenure as the Independent Non-Executive Directors of the Company.

The Board being satisfied with the justifications and criteria met by:-

- (a) Dato' Sri Liew shall be seeking shareholders' approval through a two-tier voting process as described in the Guidance to Practice 4.2 of the MCCG at this forthcoming AGM of the Company to retain Dato' Sri Liew as Independent Non-Executive Director of the Company; and
- (b) Dato' Shamsul and Mr. Lim shall be seeking shareholders' approval at this forthcoming AGM of the Company to retain Dato' Shamsul and Mr. Lim as Independent Non-Executive Directors of the Company.

(4) Annual Assessment of Independence of Directors

The Board has undertaken to assess its Independent Directors annually as recommended by the MCCG. The NC has undertaken proper policies and procedures to assess the independence of the Independent Directors on the Board taking into account the individual Director's ability to exercise independent and impartial judgement at all times and their contribution to effective functioning of the Board.

The Independent Directors play a role in providing an objective and independent view on various matters dealt with at the Board and Board Committee level. They are independent from the Management of the Group and demonstrate their independency by offering external perspectives, constructively challenging ideas, reviewing and monitoring the performance of the Management, ensuring the risk of the Group's business is managed.

The level of independence of the Independent Directors is under assessment annually. The Board is satisfied that the Independent Directors have demonstrated their ability to act independently and in the best interest of the Company.

All the Independent Directors fulfilled the criteria prescribed under the Main LR of Bursa Malaysia Securities. The Board is of the opinion that the current composition of Independent Directors adequately represents the interest of the minority shareholders in the Company.

(5) Senior Independent Non-Executive Director ("SINED")

Dato' Sri Liew is the SINED of the Company. As outlined in the Board Charter, the responsibilities of SINED are as follows:-

- Serving as the key person outside the Management of the Company to whom the shareholders may convey their concerns to; and
- Communicating concerns received from the shareholders/external parties through appropriate channel.

(6) Board Committees

The Board has put in place the following Board Committees to assist in carrying out its fiduciary duties:-

- Audit Committee ("AC");
- Nomination Committee ("NC"); and
- Remuneration Committee ("RC").

All of these Board Committees have written terms of reference ("TOR") clearly outlining their objectives, duties and powers. The final decisions on all matters are determined by the Board as a whole.

(7) AC

The AC is responsible to assist the Board in discharging its duties and responsibilities relating to accounting and reporting practices of the Group. The AC reviews the Group's accounting and risk management processes, internal controls and the independency of the Group's External and Internal Auditors. The activities during the financial year under review have been laid out in the AC Report in this Annual Report.

The TOR of the AC is available on the Company's corporate website at www.senijayacorp.com/about.html.

(8) NC

The NC comprises exclusively of the following INEDs:-

Name	Designation	Directorship	Number of NC Meetings attended/held in the financial year under review
Dato' Sri Liew Lee Leong	Chairman	SINED	1/1
Lim Chee Khang	Member	INED	1/1
Dato' Shamsul Falak Bin Abdul Kadir	Member	INED	1/1

The NC met once during the financial year under review.

The NC is governed by its TOR and its principal objective is to assist the Board of Directors in their responsibilities in nominating and selecting new nominees to the Board of Directors and to assess the Directors of the Company on an on-going basis.

The TOR of the NC is available on the Company's corporate website at www.senijayacorp.com/about.html.

(a) Activities undertaken during the financial year

For the financial year ended 31 December 2019, the NC has undertaken the following activities:-

- (i) Conducted evaluation to assess the effectiveness of the Board as a whole and of the Board Committees;

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- (ii) Evaluated the contribution and performance of each individual Director;
- (iii) Reviewed the independence of the Independent Directors;
- (iv) Reviewed and made recommendation to the Board on the re-election of the Directors retiring at the forthcoming AGM of the Company; and
- (v) Reviewed the overall composition of the Board and ensured that the current composition is adequate to fulfil the needs of the Company.

(b) Gender Diversity

The Board is supportive of the boardroom gender diversity recommended by the MCGG. The Board currently consists of two (2) female Directors which fulfil the recommendation of at least 30% women participation notwithstanding the Company is not classified as “Large Company”.

(c) Ethnicity Diversity

At present, the Board comprises of one (1) Malay Director and four (4) Chinese Directors.

(d) Age Diversity

The general age profile of the Directors is between fifties to sixties years of age.

The Company does not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity in the Board, if the opportunity arises.

The Company does not fix age limit for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is fully committed in promoting age diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age.

(9) RC

The RC comprises exclusively of the following INEDs:-

Name	Designation	Directorship	Number of RC Meetings attended/held in the financial year under review
Lim Chee Khang	Chairman	INED	1/1
Dato’ Sri Liew Lee Leong	Member	SINED	1/1
Dato’ Shamsul Falak Bin Abdul Kadir	Member	INED	1/1

The RC met once during the financial year under review.

The RC is governed by its TOR and its principal objective is to assist the Board of Directors in their responsibilities in assisting the remuneration packages of the Executive Directors.

The TOR of the RC is available on the Company’s corporate website at www.senijayacorp.com/about.html.

(10) Time Commitment

The Board requires its members to devote sufficient time to the workings of the Board, to effectively discharge their duties as the Directors of the Company, and to use their best endeavours to attend meetings.

For the financial year ended 31 December 2019, the Board had convened a total of five (5) Board Meetings for the purposes of deliberating on the Company's quarterly financial results at the end of every quarter and discussing important matters which demanded immediate attention and decision-making. During the Board Meetings, the Board reviewed the operation and performance of the Company and other strategic issues that may affect the Company's business. Relevant personnel from the Management were invited to attend some of the Board Meetings to provide the Board with their views and clarifications on issues raised by the Directors.

The attendance record of each Director at the Board of Directors' Meetings during the last financial year is as follows:-

Directors	Attendance	Percentage of Attendance (%)
Dato' Sri Anne Teo	5/5	100
Datin Lee Nai Yee	5/5	100
Dato' Sri Liew Lee Leong	5/5	100
Dato' Shamsul Falak Bin Abdul Kadir	4/5	80
Lim Chee Khang	5/5	100

The Board will also meet on an ad-hoc basis to deliberate urgent issues and matters that require expeditious the Board's direction or approval. In the intervals between Board meetings, any matters requiring urgent Board's decisions and/or approval are sought via circular resolutions which supported with all the relevant information and explanations required for an informed decision to be made.

(11) Trainings

The Board acknowledges the importance of continuous education and training to equip themselves for the effective discharge of its duties. New appointees to the Board undergo a familiarisation programme, which includes visits to the Group's business operations and meetings with key management to facilitate their understanding of the Group's operations and businesses.

All members of the Board have attended the Mandatory Accreditation Programme prescribed by Bursa Malaysia Securities. The Board members had attended the following training programmes/seminars/forums during the financial year:-

Directors	Trainings Programmes/Seminars/Forums attended
Dato' Sri Anne Teo	• Talk-2-Solve >> Budget 2020
Datin Lee Nai Yee	• Talk-2-Solve >> Budget 2020
Dato' Sri Liew Lee Leong	• Talk-2-Solve >> Budget 2020
Dato' Shamsul Falak bin Abdul Kadir	• Talk-2-Solve >> Budget 2020
Lim Chee Khang	• Talk-2-Solve >> Budget 2020

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III. Remuneration

Presently the Company does not have a formalised remuneration policies and procedures for the Directors and Senior Management.

The objectives of the Group on Directors' remuneration are to attract and retain the Directors of the calibre needed to manage the Group successfully. In the case of the Executive Director, the component parts of her remuneration are structured to link rewards to corporate and individual performances. For Non-Executive Directors, their level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the particular Non-Executive Director concerned.

The detailed disclosure on named basis for the remuneration of individual Directors is set out in the Corporate Governance Report.

During the financial year under review, the RC had reviewed and assessed the performance of the Executive Chairman and submitted its recommendation to the Board for consideration. Upon review, the Board has in turn adopted the RC's recommendation. During the said Board meeting, the Executive Chairman has abstained from the deliberation and voting on the agenda item in relation to her remuneration.

The Board as a whole determines the remuneration of the Non-Executive Directors with the Directors concerned abstaining from deliberation and voting in respect of his/her own individual remuneration.

For the financial year ended 31 December 2019, a total amount of Directors' Fees of RM228,000 has been recommended to the shareholders for approval at the forthcoming 27th AGM of the Company.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AC

The composition and details of activities carried out by the AC during the financial year are set out in the AC Report of this Annual Report.

FINANCIAL REPORTING

(1) Compliance with Applicable Financial Reporting Standards

The Company's audited financial statements are prepared in accordance with the requirements of the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016.

The AC assist the Board to oversee the financial reporting process and the quality of its financial reporting by reviewing the information to be disclosed, to ensure completeness, accuracy and adequacy prior to endorsing the same by the Board for submission to Bursa Malaysia Securities.

The Board ensures that the shareholders are presented with a clear, balanced, meaningful assessment of the Company's financial performance and prospects through the issuance of

the audited financial statements and quarterly announcements of financial results on a timely basis and in compliance with the applicable financial reporting standards.

(2) Assessment of Suitability and Independence of External Auditors

For the financial year ended 31 December 2019, the AC has assessed the External Auditors vide an annual assessment of the suitability, objectivity and independence of the External Auditors in accordance with the criteria under the Policies and Procedures to assess the suitability, objectivity and independence of External Auditors which adopted on 3 April 2019.

Upon completion of its assessment, the AC was satisfied with Messrs. Mazars PLT's technical competency and audit independence during the financial year.

None of the members of the Board were former key audit partners and notwithstanding that in order to uphold the utmost independence, the Board has no intention to appoint any former key audit partner as a member of the Board.

II. Risk Management and Internal Control Framework

(1) Sound Framework to Manage Risks

The Board affirms the importance of maintaining a sound system of internal controls and risk management practices for good corporate governance. The AC has been entrusted by the Board to ensure effectiveness of the Group's internal control systems. The activities of the outsourced Internal Auditors are reported regularly to the AC which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's internal control system. It acknowledges its overall responsibility in this area and also the need to review its effectiveness regularly.

The Statement on Risk Management and Internal Control of the Group as set out in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

(2) Internal Audit Function

The outsourced Internal Auditors communicate regularly with and report directly to the AC. The outsourced Internal Auditors' representative met up twice with the AC for the financial year ended 31 December 2019.

The Internal Audit Review of the Company's operations encompasses an independent assessment of the Company's compliance with its internal controls and makes recommendations for improvement.

For the financial year ended 31 December 2019, the AC has assessed the performance of the Internal Auditors vide an annual assessment of the suitability of the Internal Auditors.

Upon completion of its assessment, the AC was satisfied with the outsourced Internal Auditors, Axcelasia Columbus Sdn. Bhd.'s technical competency and audit independence during the financial year under review.

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PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

(1) Leverage on Information Technology for Effective Dissemination of Information

The Company's corporate website provides all relevant information on the Company and is accessible by the public. It includes the announcements made by the Company and annual reports. The Board discloses to the public all material information necessary for informed investment and takes reasonable steps to ensure that all the shareholders enjoy equal access to such information.

The Company's corporate website is accessible at www.senijayacorp.com.

The Board has adopted the following measures with regard to communication with the Company's shareholders:-

(i) Announcements to Bursa Malaysia Securities

Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Malaysia Securities. The shareholders and investors can obtain the Company's latest announcements such as quarterly financial results in the dedicated website of Bursa Malaysia Securities at www.bursamalaysia.com.

(ii) Corporate Website

A corporate website (www.senijayacorp.com) is maintained and the said website contains relevant information for the shareholders, potential investors, suppliers and the general public.

(iii) Annual Reports

The Company's Annual Reports to the shareholders remain the central means of communication to the shareholders, amongst others, the Company's operations, activities and performance for the past financial years as well as the status of compliance with applicable rules and regulations.

(iv) AGMs/General Meetings

The AGMs/General Meetings which are used as the main forum of dialogue for the shareholders to raise any issues pertaining to the Company.

(v) Investor Relations

Any enquiry regarding investor relations from the shareholders may be conveyed to the following designated senior management personnel, the information of which has also been published on the Company's corporate website:-

Dato' Sri Anne Teo, Executive Chairman
Email address: anneteo@senijayacorp.com

Telephone No.: 03-2732 9405
Facsimile No: 03-2732 9406

As indicated in the Board Charter, the office of SINED has been identified as the designated contact point to whom concern may be raised, including but not limited to consultation and direct communication with the shareholders or other stakeholders on areas that cannot be resolved through the normal channels of contact with the Company, at the expense of the Company. The contact details of the SINED are as follows:

The Senior Independent Non-Executive Director
Attention: Dato' Sri Liew Lee Leong
Seni Jaya Corporation Berhad
23A-15 & 16, Level 23A, Q Sentral, 2A, Jalan Stesen Sentral 2, 50470 Kuala Lumpur,
Wilayah Persekutuan.

Email address: raymondliew@mcmillanwoods.com
Contact No.: 03-2732 9405

II. Conduct of General Meetings

(1) Shareholders' Participation at General Meetings

The Company communicates regularly with the shareholders and investors through annual reports, quarterly financial reports and various announcements made to Bursa Malaysia Securities as the Board acknowledges the importance of accurate and timely dissemination of information to its shareholders, potential investors and the public in general.

The AGM provides an opportunity for the shareholders to seek and clarify any issues pertaining to the Group and to have a better understanding of the Group's activities and performance. Both individuals and institutional shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. The Board is always available to meet members of the press after the AGM.

The notice of AGM together with the Annual Report is despatched to the shareholders at least twenty-eight (28) days prior to the meeting date. Sufficient notice period is given to the shareholders in order for them to schedule their time to attend the Company's AGM.

(2) Poll Voting

In line with Paragraph 8.29A of the Main LR of Bursa Malaysia Securities on the requirement for poll voting for any resolution set out in the notice of general meetings, during the 26th AGM held last year, poll voting was used to facilitate the voting process for resolutions tabled. An independent scrutineer was also appointed to scrutinise the polling process.

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KEY FOCUS AREAS AND FUTURE PRIORITIES

Looking ahead to financial years ending 2020 and 2021, the Board and its respective Committees will:-

- Focus on major strategic issues to ensure sustainability and growth;
- Continue to monitor succession planning for the senior leadership team, to ensure a healthy pipeline of talent is emerging for future senior executive management;
- Consider other variety of approaches and independent sources to identify suitable candidate for appointment of Directors, should the need arise; and
- Continue to review the balance, experience and skills of the Board.

CONCLUSION

The Board is satisfied that for the financial year ended 31 December 2019, it complies substantially with the principles and recommendations of the MCCG.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board of Directors dated 18 June 2020.

COMPOSITION

The present members of the Audit Committee (“AC”) of the Company are:-

Name	Position	Designation
Dato’ Sri Liew Lee Leong	Chairman	Senior Independent Non- Executive Director
Lim Chee Khang	Member	Independent Non- Executive Director
Dato’ Shamsul Falak Bin Abdul Kadir	Member	Independent Non- Executive Director

All members of the AC have a working familiarity with the Company’s business operations. Dato’ Sri Liew Lee Leong is a member of the Malaysian Institute of Accountants, fulfilling the requisite qualifications under Paragraph 15.09(1)(c) of the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”).

MEETINGS

The AC held six (6) meetings during the financial year under review. The details of attendance of the AC members are as follows:-

AC Member	Attendance
Dato’ Sri Liew Lee Leong	6/6
Lim Chee Khang	6/6
Dato’ Shamsul Falak Bin Abdul Kadir	5/6

TERMS OF REFERENCE

The Terms of Reference of the AC is published on the Company’s website at www.senijayacorp.com.

SUMMARY OF THE WORK OF AUDIT COMMITTEE

The main scope of works of AC for the financial year ended 31 December 2019 are summarised as follows:-

(a) Financial reporting

- Reviewed the unaudited quarterly financial reports and year-end financial statements before they were presented to the Board for approval.
- Reviewed the quarterly financial reports and year-end financial statements, and discussed with Management and the external auditors on the financial reporting standards applied, including the judgments exercised in the application of those standards and the critical accounting estimates and assumptions used in arriving at the reported amounts of items in the quarterly financial reports and year-end financial statements.

The above review is to ensure that the Group’s quarterly financial reporting and disclosures present a true and fair view of the Group’s financial position and performance and are in compliance with the Malaysian Financial Reporting Standards and other legal and regulatory

requirements as well as applicable disclosure provisions of the Main LR of Bursa Malaysia Securities.

(b) Corporate Reporting

- Reviewed the External Auditors' Report on the Statement on Risk Management and Internal Control for inclusion in the Annual Report.
- Reviewed the AC Report for inclusion in the Annual Report.

(c) External Audit

- Reviewed with the External Auditors, Messrs. Mazars PLT, the Audit Planning Memorandum covering their scope of works, audit methodology, audit plan as well as for the statutory audit and thereafter recommended the same to the Board for approval.
- Updated by the External Auditors on changes to the relevant guidelines on the regulatory and statutory requirements.
- Reviewed and considered the proposed change of the external auditors of the Company.
- A private session each was held with the former and newly appointed External Auditors respectively without the presence of Management to discuss on issues of concern.
- Reviewed and evaluated the performance and effectiveness of the External Auditors prior to recommendation to the Board on their re-appointment.

(d) Internal audit function

- Reviewed the Internal Audit Strategy documents which included Internal Audit Plan and Internal Audit Focus for the years 2019 and 2020 as well as the updates of Risk-Assessment prepared by the Internal Auditors, Axcelasia Columbus Sdn. Bhd.
- Reviewed the internal audit report which was tabled during the year, the audit recommendations made and Management's response to these recommendations. Where appropriate, the AC has directed Management to rectify and improve control procedures and workflow processes based on the Internal Auditors' recommendations and suggestions for improvement.
- Reviewed the adequacy of the scope, functions, resources and competency of the internal audit function and that it has the necessary authority to carry out its work.
- Reviewed with the Internal Auditors, the Internal Audit Report for Cycle 1 Year 2019 which includes the following processes:-
 - Strategic Management and Business Development
 - Sales and Marketing
 - Human Resources Management
- Reviewed and evaluated the follow-up assessment on the internal audit for Cycle 1 for Years 2011, 2015, 2017 and 2018.

(e) Matters relating to related party transaction

Reviewed the quarterly and annual financial statements on the disclosures relating to related party transactions or conflict of interest situations that arose within the Group and ensure compliance with provisions of the Main LR of Bursa Malaysia Securities.

INTERNAL AUDIT FUNCTION

The AC is supported by an independent internal audit function in order to assist the AC in the discharge of its duties and responsibilities.

The internal audit function of the Group was outsourced to an independent professional services firm, Axcelasia Columbus Sdn. Bhd. The Internal Audit activities identified through considering the Group's corporate and strategic goals, the scope and results of internal audit completed in prior years and the nature of operations and operating environment of the Group. The scope of internal audit focus would then be put through to the AC for review and approval.

The key role of the Internal Auditors is to provide independent and objective assessment on the adequacy, efficiency and effectiveness of the Group's system of internal control, risk management and governance processes in anticipating key business process exposure to risk.

The AC had evaluated and reviewed the internal audit function in terms of scope, competency, resources and independence. The AC were also satisfied that the internal audit function were carried out in accordance with a recognised framework, which include the Standards in the International Professional Practices Framework issued by Institute of Internal Auditors.

The Internal Audit function provides an independent and objective feedback to the AC and the Board on the adequacy, effectiveness and efficiency of the internal control system within the Group together with the relevant recommendations for improvement and enhancement to the internal control system and work process. The internal audit reports are prepared and submitted to the AC for review of the findings and recommended action plans for Management at the AC meeting.

The total cost incurred for the internal audit function of the Group for the financial year ended 31 December 2019 amounted to RM36,000.

STATEMENT OF DIRECTORS' RESPONSIBILITY

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act 2016, the applicable Malaysian Financial Reporting Standards and the International Financial Reporting Standards, the Directors are required to prepare financial statements that give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year, and of the results and cash flows for that year then ended.

The Directors consider that, in preparing the audited annual financial statements:

- the Group and the Company had used appropriate accounting policies which are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- complete disclosures of all information required under the Companies Act 2016 and the Main Market Listing Requirements have been made and followed.

The Directors are responsible for ensuring that the Group and the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have general responsibilities for taking such steps that are reasonable available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”) and Principle B of the Malaysian Code on Corporate Governance with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, the Board of Directors (“Board”) is pleased to provide a Statement on Risk Management and Internal Control which outlines the nature and scope of risk management and internal control of Seni Jaya Corporation Berhad and its subsidiaries (“Seni Jaya Group” or “Group”) during the financial year.

The Group’s system of risk management and internal control applies principally throughout the Group.

Board’s Responsibilities

The Board acknowledges its overall responsibility for the Group’s system of internal control and risk management and for reviewing the adequacy and integrity of the system. The system of internal control covers not only financial, strategy, governance, risk management, organisational, but, operational, and regulatory and compliance control matters, misstatement, loss or fraud.

Risk Management Framework

The Board has structured an ongoing process to identify, measure, evaluate and manage the significant risks faced by the Group in its achievement of objectives and strategies and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. The Group reviews and improves the internal control system to correspond with the change of internal and external factors constantly. Nevertheless, it must be acknowledged that due to the limitations inherent in any system of internal control, the system is designed to manage rather than eliminate the risk of failure to achieve the Group’s objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

Senior Management assists the Board in the implementation of the approved policies and procedures on risks and controls by identifying and analysing risk information, designing, operating suitable internal controls to mitigate and control risks and monitoring effectiveness of risk management and control activities. Key risk exposures are highlighted to the Audit Committee and mitigating actions proposed by management are deliberated.

At the date of this Annual Report, the key features of the system of risk management and internal control are described under the following headings:-

- **Authority and Responsibility**

The Board and Senior Management have established an organisation structure with clearly defined lines of accountability and delegated authority. Certain responsibilities are delegated to the Board Committees through clearly defined Terms of Reference which are reviewed periodically and/or when the need arises.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- **Risk Management and Internal Control Framework**

The Risk Management and Internal Control framework encompasses the following key elements:-

- Risks identified were individually evaluated and ranked as either extreme, high, medium or low based on their respective magnitude of impact and likelihood of occurrence within the Group; and
- Individual risk profiles created from the above assessment were subsequently cascaded to Senior Management of the Group for implementation of action plans required to mitigate or maintain the risk impact of the Group at an acceptable level.

- **Internal Control System**

Having a good internal control system will support and lead the Group to achieve its corporate objectives, in particular, the matters relating to 1) the effectiveness and efficiency of business operation, 2) the reliability of financial reporting, 3) the compliance with the laws and regulations and 4) safeguarding of assets.

The Group always emphasises on the importance of having a good internal control system. The Board of Directors assigns the Audit Committee to review and evaluate the adequacy of the internal control system and report to the Board of Directors and, therefore, the good internal control system has been efficiently and effectively established.

The Group has a set of documented policies and guidelines which form an integral part of the risk management and internal control system and guides its employees on day-to-day operational matters. This set of policies and guidelines have been regularly reviewed and updated to support the Group's business activities at all times and further strengthen the control framework within the Group.

The monitoring of control procedures is achieved through management review by the responsible Executive Director reporting to the Board. These are supplemented by comprehensive reviews undertaken by the internal audit function on the controls in operation in each individual business. Internal audit reports are produced for Senior Management to assess the impact of control issues and recommend appropriate actions.

- **Organisational Structure and Responsibility Levels**

The Company maintains a formal and structured lines of reporting which includes well-defined delegation of responsibilities and accountability within the Company's Senior Management. It sets out the roles and responsibilities, appropriate authority limits, review and approval procedures in order to enhance the internal control system of the Company's various operations.

- **Key Risk Areas**

The following sections outline the risk environment that may impact the financial status and operational effectiveness of the Group's businesses and the approaches to manage these risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- Competition, economic cycle and government regulations

Adverse macroeconomic conditions, globally and locally, have a significant impact on the Group's business. The Group faces intense competition within the media industry in terms of securing new sites and new sales contracts. If the Group is unable to compete successfully against its existing competitors or new entrants to the outdoor media industry, its business, financial condition and results of operations will be adversely affected. The Group can also be impacted by changes in local authorities' regulations that related to the media industry. The Group manages its risk exposure by proactively streamlining its business processes and adopting prudent fiscal controls.

- Performance of contractors and suppliers

The Group faces the risk of business operations failing due to human error. The selection of suppliers and contractors and monitoring of their performance during the construction stage is a critical process, which determines the quality and timely delivery of service to customer. Poor performance of contractors may lead to quality issues on service delivered, non-compliance with the regulations by local councils and concession owner. Extensive due diligence and close monitoring is performed on the outsourced contractors and suppliers.

- Escalation of Costs

Due to unforeseen circumstances such as introduction of new taxes, increase in license fee by the local authorities, profit sharing by concession owners, raw material prices and many others may lead to escalation of the overall cost and affects the profitability of the Group. The Group has closely monitored on costings and passed through of certain portion of increased cost to customers.

Reporting and Review

The Group has a financial reporting process which emphasises on providing timely and relevant information for the Board's review. This includes quarterly reports covering areas such as quarterly financial performance and other key corporate matters of the Group which would be tabled and deliberated by the Board in line with good governance practices.

The Audit Committee is responsible for reviewing, on behalf of the Board, the system of risk management and internal control necessary to manage the key risks inherent in the business and to present its findings to the Board. The Audit Committee reviews and deliberates internal control and governance issues identified by the Internal Auditors, External Auditors, regulatory authorities and Senior Management, and evaluate the adequacy and effectiveness of the risk management and internal control system. The Audit Committee has full and unrestricted access to the Internal Auditors and Audit Committee receives reports on all internal audits performed by them. The Audit Committee also reviews and deliberates on any matters relating to internal control issues highlighted by the External Auditors in the course of their statutory audit of the financial statements of the Group. Significant findings and recommendations for improvement are highlighted to the Audit Committee and the Senior Management, with periodic follow-up of the implementation of action plans. The Senior Management is responsible for ensuring that corrective actions are implemented accordingly.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board and Senior Management will continuously assess the suitability, adequacy and effectiveness of the Group's system of risk management and internal control and will take corrective measures to enhance the system, as and when necessary. The monitoring, review and reporting arrangements in place provide reasonable assurance that the system of internal control are appropriate to the Group's operations and that risks are at an acceptable level throughout the Group's businesses. Such arrangements, however, do not eliminate the possibility of human error, deliberate circumvention of control procedures by employees and others, or the occurrence of unforeseeable circumstances.

Further details of the activities undertaken by the Audit Committee of the Group are set out in the Audit Committee Report.

Internal Audit

Seni Jaya Group has outsourced its internal audit function to an independent consulting firm, Axcelasia Columbus Sdn. Bhd. as part of its efforts in ensuring that the Group's system of risk management and internal control is adequate and effective. The internal audit function assists the Board and the Audit Committee in providing independent evaluation and improving the effectiveness of the Group's internal control system. The Internal Auditors report directly to the Audit Committee and internal audit plan was tabled to the Audit Committee for review and approval.

The internal audit function adopts a risk-based approach and prepares its audit plan based on latest risk profile. It aims to evaluate and provide recommendations to improve the effectiveness of system of internal controls that implemented by management in safeguarding the Group's assets. Scheduled internal audit was carried out by the internal auditors based on the audit plan presented to and approved by the Audit Committee. The internal audit function provides report on weaknesses and improvement opportunities on the system of internal controls, together with recommendations to mitigate the risks associated with the control deficiencies reported. Senior Management continues to implement appropriate actions to enhance and strengthen the overall internal control environment and system.

During the financial year under review, the Internal Auditors highlighted some areas for improvement in the internal control system and Management has taken appropriate measures to address them accordingly. The internal control enhancements highlighted were mainly operational in nature and have not resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report. The internal audit fees for the outsourced internal audit function in respect of the financial year ended 31 December 2019 is RM36,000.

External Audit

The Board had maintained a formal and transparent relationship with the Group's newly appointed External Auditors, Mazars PLT. Any areas for improvement identified during the course of the statutory audit are brought to the attention of the Audit Committee through management letters or are articulated at the Audit Committee meetings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Discussions are also held between the Internal and External Auditors to ensure that the appropriate action is taken for points raised by the abovementioned parties to implement/improve the relevant controls.

Insurance

Sufficient insurance coverage and physical safeguards on major assets are in place to ensure the Group's assets are adequately covered against any mishap that could result in material loss. A yearly policy renewal exercise is undertaken by Senior Management to review the coverage based on the current fixed asset register. There is also a yearly exercise to ensure adequacy and renewal of the Group's professional indemnity insurance coverage.

Review of this Statement

As required by Paragraph 15.23 of the Main LR of Bursa Malaysia Securities and pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants, the External Auditors have reviewed this Statement for inclusion in the annual report of the Group for the financial year ended 31 December 2019.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risk and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

Conclusion

The Board is of the view that the system of risk management and internal control is in place for the year financial under review, and up to the date of approval of this Statement, is sound and adequate to safeguard the shareholders' investment, the interests of customers, regulators, employees and other stakeholders, and the Group's assets.

Also, the Board acknowledges that they are ultimately responsible for ensuring the proper implementation of appropriate control system even though this responsibility has been delegated to the Senior Management.

The Board is pleased to report that the Executive Chairman and the Finance Manager of the Company have given their assurance that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

There was no significant weakness in the system of risk management and internal control, contingencies or uncertainties that could result in material loss and adversely effect on the financial results of the Group for the financial year under review and up to the date of issuance of the financial statements. The Group continues to take necessary measures to strengthen its internal control

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

structure and management of risks, taking into consideration the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of risk management and internal control.

This Statement is made in respect of the financial year ended 31 December 2019 and in accordance with a resolution of the Board of Directors dated 18 June 2020.

ABOUT THIS REPORT

CLOSER TO YOU

Our theme “Closer To You” highlights our efforts to continuously progress towards a sustainable future by satisfying all our stakeholder’s interests. Strategic location and enhanced product features enable to meet the customers’ needs while strive to maximise returns and create value to shareholders and employees yet having full compliance enable to sustain the business in the long run. With the on-going material and technology advancements in the industry, we provide creative design as a key component to our services and sustainability progress.

Our Sustainability Report (“SR”) focuses on Seni Jaya Corporation Berhad’s (“Seni Jaya”) sustainability practices, where the economic, environmental and social (“EES”) impacts of our business activities and initiatives are highlighted. This is our third attempt to comply with Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”) in sustainability reporting. We are reporting in accordance with the new Global Reporting Initiative (“GRI”) Standards, prioritising on reviewing our material issues and mapping out our route forward to embed sustainability throughout our business operations.

In addition, throughout this report, we demonstrate our full commitment in integrating sustainability practices and preparing this report pursuant to Main LR of Bursa Malaysia Securities, Sustainability Reporting Guide issued by Bursa Malaysia Securities and guided with guidelines issued by the GRI.

REPORTING STANDARDS

Our reporting approach is based on the framework and guidance provided by the GRI. This report has been prepared in accordance with the “core” options of the GRI Standards. This includes adhering to the GRI Principles for defining report content:

- Stakeholder Inclusiveness – Being responsive to stakeholders’ expectations and interest.
- Sustainability Context – presenting performance in the wider sustainability context.
- Materiality – focusing on issues where we can have the greatest impact and that are most important to our business stakeholders.
- Completeness – including all information that is of significant economic, environmental and social impact to enable stakeholders to assess the Company’s performance.

REPORTING SCOPE AND BOUNDARIES

Seni Jaya’s SR 2019 has been prepared in accordance with the GRI Standards. It covers the reporting period from 1 January 2019 to 31 December 2019. Our focus for this year is related to reviewing our material sustainability topics that covers economic, environmental and social issues. The content of this report is based on the material topics that we have identified. Our scope and boundaries for this SR cover all our entities and operations in Malaysia.

ABOUT SENI JAYA

Vision

- To become one of the most innovative outdoor media company in Malaysia, and to provide the most effective and efficient services to our stakeholders.

Mission

- To provide innovative and effective advertising products and services which help our clients to realise their marketing goals and grow their business.
- To develop talents that create values to our business as well as the stakeholders.

Our Core Values

Seni Jaya's Code of Conduct for Directors and Employees govern the standards of conduct and behavior expected. Seni Jaya's Board commits itself and its Directors to ethical, business like and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

WHO WE ARE

Seni Jaya is an investment holding company engaged in the provision of management services to its subsidiaries. The Company's subsidiaries include Seni Jaya Sdn. Bhd., which is engaged in provision of media services for outdoor advertising; Seni Jaya Production Sdn. Bhd., which is engaged in provision of advertising and supply of advertising materials, and Mediamart Sdn. Bhd., which is engaged in supplying of advertising materials and provision of media services for outdoor advertising. Our Group has established itself as one of the market leaders in the provision of outdoor media services in Malaysia through its management's expertise, experience together with the Company's wide range of innovative advertising products.

WHAT WE DO

The Group provides the following services throughout west Malaysia:

- Rental of advertising display structures at prime outdoor locations across the nation.
- Installation of display materials.
- Servicing and maintenance of signages and display materials.
- Designing outdoor and indoor display structures.
- Supply of advertising materials.

LOCATION OF HEAD OFFICE

23A-15 & 16, Level 23A, Q Sentral,
2A, Jalan Stesen Sentral 2, 50470 Kuala Lumpur, Wilayah Persekutuan Malaysia.

REVIEW OF OPERATIONS

The Group's review of operations is elaborated in "Management Discussion and Analysis" section of this Annual report.

BUSINESS AND OPERATIONS OVERVIEW

The media industry continued to experience a challenging year in Financial Year 2019 with lower advertising and media expenditure as most of corporations remained cautious in their spending. Further, the unfavourable market sentiments, weak Malaysian Ringgit and geopolitical instability continued to affect the consumers' confidence.

For the financial year ended 31 December 2019, the Group recorded revenue of RM14.56 million, showing a decrease of RM3.01 million from the revenue in the financial year 2018. The Group recorded a loss before taxation of RM0.098 million as compared to last financial year with a loss before taxation of RM0.28 million. The results were negatively impacted by the drop of revenue and the newly adoption of Malaysian Financial Reporting Standards 16 which came into force on 1st of January 2019 where higher depreciation and finance costs were recognised. However, the overall performance had improved as compared to preceding year as a result of fair value gain on investment on financial assets carried at fair value through profit or loss ("FVTPL"), reduction of operating expenses and over-provision of license fees.

OUR APPROACH TO DRIVING SUSTAINABILITY

Our approach to sustainability is based on our core values of excellence, unity, integrity, humility and building relationship, supported by policies and procedures at the Group level. We consistently embed sustainability into the core of our business. The following value-added sustainability framework forms the basis of Seni Jaya's steps to strengthen our approach to sustainability.

SUSTAINABILITY STRATEGY

1. As a Public Listed Company

- As a public listed company, we are pre-emptive of the sustainability matters mainly on the economic value creation for the shareholder and stakeholder;
- We intend to elevate sustainability in company governance, through engaging in direct board oversight and accountability over environmental and social issues, more diversity and special expertise on boards, and linking executive and other employee compensation to sustainability goals;
- We plan to conduct regular dialogues with key company stakeholders on sustainability challenges, including employees, investors, suppliers and consumers;
- We are in progress to open reporting on sustainability strategies, goals and accomplishments; and
- We are in progress to develop systematic performance improvements to achieve environmental neutrality and other sustainability goals across the entire value chain, including operations, supply chains and products.

2. As a service provider

- We provide quality service to all of the clients as they are part of our valued stakeholders.

GOVERNANCE OF THE SUSTAINABILITY

Being a public listed company, Seni Jaya complies with the high standards of corporate governance practices and being closely monitored under the leadership of our Board of Directors, as guided by the Malaysian Code on Corporate Governance.

In line with sustainability, the Board has the ultimate responsibility to ensure that the sustainability efforts are embedded in the strategic direction of the Company. However due to the lean structure of the Group, the Group has appointed a Sustainability Coordinator to monitor all the sustainability related processes and matters. The roles and responsibilities of the coordinator will be enhanced in the future. Currently, the plans for the sustainability direction are being spearheaded by the key management team. However, the Group intends to formalise this process in 2020. Our sustainability strategy will be led by the Board of Directors and will be implemented and monitored within the following governance structure. The below structure will be enhanced accordingly to demonstrate the Group's commitment towards sustainability matters.

SUSTAINABILITY STRUCTURE	
Board of Directors	The Board oversees the overall sustainability initiatives and endorse policies to drive sustainability practices in the Group.
Key Management	The Group is in the process of formalising a Sustainability structure which interfaces to formulate sustainability policies and drive the sustainability efforts and initiatives while ensuring consistency with the Group's sustainability strategy and business strategy.
Sustainability Coordinator	<ul style="list-style-type: none"> • Set sustainability priorities and goals. • Develop and implement a sustainability programmes. • Advise on sustainability opportunities and innovations. • Track, monitor and analyse sustainability metrics and measures. • Address and manage challenges and constraints to the sustainability. • To coordinate and report to the Head of Business Development and other Key Management.

STRATEGIES AND DIRECTIONS

Despite the challenging business environment, Seni Jaya continues to practice prudence and stay focused on achieving growth, while being watchful of emerging risks. The Group is fully committed to uphold responsible business operations which are reflected through its prudent infrastructure transformation as well as sustainability in its supply chain.

Moving forward, Seni Jaya is aspired to implement the following strategies from 2020 onwards as part of the innovation initiative exercise:

- Go Digital – Outdoor digital media has been gaining momentum in the last 3 years and it's the way forward to achieve growth.
- Organic Growth - To acquire new strategic locations to further strengthen billboard inventory and also to scout for strategic partnership in securing new projects and concessions.
- Cost Management – To eliminate low yield products.

OUR MATERIALITY ASSESSMENT PROCESS



1. OBJECTIVES & SCOPE

Seni Jaya undertook a materiality study within the top and middle management to determine the objectives and scope of the sustainability reporting. Our scope and boundaries cover all our entities and operations in Malaysia.

2. IDENTIFICATION OF RELEVANT SUSTAINABILITY MATTERS

The process initiated with sustainability issues is relevant to Seni Jaya Corporation Berhad and its stakeholders. In generating the list, the Group assesses the operating environment and emerging trends affecting our sector and conducted a study across a broad range of references to identify the relevant sustainability issues. The references include Bursa Malaysia Securities' Sustainability Reporting Guide and Toolkits, as well as international standards such as the GRI Standards.

Moving forward we plan to undertake a greater approach on reviewing of the material factors and sustainability matters in order to ensure our understanding of both the current and future risks and opportunities facing our markets is adequately addressed, as well as to gather stakeholder perspectives and ensure we are responding to their needs. As we update our material factors, we will continue to evolve our management approach to ensure that we are addressing them in a holistic and integrated manner. This may involve developing new policies and procedures, implementing various initiatives, measures and action plans, setting indicators as well as to establish a proper mechanism to capture, analyse and report sustainability data and information.

Our Material Factors

As we monitor, manage and report on a wide variety of issues, key to our approach is concentrating our resources on material sustainability risks and opportunities that are associated with each material factor. Understanding our key priorities allows us to utilise our time, resources and investments efficiently.

The materiality process involved several steps, including:

- Identification of potential material factors by reviewing the GRI aspects, benchmarking against key corporate peers and analysing past reports, which reflects the feedback from customers, community representatives and employees generally.
- Inventory of aspects and topics that are most important to external stakeholders, customers and their supply chain vendors, based upon requests, surveys and ongoing engagement during the reporting period.

Key Materiality

Material Factors	Description	What Are The Risk	What Are The Opportunities
Competition	Seni Jaya is exposed to competition beyond the industry. New digital media has emerged as the biggest winner in recent years.	Lesser chance to secure contracts will impact the Company's business and performance.	<ul style="list-style-type: none"> • Innovative products could be offered to the clients as to improve on our core value. • Strategic partnerships and collaborations.
Stability of Macro	A well-facilitated business, supported together with an effective and balanced regulatory framework that provides adequate levels of client's protection while facilitating business efficiency and innovation, is imperative for the continued growth and development of our business.	Any event – such as breaches in regulation, lack of effective corporate governance practices – that undermines integrity or stability will influence stakeholder confidence, and possibly participation, in the market.	<ul style="list-style-type: none"> • Having a robust approach to ensure the integrity and stability of the market serves to engender trust and confidence, which in turn encourages participation and growth. • Fostering a strong corporate governance and sustainability culture will also drive long-term value, both in the market and within Bursa Malaysia Securities.

Combining the views from stakeholders and Seni Jaya’s Management from the preliminary materiality process, the materiality table below has been derived to show different levels of importance of the sustainability matters. The below material factors will be further enhanced in the coming years.

Material Factors Significance

Material Factors	Significance	Materiality Process
Political Stability	Very Important	<p>Why material?</p> <p>Political factors such as General Election, change of government policies and regulations are ranked as the most impactful factors to the media industry. A country's economy influenced closely by how the government reacts and what is the government's direction which this will affect the market behavior. Respective industry players may willing to increase their expenditure in media and advertising if the economy is favorable and vice versa.</p> <p>On the other hand, operating in outdoor media industry, relies heavily on the approvals from the local government. Changes in the license fee, application procedure, government policies, state development plan and etc will impact the outdoor media business in terms of revenue and cost.</p> <p>Managing materiality</p> <p>Effective management of political risk can enable companies to enter and navigate new markets and business environments, providing a potential for competitive advantage. The management is aware of the above factors and evaluate alternative options innovatively on an ongoing basis. The Group has been dealing closely with the local authorities to ensure all the new rules and regulations, new procedures and industry practice are well complied and managed up-to-date. Another way to mitigate is to secure projects or concession from private property owners.</p>

Material Factors	Significance	Materiality Process
Market performance (economic impact)	Very Important	<p>Why material?</p> <p>Market performance in terms of consumer spending power, spending trend and confidence towards the market are also key factor to Seni Jaya Group business. For instance, demand for short period advertising become popular for advertisers based on their promotion event and/or festive season. This had brought more business for digital media because digital media is more dynamic, it allows accessible remotely and designed to be easy to manage on the backend. Outdoor media will have an impact when there is swift of demand towards outdoor digital media.</p> <p>Managing materiality</p> <p>The priority for Seni Jaya Group is to improve yield from its prime assets, instead of rushing for digital media which requires a different skill set and resources. Outdoor Digital media is also facing an oversupply in Klang Valley. The management strongly believes that there's still robust demand for innovative static media at prime locations.</p>
Changes in Media Consumption Pattern	Very Important	<p>Why material?</p> <p>Changes in media consumption pattern impacts the Outdoor Media business model directly. The Internet of Things have been growing over the years as an evolving platform for media consumption where the increased in number of gadgets that connected to internet, leading the digital marketers engaging the customers through new marketing strategies. For instance, streaming platforms and social media. This has caused a shift in outdoor media demand to online digital media.</p> <p>Managing materiality</p> <p>Outdoor media is more resilient and still stay relevant compared to other traditional mainstream media, because the number of road traffic remain congested in key market areas. The key advantage of outdoor media is it cannot be switched off and remain visible 24/7.</p>

Material Factors	Significance	Materiality Process
Compliance	Very Important	<p>Why material?</p> <p>In this industry we need to meet respective local government requirements in order to obtain the licenses to operate and most of the licenses are on a yearly renewable basis. As such, the Company has to be aware and comply with the rules and regulations.</p> <p>Moreover, as a listed company, compliance to Main LR of Bursa Malaysia Securities, accounting standards, Companies Act 2016 and etc are crucial for Seni Jaya as well as to avoid being penalised by authorities.</p> <p>Managing materiality</p> <p>The respective personnel are responsible to ensure the compliance are met in accordance to the rules and regulations for business sustainability. The Board of Directors are also overseeing the Group's operations to ensure all the compliance issues are met.</p>
Growth and profitability	Very Important	<p>Why material?</p> <p>Growth in business is essential to make the Company bigger and to increase its market capitalisation. Achieving a sufficiently high level of profit is crucial in sustaining long run business growth.</p> <p>Managing materiality</p> <p>The Group is taking effort in repositioning the products and services through upgrading the features, introducing new design for the billboards and focus on good inventory to improve the profit margin for the business.</p> <p>Business Development, Sales and Marketing team will actively look for new projects in new area which have high potential through innovative products and concept. To create new business opportunity, the team actively participates in tender or strategic site acquisition to further enhance inventory value.</p>

Material Factors	Significance	Materiality Process
Corporate Governance	Important	<p>Why material?</p> <p>Consistently good governance as an input at all levels, creates a culture of excellence. Good governance reduces the threat of safety, legal, performance and warranty concerns that can severely impact an organisation and its stakeholders and/or interested parties.</p> <p>Managing materiality</p> <p>The Board and senior management established structures and process to fulfill respective responsibilities that consider the perspectives of investors, regulators and management, among others. The senior management also actively in monitoring the strategic plans as well as the transparency and adequacy of the communication of strategic plans.</p>
Innovation	Important	<p>Why material?</p> <p>In the business world, for an innovative idea to be useful, it has to be replicable without being too expensive and it has to resolve a particular need. Innovation is achieved by providing something original and is often seen to produce efficiency, leading to an idea that brings good result to the business and operations. Being innovative is crucial for Seni Jaya in getting more sales with better yield return at this competitive and matured market.</p> <p>Managing materiality</p> <p>Long-term participation and commitment lead by the senior management is one of the key initiatives to ensure the business is innovatively grown and sustained. This could motivate and encourage all levels of employees to bring up new ideas to improvise the processes and create new values to company.</p>

3. OUR STAKEHOLDERS ENGAGEMENT

Our interactions involve different groups of stakeholders and this engagement is essential to ensure that we are able to identify, prioritise and address the material issues and to be adopted in our business strategies. The business and functional units are empowered to interact with their respective stakeholders on their chosen platforms. All issues raised by the stakeholders are brought to the attention of the Management Committee or Management Meetings by the respective business and functional units. Ongoing engagements where applicable are carried out on a regular basis as they are integral to our business development, relationships with stakeholders and commitment to sustainability.

Our key stakeholders are listed in the table below, along with the key topics of interest from the stakeholders and the engagement initiatives.

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives
Customers	<ol style="list-style-type: none"> 1. Customer service 2. Loyalty programme (i.e. volume rebates) 3. Creating strategic innovation 4. Attracting new customers 5. Proper project management 6. Project completed in compliance with standards, high quality and on time delivery 7. Cost optimisation 	<ol style="list-style-type: none"> 1. Progress meeting, updates and progress reports 2. Customer relationship management 3. Consultation meetings 4. One-to-one engagement 5. Policies 6. Assortment and pricing strategy 7. Benefit, services and added value 8. Branding 9. Customer loyalty
Employees	<ol style="list-style-type: none"> 1. Employees induction programs and appraisal 2. Set targets/ Key Performance Indicators ("KPI") review 3. Consultation & monitoring 4. Meetings, feedback session and coaching 5. Other employee engagement activities (i.e. staff lunches, dinner) 6. Creating strategic innovation 7. Career development and progression 8. Knowledge and skills enhancement 9. Fair remuneration 10. Work-life balance 11. Operational meetings 12. Assemblies and briefings 13. Productivity 	<ol style="list-style-type: none"> 1. Career progression, employee development needs 2. Dialogue and engagement 3. Performance evaluation and management 4. Staff remuneration and benefits 5. Job satisfaction 6. Work-life balance 7. Business objective alignment 8. Operational performance and issues 9. Talent management 10. Welfare and benefits 11. Healthy and safe working environment
Suppliers/ Subcontractors & Business Partners	<ol style="list-style-type: none"> 1. Request for Proposal 2. Supplier Evaluations and selection 3. Transparent tender process facilitated by our Procurement team 4. Timely payment 5. Professional and transparent procurement process 6. Specific knowledge and skills 7. Meetings, capacity building sessions and business alliance meetings 8. Site visits 9. Contracts 	<ol style="list-style-type: none"> 1. Sound payment practices and vendor performance & product quality 2. Supplier assessment review 3. Subcontractors assessment 4. Regular engagement with suppliers and subcontractors to understand their needs 5. One-to-one engagement 6. Procurement process, terms and practices 7. Strategic partnerships 8. Compliance of business conduct

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives
Regulators & government authorities	<ol style="list-style-type: none"> 1. Compliance with local authorities, governmental bodies/agencies 2. Meetings and briefings 3. Site visits 4. Creating strategic innovation 5. Authorisation and license to operate 6. Participation in Government and Regulator events 7. Face-to-face meetings 	<ol style="list-style-type: none"> 1. Comply with all the requirements 2. Special industrial fees 3. Regular engagements and 4. Interpretation of laws/legislations/guidelines 5. Continuous engagement through formal and informal events 6. Direct consultation 7. Best practices 8. Branding and reputation
Shareholders & the investment community	<ol style="list-style-type: none"> 1. Financial Results announcements 2. Corporate website 3. Annual General Meeting 4. Investor and Analyst Day 5. Quarterly Reporting 6. Financial results and annual report 7. Effective communication of business strategies 8. Timely and transparent reporting 9. Strong corporate governance 10. Market and business performance outlook and strategies 	<ol style="list-style-type: none"> 1. Proactively engage with the investment community through multiple channels such as: <ul style="list-style-type: none"> · Statutory Announcements · Annual General Meetings · Website · Conferences 2. Sustainable and responsible Investing 3. Financial literacy and investor education 4. Short and long term business goals and performance 5. Revenue performance 6. Earnings 7. Expansion plans 8. Prospect and strategies 9. Business risk 10. Compliance, integrity and ethical business conduct 11. Business continuity

4. PRIORITISATION OF MATERIAL SUSTAINABILITY MATTERS

Seni Jaya has undertaken a stakeholder prioritisation and engagement process to engage with its stakeholders. These include ongoing efforts to engage with stakeholders in the usual course of business through the day-to-day operations, as well as specific engagements carried out to seek stakeholders' feedback. The outcome of these engagements was considered in the course of the Group's materiality assessment.

As part of the process in conducting the materiality assessment of sustainability matters, the Group has conducted the specific engagement process as follows:

- To determine the key stakeholders with whom the Group should engage, the Group carried out assessments to identify key stakeholders based on each stakeholder's influence and dependence on the Group.
- To gain an insight into these key stakeholders' concerns, interests and expectations, the Group conducted discussions including on-going sessions throughout the year to gauge stakeholders' concerns pertaining to the list of sustainability matters identified.
- Where applicable, Seni Jaya also took into account the feedbacks from other stakeholder groups, gathered through various channels and through the ongoing engagements during the course of conducting its business operation.
- All the above stated process will be enhanced in the next review period.

5. PROCESS REVIEW

The materiality process is undertaken as a key component of the Seni Jaya's journey towards identifying the material sustainability matters. The senior management has reviewed and approved the processes and outcome of the materiality process including the Group's materiality which guides the Group in addressing and managing its material sustainability matters in its business operations.

KEYS OF SUSTAINABILITY

This section aims to provide insights on the Group's sustainability commitments and practices across the three key areas of economic, environmental and social undertaken by our key business divisions.

ECONOMIC

The Group's financial review and outlook are elaborated in the Management Discussion and Analysis section of this Annual Report.

Our commitment to business is to focus on strong corporate governance and prudent management in view of challenging internal and external environment. We strive to achieve by enforcing on the following aspects:-

- **WHISTLE-BLOWER POLICY AND PROCEDURES**

The Group's Whistle Blowing guidance has been encapsulated in the Code. It is a specific means by which an employee/officer or stakeholder can report or disclose through established channels, concerns about any violations of the Code, unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place / has taken place / may take place in the future.

- **CODE OF CONDUCT AND ETHICS**

A Code of Conduct ("the Code") has been adopted by the Board in order to achieve a high standard of ethics while dealing with the Group's stakeholders namely its customers, partners, communities and

shareholders. It is the framework of the Group's underlying core ethical values and standards. The Directors and employees are expected to uphold the ethical standards and values integrated in their duties and operations of the Group.

- **CORPORATE GOVERNANCE AND COMPLIANCE**

Good governance is essential to ensure that the operations of the Group are managed in a manner where all stakeholders are treated fairly. The Board of Directors recognises that sound corporate governance is essential for the long-term growth of the Group. Consequently, the Board of Directors, together with the Senior Management team, are responsible for corporate governance.

Seni Jaya, guided by the Malaysian Code on Corporate Governance, has been proactive in promoting good corporate governance and ensures that the principles and best practices of good governance are applied throughout the Group. Details of our corporate governance practices are elaborated in the Corporate Governance Overview Statement of this Annual Report.

- **OUR SUPPLY CHAIN**

Supply Chain management is an integral part of all businesses and key to optimum performance. Accordingly, Seni Jaya places great emphasis on our suppliers' EES credentials in the lifecycle of supply chain when making responsible sourcing decisions.

Seni Jaya is cognisant that there is still much to improve on managing sustainability in supply chain, and will continue to collaborate with its suppliers and vendors to work towards enhanced sustainability practices with respect to EES matters.

- **COMMITMENT TO QUALITY**

Seni Jaya has the procedures and best practices in place to deliver products and services of outstanding quality. Furthermore, regular reviews, process improvements and quality control assessments are ensuring that our processes remain in compliance and are continually enhanced.

- **CUSTOMER SATISFACTION**

Customer satisfaction and engagement was identified as one of the most important material issues in the marketplace dimension across all our divisions. Knowing exactly what customers expect from us improves our bottom line and strengthens our brands and reputation in the long term. We believe in maintaining good after-sales service with our customers to generate loyal customers and ensure they are satisfied with our product and services. We stay in touch with the customers after the sale, attend to their requirements and give them necessary support to resolve their concerns and priorities customers' expectations and needs.

- **BUSINESS CONDUCT**

We strive to be environmentally responsible and encourage all our stakeholders to do the same. Consequently, they need to use sustainable materials whenever they are cost-effective.

- **SAFETY AND HEALTH**

It is one of our key priorities to maintain a safe and healthy work environment for our workforce. We understand and strive to comply with all laws and regulations related to safety and sanitation such as Occupational Safety and Health Act 1994.

ENVIRONMENTAL

We are mindful of the environmental impact of our activities and maintain full compliance with all the environmental regulations. We take responsibility to manage our environmental impacts seriously. Seni Jaya will continue to develop effective environment initiatives to protect the environment.

The industry we are in have extensive direct and indirect impacts on the environment and aligning ourselves with the goals of sustainable development.

The Group will help to protect the environment by better understanding, managing and measuring our environmental impacts while continuing the sustainable growth of our operations. Further, we will review our environmental practices to ensure their continued relevance. Although the outdoor media industry does not have a significant direct impact on the environment, we believe in playing our part in minimising as far as possible our environmental footprint by adoption of a responsible approach in terms of resource use.

- **ENERGY MANAGEMENT & CONSUMPTION**

We understand that the energy management is essential for combating climate change and for lowering an organisation's overall environmental footprint. Our electricity supply is from Tenaga Nasional Berhad ("TNB"), and we aim to minimise the energy usage in our head office by implementing the following efforts:-

- A lighting schedule across key areas in our head office to switch off lights during certain hours of least use;
- Maintenance and replacement of electrical equipment and light fittings to maximise energy efficiency;
- Campaign to remind all staff to switch off the lighting, water dispenser, air conditioning; and
- Other electrical appliances in office and pantry when they are not required.

The electricity usage below is presented for the Project Site and Head Office respectively.

Environment	2017 RM	2018 RM	2019 RM
Total Electricity Consumption - Project Site	416,898	216,026	206,269
Total Electricity Consumption - Head Office	30,460	34,851	24,957

- **GREEN INITIATIVES**

The principal activity of Seni Jaya Group consists of the provision of media and production services for outdoor advertising. The billboard frames are mainly made of steel structure equipped with lighting and display effects. As part of the **GREEN Initiatives** taken by Seni Jaya, light-emitting diode (“LED”) bulb is being introduced since end of 2017 to the business. In 2018, the Group has replaced the incandescent / fluorescent bulbs and upgraded to LED bulb for some of the existing sites. As at to-date, more than 30% of the sites have upgraded and changed to LED bulbs.

There are many benefits that LED light could bring to the business:-

1. Reduced power consumption - energy efficient ranging from 44% to 70% as compared to fluorescent bulbs and more than 87% energy savings as compared to incandescent bulbs. Lower energy consumed and lower carbon dioxide emission.
2. Safer than fluorescents - LEDs are impact and shock resistant, contain no glass, no UV-A or UV-B radiation and are cool to the touch. LEDs are also 100% recyclable since they contain NO toxic mercury.
3. Longer lifespan - last longer with an average of 50,000 hours lifetime or more as compared to conventional bulbs of 10,000 to 30,000 hours lifetime.

- **WASTE MANAGEMENT**

Seni Jaya acknowledges that the environmental impact of paper usage is significant. The Group’s approach to waste management is to avoid unnecessary paper consumption and waste generation, where possible and appropriate, in order to reduce the wastage. Seni Jaya always looking at ways to reduce paper usage, so that less waste is generated. Generally, the group practises the following on the paper management:-

- Reducing paper - by encouraging avoiding printing and photocopying and emphasising on paperless and electronic mode. In addition to this, practise double sided printing or reduce the size to have the best economical usage of papers and discouraging colour printing.
- Reusing - by printing on the other side of the printed papers.

SOCIAL

The Group is committed to promote social responsibilities as part of its responsibility whilst pursuing business growth to enhance shareholders and stakeholders value. Management recognises that for long term sustainability, its strategic orientation will need to cater beyond the financial parameters. However,

with a lean structure, the Group is more aligned to focus on the business and economic growth currently and will enhance its social responsibilities going forward.

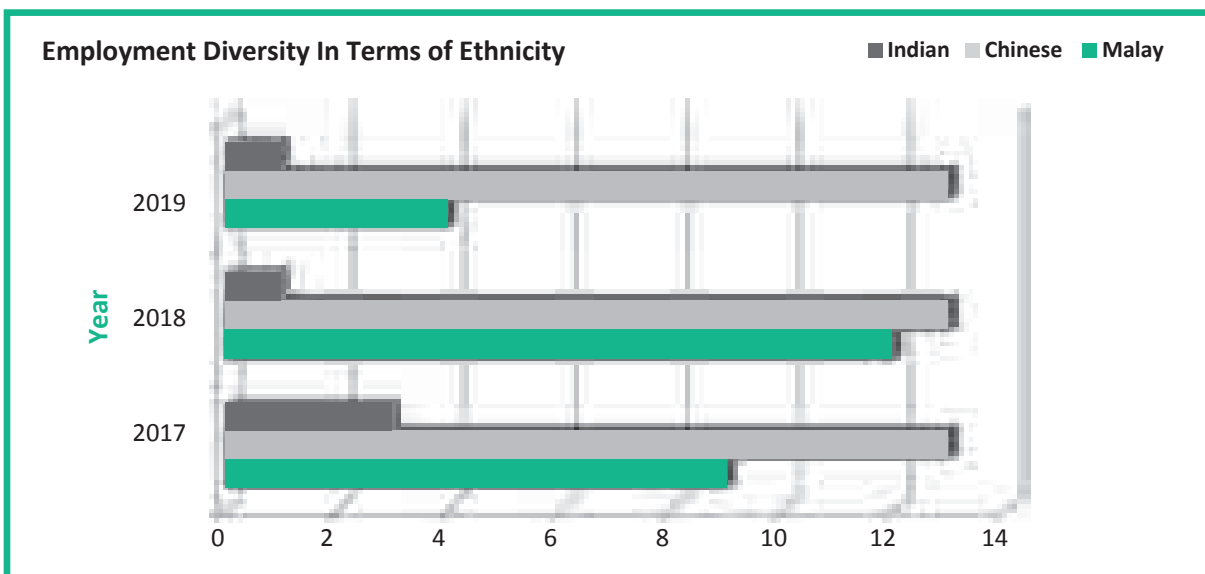
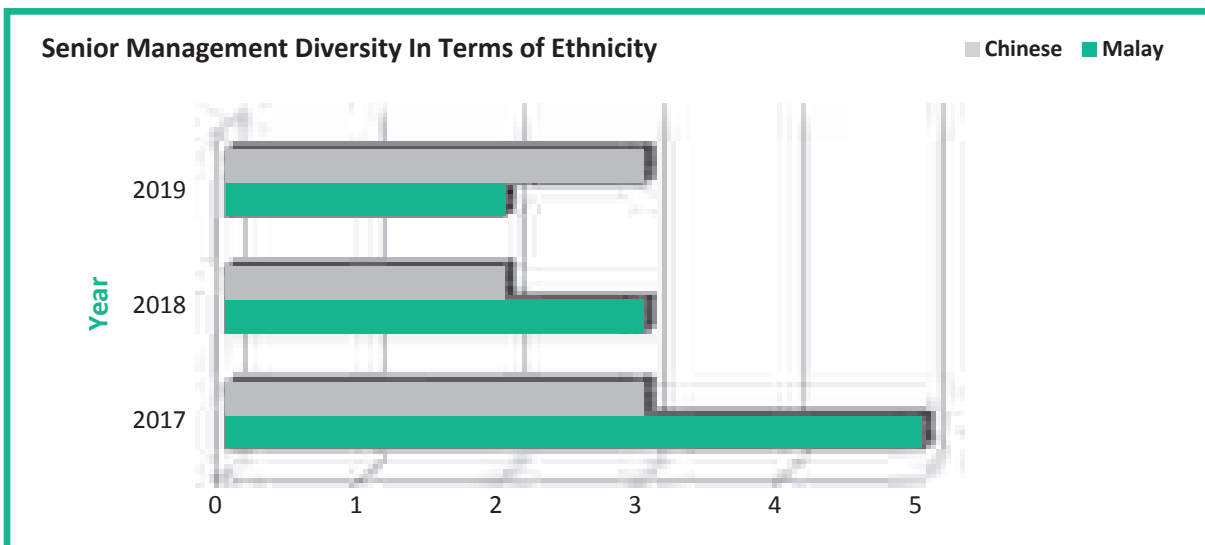
As we look back on 2019, we are proud of these values for safety, quality, integrity, diversity, innovation and sustainability have shaped our on-going commitment to corporate social responsibility and have challenged us to reach even higher to ensure we are a responsible corporate citizen, employer of choice, and a positive contributor to the economy during economic downpour.

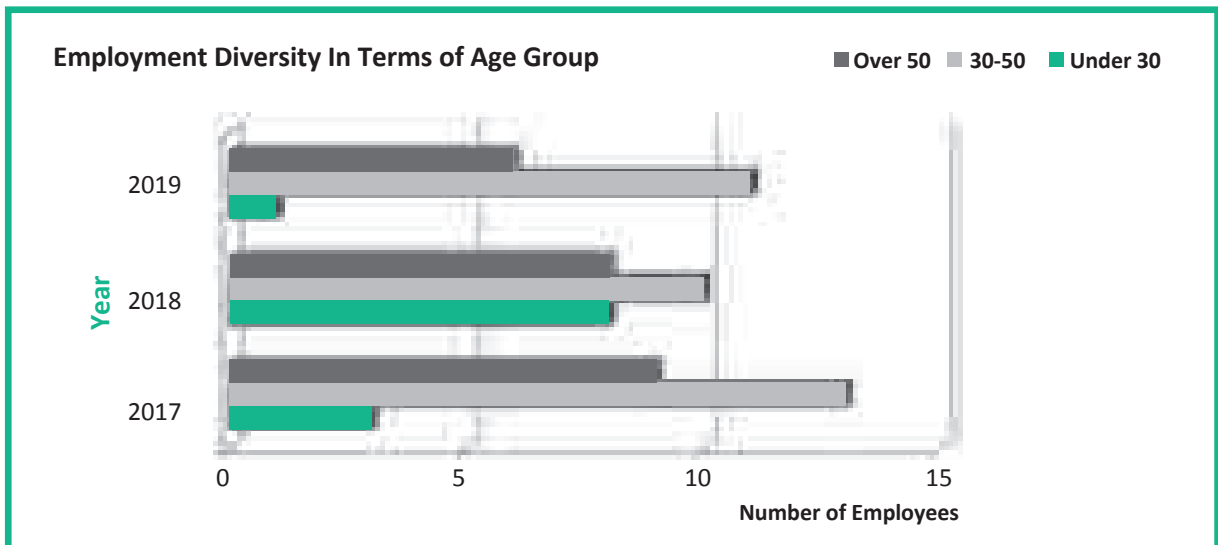
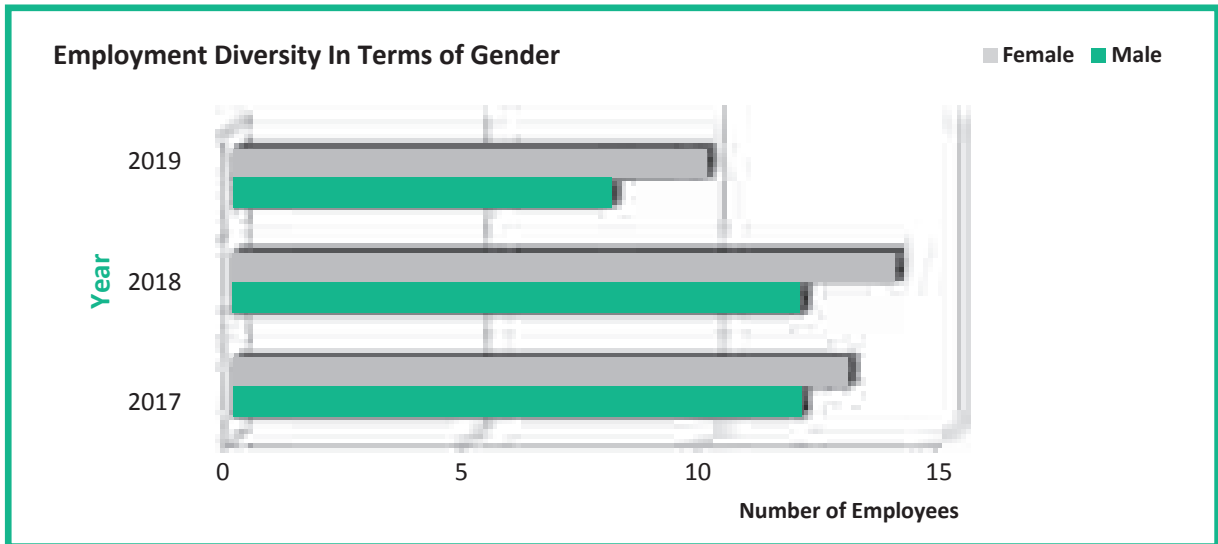
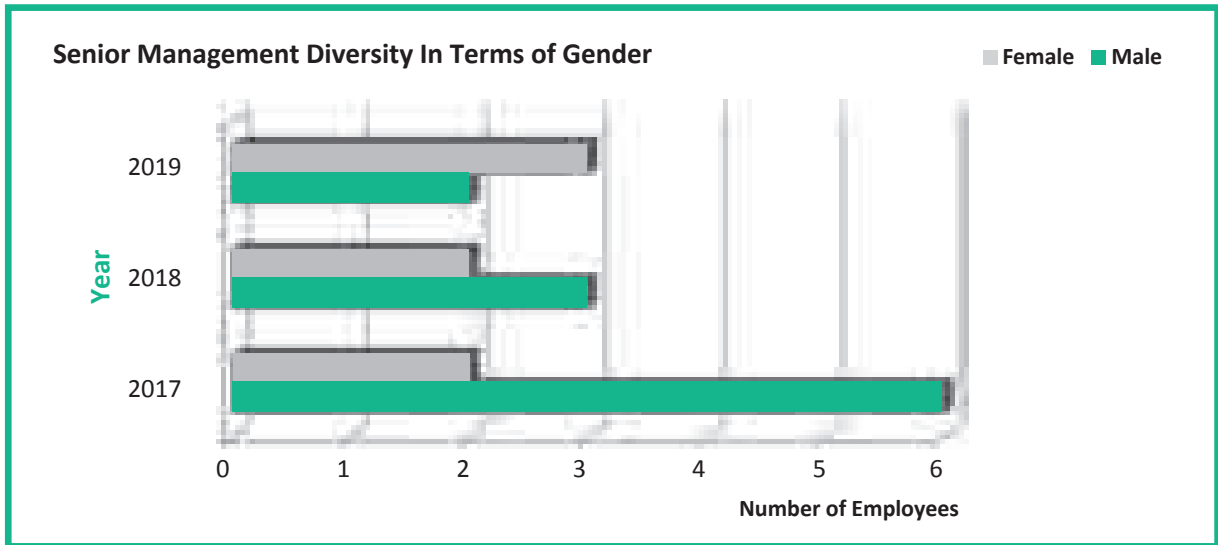
A strong commitment to social responsibility programs can protect and enhance a company’s brand. As the word gets out about a company’s good works, it can help to create a positive working environment and attract desirable employee a strong commitment to corporate social responsibility programs.

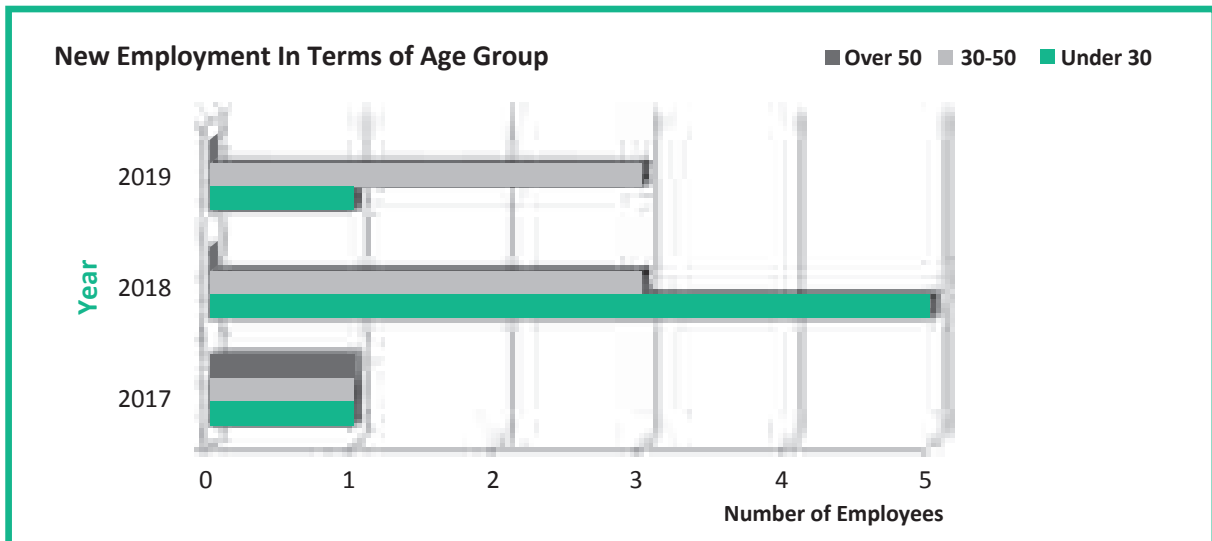
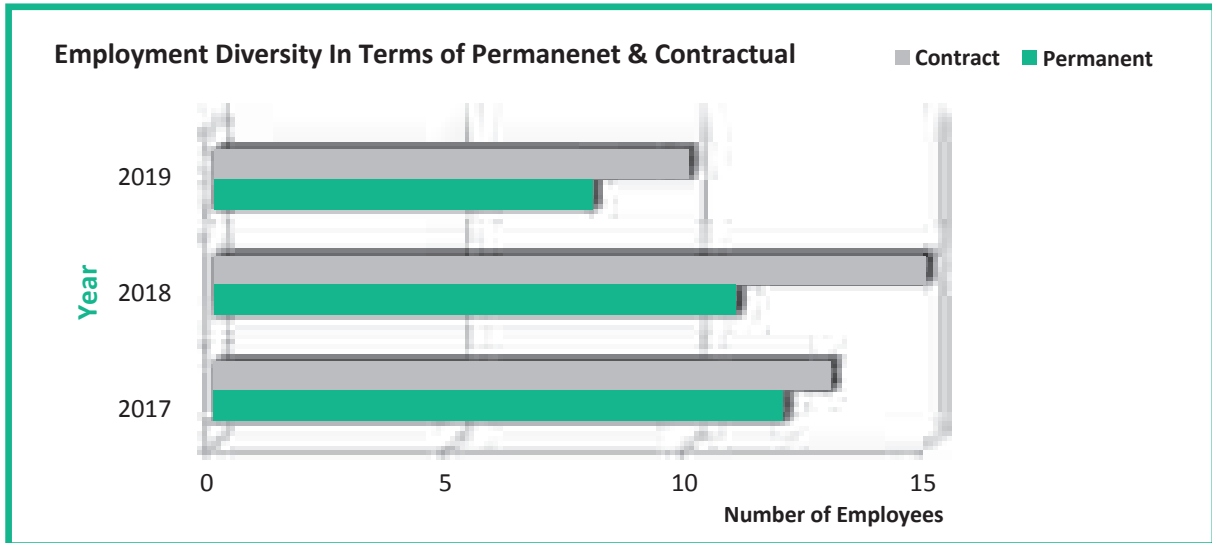
Our Approach

Our initiatives in the community are centred on:

- Workplace







- **Education and Individual Development**

The Group continuously provides its employees with skills development and on-job training programmes that encourage progression and self-enrichment. Employees are also encouraged to enroll in continuous courses/seminars/workshops.

- **Safety, Healthy and Conducive Work Environment**

As a responsible corporation, we respect the interests of our stakeholders, shareholders, employees, customers, suppliers, teaming partners, and the wider community and we actively seek out opportunities both to improve the environment and to contribute to the well-being of the communities in which we do business. The Group will continue to identify and undertake more related events to fulfil its Corporate Social Responsibility in any way and would contribute to preserving the values of society.

The Group places great emphasis on safety and health aspects of its employees while maintaining a comfortable and conducive work environment through some initiatives. The Group emphasises on a workplace that is free from theft, violence, harassment, intimidation and other unsafe and disruptive influences due to internal and external conditions.

- **Leadership & Commitment**

Top management ensure that the requirements of the management system, including the policies and objectives, are consistent with the strategic context and direction of our organisation, and that the policies and objectives are established whilst ensuring that the human and financial resources needed for crucial implementation and enforcement are available.

- **Well Being of Our Community**

Seni Jaya is dedicated to support the community by reaching out to the community around us. During the financial year, Seni Jaya has donated a total sum of RM10,000 to “Tabung Kebajikan Sukan dan Sosial Polis Kuala Lumpur” and also contributed a total sum of RM1,840, in terms of sponsorship and appreciation to other customers and suppliers. These contributions were in line with the Group’s commitment to support and keep abreast with society’s evolving needs.

The Group intends to further enhance the community support in the future as part of its sustainability progress.

LOOKING AHEAD

This is Seni Jaya’s third disclosure of the Sustainability Report, and although we have made some development towards formalising sustainability within our business, we recognise that we still have room for enhancement, both in terms of initiatives undertaken and our reporting structure. As we continue on our sustainability journey, our ultimate goal is to build a sustainable business for generations to come. To achieve this, we will continuously keep abreast of developments in our industry, actively and regularly engage our stakeholders, build upon our existing sustainability framework, and seek to further embed sustainable practices within our businesses so as to improve our overall sustainability performance.

Moving forward, we will enhance the materiality factors and metrics and targets to measure issues that are material to our business and move towards benchmarking our progress against international standards of reporting.

As we look to the future, it is our hope that we will continue to introduce new and exciting quality for our customers, enrich our local communities, create value for our stakeholders, and be an organisation that people will be proud to associate.

This Report has been approved by the Board on 18 June 2020.

ADDITIONAL COMPLIANCE INFORMATION

Utilisation of Proceeds

During the financial year, no proceeds were raised by the Company from any corporate proposal.

Audit and Non-Audit Fees

The amount of audit and non-audit fees paid and payable to the External Auditors and their affiliates by the Company and the Group for the financial year ended 31 December 2019 are as follows:-

	Company (RM)	Group (RM)
<u>Audit services rendered</u>		
Statutory audit for the year 2019	70,000	122,000
<u>Non-audit services rendered</u>		
Limited review on statement of risk management and internal control	5,000	5,000
Total	75,000	127,000

Material Contracts

There were no material contracts of the Group involving Directors', Chief Executive's and major shareholders' interests either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

Recurrent Related Party Transactions

There were no recurrent related party transactions of a revenue or trading nature for the Group during the financial year under review other than those disclosed in Note 27 to the audited financial statements. Those recurrent related party transactions did not exceed the threshold prescribed under Paragraph 10.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

DIRECTOR' REPORT AND FINANCIAL STATEMENTS

SENI JAYA CORPORATION BERHAD

[Registration No. 199301025122(279860-X)]

(Incorporated in Malaysia)

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

(In Ringgit Malaysia)

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FINANCIAL STATEMENTS

Registration No.: 199301025122 (279860-X)

SENI JAYA CORPORATION BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiaries.

The details of the principal activities of the subsidiaries are set out in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
(Loss)/Profit for the year	(481,806)	45,404
	=====	=====

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year and the directors do not recommend any dividend for the current financial year.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

RESERVE AND PROVISIONS

All material transfers, if any, to or from reserves or provisions during the financial year are disclosed in the financial statements.

SHARE OPTIONS

No option was granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The directors in office during the period commencing from the beginning of the financial year to the date of this report are:

Dato' Sri Anne Teo
Dato' Sri Liew Lee Leong
Dato' Shamsul Falak bin Abdul Kadir
Lim Chee Khang
Datin Lee Nai Yee

DIRECTOR OF SUBSIDIARIES

The director of the Company's subsidiaries (excluding directors who are also directors of the Company) during the period commencing from the beginning of the financial year to the date of this report is:

Dato' Badsha Sahib bin Meera Shaib

FINANCIAL STATEMENTS

Registration No.: 199301025122 (279860-X)

DIRECTORS' INTERESTS

The following directors, who held office at the end of the financial year, had interests in shares as follows:

	----- Number of ordinary shares -----			
	At			At
	1.1.2019	Bought	Sold	31.12.2019
<i>The Company</i>				
<u>Direct interest</u>				
Dato' Sri Anne Teo	9,004,866	-	-	9,004,866
Datin Lee Nai Yee	2,575,200	12,567,930	-	15,143,130

By virtue of the above directors' interests in shares in the Company, they are deemed to be interested in shares in all the subsidiaries of the Company to the extent that the Company has an interest.

Other than as disclosed above, none of the directors in office at the end of the financial year held any interest in the shares or debentures in the Company or its subsidiaries during the financial year.

DIRECTORS' BENEFITS

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the accounts or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The details of the other benefits and remuneration of the directors are set out in Note 26 to the financial statements.

IDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains directors' and officers' liability insurance for the purpose of Section 289 of the Companies Act 2016, throughout the financial year, amounting to RM2,100,000 which provides appropriate insurance cover for the directors and officers of the company and its subsidiaries. The amount of insurance premium paid during the financial year amounted to RM8,238.

OTHER INFORMATION

Before the financial statements were made out, the directors took reasonable steps:

- (i) to ascertain that appropriate action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that there were no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- (i) which would render it necessary to write off any debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (iv) not otherwise dealt with in this report of financial statements of the Group and of the Company which would render any amount stated in the financial statement misleading.

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

FINANCIAL STATEMENTS

Registration No.: 199301025122 (279860-X)

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors:

- (i) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

Auditors' remuneration is set out in Note 22 to the financial statements.

The auditors, Mazars PLT, Chartered Accountants, have expressed their willingness to accept re-appointment.

There was no indemnity given to or insurance effected for the auditors of the Company.

APPROVAL OF THE DIRECTORS' REPORT

This report is approved by the board of directors, and signed on behalf of the board of directors in accordance with a directors' resolution.

DATO' SRI ANNE TEO
Director

DATIN LEE NAI YEE
Director

Kuala Lumpur

Date: 18 June 2020

Registration No.: 199301025122 (279860-X)

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
SENI JAYA CORPORATION BERHAD**
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Seni Jaya Corporation Berhad, which comprise the statements of financial position as at 31 December 2019 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 75 to 138.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws")* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants ("IESBA Code")*, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Impairment of advertising display structures, tools and equipment

As at 31 December 2019, included in property, plant and equipment are advertising display structures, tools and equipment with carrying value of RM6,895,134 (2018:RM7,214,710). A portion of these assets are located in areas determined to be remote and for which revenue generating capabilities may be limited.

Consequently, these assets may be impaired and is an area of focus of our audit.

The accounting policies and relevant disclosures for the impairment of property, plant and equipment are set out in Note 2(i) and Note 3 to the financial statements respectively.

Our response:

- (i) Reviewed of cash flow projection and key assumptions prepared by management.
- (ii) Obtained understanding, challenged and evaluated the key assumptions and methodologies used by management in the preparation of the Group's impairment model.
- (iii) Reviewed the discount rate used and compare the key inputs with other data for reasonableness.
- (iv) Assessed the sensitivity analysis performed by management on the key inputs used in the cash flow projection, to understand the impact that reasonable alternative assumptions would have on the overall carrying amounts.
- (v) Performed physical sighting of the assets on sampling basis.

(b) Recoverability of trade receivables

As at 31 December 2019, the carrying value of trade receivables is RM4,423,078 (2018: RM6,254,050), net of allowance of impairment loss of RM1,067,076 (2018: RM935,440). The recoverability of trade receivables is considered to be a key audit matter due to the pervasive nature of these balances to the financial statements, and the importance of cash collection in reference to the working capital management of the business.

The accounting policies and relevant disclosures for the recoverability of trade receivables are set out in Note 2(m) and Note 12 to the financial statements respectively.

Our response:

To address the matter identified, for those outstanding trade receivables at the reporting date, we checked collections received after year-end, and for uncollected amount we challenged the management's assessment on the recoverability. We have also assessed customers' ageing profile by evaluating the accuracy of aged buckets.

We also obtained an understanding of the Group's method and assumptions in estimating the ECL, and assessed the reasonableness of year end ECL by recalculating the loss rate applied for each aging buckets at the reporting date.

Registration No.: 199301025122 (279860-X)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS, IFRS and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with approved standards on auditing in Malaysia and ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we also report that the subsidiary of which we have not acted as auditors, is disclosed in Note 6 to the financial statements.

Other Matter

- (i) The financial statements of the Group and of the Company for the financial year ended 31 December 2018 were audited by another auditors whom have expressed an unmodified opinion on those statements on 19 April 2019.
- (ii) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

MAZARS PLT
LLP0010622-LCA
AF 001954
Chartered Accountants

YAP CHING SHIN
02022/03/2022 J
Chartered Accountant

Kuala Lumpur

Date: 18 June 2020

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SENI JAYA CORPORATION BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2019

	Note	Group		Company	
		2019	2018	2019	2018
		RM	RM	RM	RM
			(Restated)		
NON-CURRENT ASSETS					
Property, plant and equipment	3	9,343,245	10,037,179	-	-
Investment properties	4	11,265,732	11,516,833	-	-
Right-of-use assets	5	8,679,908	-	-	-
Investments in subsidiaries	6	-	-	9,980,906	9,980,906
Investments in associates	7	277,146	279,674	-	-
Amount owing by associates	8	11,894,189	857,662	3,894,189	857,662
Other financial assets	9	3,678,867	1,137,066	-	-
Other investment	10	3,000	3,000	-	-
Deferred tax assets	11	84,454	61,139	-	-
		45,226,541	23,892,553	13,875,095	10,838,568
CURRENT ASSETS					
Trade and other receivables	12	11,877,559	13,911,132	9,836	19,632
Amount owing by associates	8	6,380,037	12,826,159	-	-
Amount owing by subsidiaries	13	-	-	29,187,896	30,980,481
Other financial assets	9	542,656	2,517,351	229,568	1,179,108
Current tax assets		290,688	2,734,121	-	115,040
Cash and cash equivalents	14	3,588,594	5,195,050	29,879	88,058
		22,679,534	37,183,813	29,457,179	32,382,319
TOTAL ASSETS		67,906,075	61,076,366	43,332,274	43,220,887
EQUITY					
Share capital	15	40,533,330	40,533,330	40,533,330	40,533,330
Retained earnings	16	12,162,665	12,644,471	2,643,255	2,597,851
TOTAL EQUITY		52,695,995	53,177,801	43,176,585	43,131,181

FINANCIAL STATEMENTS

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	Note	Group 2019 RM	Group 2018 RM (Restated)	Company 2019 RM	Company 2018 RM
NON CURRENT LIABILITIES					
Lease liabilities	5	4,646,966	-	-	-
CURRENT LIABILITIES					
Trade and other payables	17	4,302,071	5,965,874	103,590	89,706
Amount owing to an associate	8	225,000	-	-	-
Amount owing to a subsidiary	13	-	-	52,000	-
Lease liabilities	5	4,537,148	-	-	-
Advance billings		1,498,895	1,932,691	-	-
Current tax liability		-	-	99	-
		10,563,114	7,898,565	155,689	89,706
TOTAL LIABILITIES		15,210,080	7,898,565	155,689	89,706
TOTAL EQUITY AND LIABILITIES		67,906,075	61,076,366	43,332,274	43,220,887

The accompanying notes form an integral part of the financial statements

SENI JAYA CORPORATION BERHAD

(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	Group		Company	
		2019 RM	2018 RM (Restated)	2019 RM	2018 RM
Revenue	18	14,560,824	17,571,941	129,350	928,250
Cost of sales	19	(8,618,525)	(10,732,628)	-	-
Gross profit		5,942,299	6,839,313	129,350	928,250
Interest income	20	165,550	113,274	629,683	601,915
Other operating income	21	2,604,813	2,047,171	50,661	124,477
Administrative expenses		(2,682,007)	(2,817,445)	(363,895)	(361,022)
Other operating expenses		(5,445,080)	(6,033,970)	(325,846)	(333,271)
Finance costs		(681,327)	-	(2,000)	-
		(95,752)	148,343	117,953	960,349
Share of result in associate		(2,528)	(429,198)	-	-
(Loss)/Profit before tax	22	(98,280)	(280,855)	117,953	960,349
Income tax expense	23	(383,526)	(467,406)	(72,549)	(123,572)
(Loss)/Profit for the year		(481,806)	(748,261)	45,404	836,777
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive (loss)/ income for the year		(481,806)	(748,261)	45,404	836,777

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	Note	2019 RM	Group 2018 RM (Restated)	2019 RM	Company 2018 RM
(Loss)/Profit for the year attributable to :					
Owners of the Company		(481,806)	(748,261)	45,404	836,777
		=====	=====	=====	=====
Total comprehensive (loss)/ income for the year attributable to :					
Owners of the Company		(481,806)	(748,261)	45,404	836,777
		=====	=====	=====	=====
Loss per ordinary share					
- Basic	24	(1.19)	(1.85)		
		=====	=====		

The accompanying notes form an integral part of the financial statements

SENI JAYA CORPORATION BERHAD

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STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Group	Note	Distributable reserve		Total RM
		Share capital RM	Retained profits RM	
At 1 January 2018		40,533,330	13,392,732	53,926,062
Total comprehensive loss for the year		-	(748,261)	(748,261)
At 31 December 2018, as restated		40,533,330	12,644,471	53,177,801
Total comprehensive loss for the year		-	(481,806)	(481,806)
At 31 December 2019		40,533,330	12,162,665	52,695,995
Company				
At 1 January 2018		40,533,330	1,761,074	42,294,404
Total comprehensive profit for the year		-	836,777	836,777
At 31 December 2018		40,533,330	2,597,851	43,131,181
Total comprehensive profit for the year		-	45,404	45,404
At 31 December 2019		40,533,330	2,643,255	43,176,585

The accompanying notes form an integral part of the financial statements

FINANCIAL STATEMENTS

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SENI JAYA CORPORATION BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Group		Company	
	2019 RM	2018 RM (Restated)	2019 RM	2018 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before tax	(98,280)	(280,855)	117,953	960,349
Adjustments for:				
Depreciation of:				
property, plant and equipment	1,712,338	1,695,723	-	-
right-of-use assets	4,653,303	-	-	-
investment properties	251,101	203,472	-	-
Share of results from associates	2,528	429,198	-	-
Allowance for impairment loss on:				
trade receivables	166,419	20,923	-	-
property, plant and equipment	777,392	-	-	-
other receivables	-	12,969	-	-
amount owing by associates	-	80,308	-	58,466
amount owing by subsidiaries	-	-	-	51,394
Allowance for impairment loss no longer required on property, plant and equipment	(6)	(41,968)	-	-
Bad debts written off on trade receivables	-	12,190	-	-
Fair value gain on financial assets designated at FVTPL	(796,997)	(146,478)	(44,094)	(19,398)
Property, plant and equipment written off	31	291,618	-	-
Gain on disposal of property, plant and equipment	(228,805)	(21,917)	-	-
Interest income	(165,550)	(113,274)	(629,683)	(601,915)
Interest expense	681,327	-	2,000	-
Distribution from investments in unit trusts	(20,075)	(147,389)	(6,366)	(105,079)
Allowance for impairment loss on no longer required on trade receivables	(34,783)	(85,173)	-	-
Written-off on trade payables	(5,850)	(130,915)	-	-
Dividend income from:				
quoted shares	(9,350)	(8,250)	(9,350)	(8,250)
other financial assets	(6)	(632)	-	-
subsidiaries	-	-	-	(800,000)
Unrealised loss/(gain) on foreign exchange	1,298	(12,606)	-	-

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	Group		Company	
	2019 RM	2018 RM (Restated)	2019 RM	2018 RM
Operating profit/(loss) before working capital changes	6,886,035	1,756,944	(569,540)	(464,433)
Changes in receivables	1,901,903	902,083	9,796	11,907
Changes in payables	(1,657,953)	1,229,639	13,884	40,630
Changes in advance billings	(433,796)	(396,020)	-	-
Cash generated from/(used in) operations	6,696,189	3,492,646	(545,860)	(411,896)
Income tax refunded	2,632,097	3,693	157,623	-
Income tax paid	(595,505)	(1,110,724)	(115,033)	(86,500)
Net cash generated from/(used in) operating activities	8,732,781	2,385,615	(503,270)	(498,396)
CASH FLOWS FROM INVESTING ACTIVITIES				
Uplift of investment in unit trusts	2,850,000	12,324,750	1,500,000	12,279,657
Interest received	165,550	113,274	629,683	601,915
Proceeds from disposal of property, plant and equipment	230,800	38,696	-	-
Dividend income received	9,356	8,882	9,350	8,250
Investments in unit trusts	(800,000)	(45,059)	(500,000)	-
Investment in associates	-	(399,999)	-	-
Debt instruments at FVTPL	(1,800,000)	(1,020,000)	-	-
Purchase of property, plant and equipment	(1,797,817)	(3,044,107)	-	-
Repayment from/(Advances to) subsidiaries	-	-	1,792,585	(13,258,490)
Advances to associates	(4,590,405)	(13,766,494)	(3,036,527)	(916,128)
Net cash (used in)/generated from investing activities	(5,732,516)	(5,790,057)	395,091	(1,284,796)

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	Group		Company	
	2019 RM	2018 RM (Restated)	2019 RM	2018 RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Advances from a subsidiary	-	-	50,000	-
Payment of lease liabilities	(4,149,096)	-	-	-
Interest paid on lease liabilities	(681,327)	-	-	-
Advance from an associate	225,000	-	-	-
	-----	-----	-----	-----
Net cash (used in)/generated from financing activities	(4,605,423)	-	50,000	-
	-----	-----	-----	-----
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,605,158)	(3,404,442)	(58,179)	(1,783,192)
Effect of exchange difference on cash and cash equivalents	(1,298)	12,606	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,195,050	8,586,886	88,058	1,871,250
	-----	-----	-----	-----
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Note 14)	3,588,594	5,195,050	29,879	88,058
	=====	=====	=====	=====

SENI JAYA CORPORATION BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

1. CORPORATE INFORMATION

Seni Jaya Corporation Berhad (the “Company”) is a public limited liability company incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are disclosed in page 2.

The principal activities of the Company are investment holding and provision of management services to its subsidiaries.

The principal activities of subsidiaries are set out in Note 6.

There have been no significant changes in the nature of these activities during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) issued by the Malaysian Accounting Standards Board (“MASB”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act 2016 in Malaysia.

The measurement bases applied in the preparation of the financial statements include historical cost, recoverable value, realisable value and fair value. Estimates are used in measuring these values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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All assets and liabilities, for which fair value is measured or disclosed, are categorised within the fair value hierarchy set out below based on the inputs that are significant to the fair value measurement. Fair value measurement is derived from:

- Level 1: Unadjusted quoted prices in active markets (for identical assets or liabilities).
- Level 2: Inputs (other than quoted prices included within Level 1) are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valuation techniques that include unobservable inputs (not based on observable market data).

The financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

(b) Application of new or revised standards

In the current year, the Group and the Company have applied a number of new standards, amendments and interpretations that become effective mandatorily for the financial periods beginning on or after 1 January 2019.

The adoption of the new standards, amendments and interpretations does not have significant impact on the financial statements of the Group and of the Company except for the impact set out in Note 33.

(c) Standards issued that are not yet effective

The Group and the Company have not applied the following standards, amendments and interpretation that have been issued by the MASB but are not yet effective:

		<i>Effective Date</i>
Amendments to MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3	Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108	Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform	1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

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The adoption of the above standards and amendments are not expected to have significant impact on the financial statements of the Group and of the Company.

(d) Significant accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the reporting date, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors, including expectations for future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There is no critical judgement in applying accounting policies that has the most significant effect on the amount recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciation and impairment of property, plant and equipment and investment properties

The Group reviews the estimated useful lives of property, plant and equipment and investment properties at each reporting date. Changes in the expected useful lives of property, plant and equipment and investment properties could impact future depreciation charges.

Property, plant and equipment and investment properties are assessed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, an estimation of the recoverable amount is required. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from the property, plant and equipment and investment properties or the related cash generating unit.

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Determining the loss allowance for receivables

Management assesses the expected credit losses (“ECL”) for receivables at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive. Management applies simplified approach of MFRS 9 *Financial Instruments* in assessing the impairment of receivables.

In determining the ECL, management uses historical credit loss experience for receivables to estimate the ECL. Management is not only required to consider historical information that is adjusted to reflect the effects of current conditions and information that provides objective evidence that receivables are impaired in relation to incurred losses, but management is also considering, when applicable, reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL, on an individual and collective basis. The need to consider forward-looking information means that management exercises considerable judgement as to how changes in macroeconomic factors will affect the ECL on receivables.

The ECL on receivables as at current reporting date is primarily based upon the historical credit loss experience.

Provision for licence fees

The provision is in respect of hoardings erected for which local authorities have yet to bill for the licence fees. The directors are of the view that the hoardings erected do adhere to local authorities’ guidelines and that these fees are payable unless guidelines are revised to reflect otherwise.

Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Lease liability

Management estimates the lease term as the non-cancellable period of a lease together with both periods covered by an option to extend the lease and an option to terminate the lease. In assessing whether it is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, management exercises judgement by considering all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

Management measures the lease liability as the present value of the lease payments that are not paid at commencement date. The lease payments are discounted using the incremental borrowing rate.

The lease terms and discount rate are determined using certain assumptions and they represents management's best estimation. The assumptions on which it is based relate to the future. Actual outcome may be different from the estimation and the variation could be material.

(e) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiaries and entities controlled by the Company (including structured entities) made up to the end of the financial year.

The Company controls an investee if and only if the Company has all the following:

- (i) power over the investee;
- (ii) exposure, or rights, to variable returns from its involvement with the investee; and
- (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

When the Company has no majority voting rights of an investee, it considers that it has power over the investee if the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation. Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the investor loses control of the investee.

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Non-controlling interests are initially measured at fair value. Subsequently, non-controlling interests are the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes of interests in subsidiaries

The changes of interests in subsidiaries that do not result in a loss of control are treated as equity transactions between the Group and non-controlling interest holders. Any gain or loss arising from equity transactions is recognised directly in equity.

Loss of control

When the Company loses control of a subsidiary:

- (i) It derecognises the assets and liabilities, non-controlling interests, and other amounts previously recognised in other comprehensive income relating to the former subsidiary.
- (ii) It recognises any gain or loss in profit or loss attributable to the Group, which is calculated as the difference between (i) the aggregate of the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control; plus any investment retained in the former subsidiary at its fair value at the date when control is lost; and (ii) the net carrying amount of assets, liabilities, goodwill and any non-controlling interests attributable to the former subsidiary at the date when control is lost.
- (iii) It recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant MFRS. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

(f) Business combination

The Group accounts for each business combination by applying the acquisition method.

The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer.

The Group accounts for acquisition related costs as expenses in the periods in which the costs are incurred and the services are received.

For each business combination, the Group measures at the acquisition date, components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation at either: (i) fair value; or (ii) the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

On the date of acquisition, goodwill is measured as the excess of (i) over (ii) below:

- (i) The aggregate of: (i) the fair value of consideration transferred; (ii) the amount of any non-controlling interest in the acquiree; and (ii) in a business combination achieved in stages, the fair value of the Group's previously held equity interest in the investee.
- (ii) The net fair value of the identifiable assets acquired and the liabilities assumed.

A business combination in which the amount in (ii) above exceeds the aggregate of the amounts in (i) above, the Group recognises the resulting gain in profit or loss on the acquisition date.

(g) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are measured at cost less impairment losses, if any. Impairment losses are recognised in profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the investment disposed of is recognised in profit or loss.

(h) Investments in associates

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

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Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting from the date on which the Group obtains significant influence until the date of the Group ceases to have a significant influence over the associates. Under the equity method, the investments in associates are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associates.

The Group's share of net profit or loss and changes recognised directly in the other comprehensive income of the associate is recognised in the consolidated statement of profit or loss and other comprehensive income, respectively.

Premium relating to associates are included in the carrying value of the investment and it is not tested for impairment separately. Instead, the entire carrying amount of the investments is tested for impairment.

Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

Unrealised gains or losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

Equity accounting is discontinued when the carrying amount of the investment in an associate diminishes by virtue of losses to zero, unless the Group has legal or constructive obligations or made payments on behalf of the associates.

The results and reserves of associates are accounted for in the consolidated financial statements based on financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate is recognised at fair value on the date when significant influence is lost. Any gain or loss arising from the loss of significant influence over an associate is recognised in profit or loss.

When changes in the Group's interest in an associate that do not result in a loss of significant influence, the retained interest in the associate is not remeasured. Any gain or loss arising from the changes in the Group's interest in the associate is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are measured at cost less impairment losses, if any. Impairment loss is recognised in profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the associate disposed of is recognised in profit or loss.

(i) Property, plant and equipment

(i) Measurement basis

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised in profit or loss when incurred.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

(ii) Depreciation

Freehold land and Construction work-in-progress are not depreciated.

Depreciation is calculated to write off the depreciable amount of other property, plant and equipment on a straight-line basis over their estimated useful lives. The depreciable amount is determined after deducting residual value from cost.

The principal annual rates used for this purpose are:

Building	2%
Computers and office equipment	10%
Furniture and fittings	10%
Motor vehicles	20%
Renovation	10%
Advertising display structures, tools and equipment	10% - 14%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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(j) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business.

(i) Measurement basis

Investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of investment properties includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

(ii) Depreciation

Freehold land is not depreciated.

Depreciation is calculated to write off the depreciable amount of investment properties on a straight line basis over their estimated useful lives. Depreciable amount of an investment property is determined after deducting the residual value from the cost amount of the investment property.

The principal annual rate used for this purpose is 2% per annum.

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

(k) Impairment of non-financial assets

Tangible and intangible assets are assessed at each reporting date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(l) Leases (MFRS 16)

Leases on and after 1 January 2019

The Group as Lessee

Right-of-use assets and corresponding lease liabilities are recognised with respect to all lease agreements, except for short-term leases and leases of low value assets.

For short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the rate implicit in the lease or incremental borrowing rate, where applicable. Lease payments included in the measurement of the lease liability comprise: (i) fixed lease payments, less lease incentives; (ii) variable lease payments based upon an index or a rate; and (iii) payments of penalties for terminating the lease.

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The right-of-use assets comprise the corresponding lease liability, lease payments made at or before the lease commencement date and initial direct costs. Whenever there is an obligation to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the agreed condition, a provision is recognised. These costs are included in the related right-of-use assets.

Right-of-use assets are measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying assets. The depreciation starts on the lease commencement date. The depreciation periods and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

Variable lease payment (not based upon an index or a rate) are recognised as an expense in the period in which it is incurred.

The Group as Lessor

Leases are classified as finance leases or operating leases. Whenever the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the lease term. Initial direct costs incurred are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the net investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

Leases before 1 January 2019

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

(i) Finance lease

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

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Property, plant and equipment acquired by way of finance leases are stated at amount equal to the lower of their fair values and the present value of minimum lease payments at the inception of the leases, less accumulated depreciation and any impairment losses.

In calculating the present value of the minimum lease payments, the discount rate is the interest rate implicit in the leases, if this is determined; if not the Group incremental borrowing rate is used.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment or investment properties.

(ii) Operating lease

An operating lease is a lease other than a finance lease.

Operating lease income or operating lease rentals are credited or charged to profit or loss on a straight-line basis over the period of the lease.

Leasehold land which in substance is an operating lease is classified as prepaid lease payment.

(m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of an instrument.

Financial assets and financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are measured subsequently in the following manners:

- at amortised cost (debt instruments);
- at fair value through other comprehensive income (“FVTOCI”), with recycling of cumulative gains and losses (debt instruments);
- designated at FVTOCI, without recycling of cumulative gains and losses (equity instruments); or
- at fair value through profit or loss (“FVTPL”).

Financial assets at amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when an asset is derecognised, modified or impaired.

Financial assets at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVTOCI, the related interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. All other changes in the carrying amount are recognised in other comprehensive income (“OCI”) and accumulated in a reserve in equity.

Equity instruments designated at FVTOCI

Upon initial recognition, management may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the entity manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative instrument (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in a reserve in equity. Equity instruments designated at FVTOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL, including but not limited to:

- Debt instruments that are designated as at FVTPL, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Derivative instruments.

Financial assets at FVTPL are measured at fair value, with fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets.

Impairment of financial assets

Loss allowance is recognised for expected credit losses (“ECL”) for all debt instruments not held at FVTPL, i.e. financial assets at amortised cost or FVTOCI, receivables, lease receivables, contract assets, loan commitments and financial guarantee contracts.

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ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

Management measures the loss allowance of receivables, contract assets and lease receivables at an amount equal to their lifetime ECL (i.e. simplified approach). The ECL on these financial assets are estimated based on historical credit loss experience, and where appropriate, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial assets at amortised cost, where credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL is provided for credit losses that result from default events that are possible within 12 months after the reporting date. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), a loss allowance is required for credit losses expected over the remaining life of the financial assets.

Derecognition of financial assets

A financial asset is derecognised only when the contractual rights to the cash flows from the financial asset expire; or when the financial asset is transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to another party.

If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control a transferred financial asset, the entity recognises its retained interest in the financial asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the financial asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is reclassified to profit or loss. On derecognition of an investment in equity instrument classified at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is transferred to retained earnings.

Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are subsequently measured at FVTPL or at amortised cost.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is:

- contingent consideration of an acquirer in a business combination;
- held for trading; or
- it is designated as at FVTPL.

Financial liabilities are classified as held for trading if they are held for the purpose of repurchasing in the near term. This category also includes derivatives entered into by the entity that are not designated as hedging instruments. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities at FVTPL are measured at fair value, with gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities.

For financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in OCI are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities at amortised cost

These financial liabilities are subsequently measured at amortised cost using the effective interest method.

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Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument or a financial liability by allocating interest income/expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of a debt instrument or a financial liability, to the amortised cost of the debt instrument or the financial liability.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the loss allowance determined in accordance with MFRS 9; and
- the amount recognised initially less, where appropriate, cumulative amount of income recognised.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the obligations under the liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability.

Equity instrument

Equity instruments issued are recognised at the proceeds received. Costs incurred directly attributable to the issuance of the equity instruments are accounted for as a deduction from equity.

Repurchase of own equity instruments is deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of own equity instruments.

(n) Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, when it is probable that the entity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, a provision represents the present value of estimated future those cash flows.

When some or all of the cash flows required to settle a provision are expected to be recovered from a third party, an asset is recognised if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(o) Revenue recognition

Revenue from a contract with a customer is recognised when control of the goods or services are transferred to the customer. Revenue is measured based on the consideration specified in the contract to which the entity expects to be entitled in exchange for transferring the goods or services to the customer, excluding amounts collected on behalf of third parties.

If a contract with a customer contains more than one performance obligation, the total consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

(i) Rental Contracts and Lightings

Revenue from rental contracts are recognised over time in the financial statements over the duration of the contracts, discounts and taxes as the customer simultaneously receives and consumes the benefits provided by the Group. Revenue billed in advance are disclosed in the financial statements as advance billings.

(ii) Production

Revenue from production contracts are recognised upon delivery of goods or services, net of discounts and taxes where control of the goods or services has been passed to the customers.

(iii) Management fees

Management fees are recognised when services are rendered.

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Other income recognised as follows:

(i) Rental of investment properties

Rental income from investment properties is recognised on the straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

(ii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(iii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(iv) Rental of coverage antenna spaces

Income from rental of coverage antenna spaces is recognised in the financial statements over the period of the contracts.

(p) Employee benefits

(i) Short term employee benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

(ii) Defined contribution plan

The Company and its subsidiaries pay monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Company and its subsidiaries are limited to the amount that they agree to contribute to the EPF. The contributions to the EPF are charged to profit or loss in the period to which they relate.

(q) Income tax

The income tax expense represents the aggregate of current tax and deferred tax.

Current tax and deferred tax are recognised in profit or loss. Current tax and deferred tax are recognised in other comprehensive income or directly in equity, if the tax relates to items that are recognised in other comprehensive income or directly in equity. Where deferred tax arises from a business combination, the tax effect is included in the accounting for the business combination.

Current tax

Current tax is the expected income tax payable on the taxable profit for the year, estimated using the tax rates enacted or substantially enacted by the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, which is accounted using the liability method.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is only recognised for deductible temporary differences and unutilised tax credit to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unutilised tax credit can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of: (i) goodwill, or (ii) an asset or liability (which is not in a business combination) at the time of the transaction that affects neither accounting profit nor taxable profit.

Deferred taxes are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on the tax rates enacted or substantively enacted at the reporting date that are expected to apply to the financial period when the asset is realised or when the liability is settled.

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(r) Foreign currencies

- (i) Functional currency is the currency of the primary economic environment in which an entity operates.
- (ii) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency (“foreign currencies”) are translated to the functional currency at the rate of exchange ruling at the date of the transaction.

Monetary items denominated in foreign currencies at the reporting date are translated at foreign exchange rates ruling at that date.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at foreign exchange rates ruling at the date of the transaction.

Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the foreign exchange rates ruling at the date when the fair values were determined.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in profit or loss for the period.

When a gain or loss on a non-monetary item is recognised directly in other comprehensive income, any corresponding exchange gain or loss is recognised directly in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any corresponding exchange gain or loss is recognised in profit or loss.

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and other short term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Buildings	Computers and office equipment	Furniture and fittings	Motor vehicles	Renovation	Advertising display structures, tools and equipment	Construction in progress	Total
Cost	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2019	598,130	559,574	838,985	1,537,925	3,841,252	1,767,802	20,915,186	741,000	30,799,854
(Reversal)/Additions	-	-	-	-	-	(1,677)	1,799,494	-	1,797,817
Write-off	-	-	-	-	-	-	(1,003,104)	-	(1,003,104)
Disposals	-	-	-	-	(1,378,063)	-	-	-	(1,378,063)
At 31 December 2019	598,130	559,574	838,985	1,537,925	2,463,189	1,766,125	21,711,576	741,000	30,216,504
Accumulated depreciation									
At 1 January 2019	-	335,742	642,006	1,507,161	3,493,879	1,083,411	13,403,233	-	20,465,432
Charge for the year	-	11,191	44,420	6,151	229,650	79,273	1,341,653	-	1,712,338
Write-off	-	-	-	-	-	-	(1,003,073)	-	(1,003,073)
Disposals	-	-	-	-	(1,376,067)	-	-	-	(1,376,067)
At 31 December 2019	-	346,933	686,426	1,513,312	2,347,462	1,162,684	13,741,813	-	19,798,630

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Group	Freehold land RM	Buildings RM	Computers and office equipment RM	Furniture and fittings RM	Motor vehicles RM	Renovation RM	Advertising display structures, tools and equipment RM	Construction in progress RM	Total RM
2019	-	-	-	-	-	-	297,243	-	297,243
Accumulated impairment	-	-	-	-	-	-	777,392	-	777,392
At 1 January 2019	-	-	-	-	-	-	(6)	-	(6)
Charge for the year	-	-	-	-	-	-	-	-	-
Impairment written back	-	-	-	-	-	-	-	-	-
At 31 December 2019	-	-	-	-	-	-	1,074,629	-	1,074,629
Net carrying amount	598,130	212,641	152,559	24,613	115,727	603,441	6,895,134	741,000	9,343,245

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Group	Freehold land		Computers and office equipment		Furniture and fittings	Motor vehicles	Renovation	Advertising display structures, tools and equipment	Construction in progress	Total
	RM	RM	RM	RM						
At 1 January 2018	598,130	559,574	820,956	1,521,764	4,000,063	1,101,115	19,981,896	3,564,495	32,147,993	
Additions	-	18,029	16,161	2,300	666,687	-	1,989,350	351,580	3,044,107	
Write-off	-	-	-	-	-	-	(1,056,060)	-	(1,056,060)	
Disposals	-	-	-	(161,111)	-	-	-	-	(161,111)	
Reclassified to investment properties	-	-	-	-	-	-	-	(3,175,075)	(3,175,075)	
At 31 December 2018	598,130	559,574	838,985	1,537,925	3,841,252	1,767,802	20,915,186	741,000	30,799,854	
Accumulated depreciation										
At 1 January 2018	-	324,551	596,222	1,502,031	3,367,032	994,406	12,838,503	-	19,622,745	
Charge for the year	-	11,191	45,784	5,130	287,574	89,005	1,257,039	-	1,695,723	
Write-off	-	-	-	-	(16,395)	-	(692,309)	-	(708,704)	
Disposals	-	-	-	-	(144,332)	-	-	-	(144,332)	
At 31 December 2018	-	335,742	642,006	1,507,161	3,493,879	1,083,411	13,403,233	-	20,465,432	

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Group	Freehold land RM	Buildings RM	Computers and office equipment RM	Furniture and fittings RM	Motor vehicles RM	Renovation RM	Advertising display structures, tools and equipment RM	Construction in progress RM	Total RM
At 1 January 2018	-	-	-	-	-	-	394,949	-	394,949
Impairment written back	-	-	-	-	-	-	(41,968)	-	(41,968)
Write-off	-	-	-	-	-	-	(55,738)	-	(55,738)
At 31 December 2018	-	-	-	-	-	-	297,243	-	297,243
Net carrying amount									
At 31 December 2018	598,130	223,832	196,979	30,764	347,373	684,391	7,214,710	741,000	10,037,179

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Included in the cost of property, plant and equipment of the Group are the following fully depreciated assets which are still in use:

	Group	
	2019	2018
	RM	RM
		(Restated)
Computers and office equipment	432,650	421,713
Furniture and fittings	1,476,413	1,476,413
Motor vehicles	1,887,350	2,466,269
Renovation	1,023,235	730,744
Advertising display structures, tools and equipment	10,433,692	9,494,202
	-----	-----
	15,253,340	14,589,341
	=====	=====

4. INVESTMENT PROPERTIES

	Group	
	2019	2018
	RM	RM
At cost:		
At 1 January	16,439,530	13,264,455
Reclassified from property, plant, and equipment	-	3,175,075
	-----	-----
At 31 December	16,439,530	16,439,530
	-----	-----
Accumulated Depreciation		
At 1 January	4,922,697	4,719,225
Charge for the year	251,101	203,472
	-----	-----
At 31 December	5,173,798	4,922,697
	-----	-----
Net carrying amount	11,265,732	11,516,833
	=====	=====
Fair value	27,500,000	33,700,000
	=====	=====

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The fair value of the Group's investment properties have been estimated by the directors based on directors' assessment of the current year prices in an active market for the respective properties within each vicinity. In estimating the fair values, adjustments have been made to these listing prices to reflect differences in land or floor sizes, designs, location, and other features between the Group's properties and the comparable properties. The fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Detail of the Group's investment properties and information about the fair value hierarchy as at 31 December 2019 as follows:

	Level 1	Level 2	Level 3	Fair value as of 31.12.2019
2019	RM	RM	RM	RM
Commercial property units located:				
- in Malaysia	-	-	26,300,000	26,269,560
- outside Malaysia	-	-	1,200,000	1,252,331
	-----	-----	-----	-----
	-	-	27,500,000	27,521,891
	=====	=====	=====	=====
2018				
Commercial property units located:				
- in Malaysia	-	-	32,700,000	37,702,470
- outside Malaysia	-	-	1,000,000	1,040,000
	-----	-----	-----	-----
	-	-	33,700,000	33,742,470
	=====	=====	=====	=====

The property rental income earned by the Group from its investment properties, all of which are leased out under operating leases, amounted of RM996,368 (2018: RM990,406). Direct operating expenses pertaining to the investment properties amounted to RM410,395 (2018: RM442,695). There is no transfer between Level 1, 2 and 3 fair values during the year.

5. LEASES

The Group as a lessee

	Group 2019 RM
Right-of-use assets	
- Property	131,823
- Advertising spaces	8,548,085

	8,679,908
	=====
Lease liabilities	
- Current	4,537,148
- Non-current	4,646,966

	9,184,114
	=====

The leases of property and advertising spaces are typically made for period of 2 to 5 years. The lessors do not impose any covenants.

Addition to right-of-use assets during the current financial year amounted to RM443,616.

The movement in lease liabilities are as follows:

	Group 2019 RM
At 1 January	12,889,593
Cash flows:	
Payment of lease liabilities	
- Principal	(4,149,095)
- Interest	(681,327)
Non cash:	
Addition	443,616
Interest expense	681,327

At 31 December	9,184,114
	=====

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2019 RM	2018 RM
Unquoted shares, at cost	9,980,906	9,980,906
	=====	=====

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The details of the subsidiaries, which are all incorporated in Malaysia, are as follow:

Name of Company	Effective equity interest		Principal activities
	2019 %	2018 %	
Seni Jaya Sdn. Bhd.	100	100	Provision of media services for outdoor and indoor advertising.
Seni Jaya Production Sdn. Bhd.	100	100	Provision of media services and supply of advertising materials.
Mediamart Sdn. Bhd. *	100	100	Supply of advertising materials and provision of media services for outdoor advertising.

* Audited by firm other than Mazars PLT

7. INVESTMENTS IN ASSOCIATES

	Group	
	2019 RM	2018 RM
Reconciliation to carrying amount		
Net assets at 1 January	279,674	308,873
Additional subscription of shares	-	399,999
Share of results of associates	(2,528)	(429,198)
	-----	-----
Net assets at 31 December	277,146	279,674
	=====	=====

The Group's share of the current year's losses and accumulated losses of associates amounted to RM457,478 and RM7,989,574 (2018: RM349,557 and RM7,532,096) respectively have not been recognised in the Group's income statement as equity accounting had ceased when the Group's share of losses of these associates exceeded the carrying amount of its investment in these associates.

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The details of the associate are as follow:

Name of Company	Effective equity interest		Principal activities
	2019 %	2018 %	
Seni Jaya OOH Sdn. Bhd. *	30	30	Provision of production and media advertising, event and promotion services.
Seni Jaya Media Utama Sdn. Bhd. *	30	30	Provision of production and media advertising, event and promotion services.
Big Tree Seni Jaya Sdn. Bhd. *	40	40	Provision of advertising space, related services and carrying out related production works.

* Audited by firm other than Mazars PLT

The above associates are accounted for using the equity method in the consolidated financial statements.

The summarised financial information in respect of the Group's material associate is set out below. The summarised financial information presented below represents the amounts in the financial statements of the associates and not the Group's share of these amounts.

Seni Jaya OOH Sdn. Bhd.

	2019 RM	2018 RM
Current assets	5,192,168	855,066
Current liabilities	(5,548,683)	(1,132,308)
Net liabilities	(356,515)	(277,242)
Revenue	-	-
Total comprehensive loss for the financial year	(66,478)	(368,210)

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Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in the associate.

	2019 RM	2018 RM
Net liabilities of the associate	(356,515)	(277,242)
Proportion of the Group's ownership interest in the associate	30%	30%
	-----	-----
Carrying amount of the Group's interest in the associate	-	-
	=====	=====

Big Tree Seni Jaya Sdn. Bhd.

	2019 RM	2018 RM
Non-current assets	77,264,592	16,931,707
Current assets	13,637,314	12,419,233
Non-Current liabilities	61,899,916	12,419,233
Current liabilities	(46,183,042)	(39,157,286)
	-----	-----
Net liabilities	(17,181,052)	(9,806,346)
	=====	=====
Revenue	17,451,858	15,429,012
Total comprehensive loss for the financial year	(1,093,837)	(665,962)
	=====	=====

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in the associate.

	2019 RM	2018 RM
Net liabilities of the associate	(17,181,052)	(9,806,346)
Proportion of the Group's ownership interest in the associate	40%	40%
	-----	-----
Carrying amount of the Group's interest in the associate	-	-
	=====	=====

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Seni Jaya Media Utama Sdn. Bhd.

	2019 RM	2018 RM
Current assets	928,746	940,111
Current liabilities	(4,920)	(7,863)
	-----	-----
Net assets	923,826	932,248
	=====	=====
Revenue	-	-
Total comprehensive loss for the financial year	(8,422)	(6,359)
	=====	=====

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in the associate.

	2019 RM	2018 RM
Net assets of the associate	923,826	932,248
Proportion of the Group's ownership interest in the associate	30%	30%
	-----	-----
Carrying amount of the Group's interest in the associate	277,146	279,674
	=====	=====

8. AMOUNT OWING BY ASSOCIATES

	2019 RM	Group 2018 RM
Non-Current assets		
Amount owing by associates	11,952,655	916,128
Less: Loss allowance	(58,466)	(58,466)
	-----	-----
	11,894,189	857,662
	-----	-----
Current assets		
Amount owing by associates	6,401,879	12,848,001
Less: Loss allowance	(21,842)	(21,842)
	-----	-----
	6,380,037	12,826,159
	-----	-----
	18,274,226	13,683,821
	=====	=====

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	Group	
	2019	2018
	RM	RM
Current liabilities		
Amount owing to an associates	225,000	-
	=====	=====
	Company	
	2019	2018
	RM	RM
Non-Current assets		
Amount owing by associates	3,952,655	916,128
Less: Loss allowance	(58,466)	(58,466)
	-----	-----
	3,894,189	857,662
	=====	=====

The movement in loss allowance for amount owing by associates:

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
At 1 January	80,308	-	58,466	-
Addition	-	80,308	-	58,466
	-----	-----	-----	-----
At 31 December	80,308	80,308	58,466	58,466
	=====	=====	=====	=====

The amount owing by associates included under non-current assets are advances which are unsecured, bears interests at 4% per annum and repayable by 2025.

The amount owing by associates included under current assets are advances and payments made on behalf which are unsecured, interest-free and are repayable on demand.

The amount owing to an associate included under current liabilities is advances which are unsecured, interest-free and are repayable on demand.

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The movement in amount owing to an associate is as follows:

	Group 2019 RM
At 1 January	-
Cash flows:	
Advance from an associate	225,000

At 31 December	225,000
	=====

9. OTHER FINANCIAL ASSETS

	Group	
	2019 RM	2018 RM
Non-current:		
Financial assets carried at FVTPL:		
Debt instruments	3,678,867	1,137,066
	-----	-----
Current:		
Financial assets carried at FVTPL:		
Unit trusts	361,596	2,375,968
Held for trading:		
Quoted shares in Malaysia	181,060	141,383
	-----	-----
	542,656	2,517,351
	-----	-----
	4,221,523	3,654,417
	=====	=====

	Company	
	2019 RM	2018 RM
Current:		
Financial assets carried at FVTPL:		
Unit trusts	59,343	1,047,108
Held for trading:		
Quoted shares in Malaysia	170,225	132,000
	-----	-----
	229,568	1,179,108
	=====	=====

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Debt Instruments

On 1 June 2018, Seni Jaya Sdn Bhd (a subsidiary of the group) entered into a service agreement with Vision OOH Sdn Bhd to provide a total funding of RM530,000 and RM490,000 respectively in which the Group will become entitled to receive thirty five percent of Vision OOH Sdn Bhd net profit before tax over a period of 3 years and 5 years respectively from separate joint ventures entered by Vision OOH Sdn Bhd for the operation of advertisement displays at certain locations.

During the financial year, Seni Jaya Sdn Bhd has further provided a total funding of RM1,800,000 to Vision OOH Sdn Bhd.

10. OTHER INVESTMENT

	Group	
	2019	2018
	RM	RM
Club membership, at cost	3,000	3,000
	=====	=====

11. DEFERRED TAX ASSETS

The movements during the financial year relating to deferred tax assets are as follows:

	Group	
	2019	2018
	RM	RM
At 1 January	61,139	69,635
Recognised in profit or loss	23,315	(8,496)
	-----	-----
At 31 December	84,454	61,139
	=====	=====
Presented as follows:		
Deferred tax assets	84,454	68,737
Deferred tax liability	-	(7,598)
	-----	-----
	84,454	61,139
	=====	=====

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The deferred tax assets on temporary differences recognised in the financial statements are as follows:

	Group	
	2019	2018
	RM	RM
Tax effects of deductible temporary differences arising from:		
Property, plant and equipment	(71,656)	1,984
Unutilised capital allowances	74,870	-
Advance billings	81,240	41,350
Trade receivables	-	17,805
	-----	-----
	84,454	61,139
	=====	=====

12. TRADE AND OTHER RECEIVABLES

	Group	
	2019	2018
	RM	RM
		(Restated)
Trade receivables	5,490,154	7,189,490
Less: Allowance for impairment losses	(1,067,076)	(935,440)
	-----	-----
Net trade receivables	4,423,078	6,254,050
	-----	-----
Other receivables	2,803,647	1,808,944
Less: Allowance for impairment losses	(7,193)	(7,193)
Net other receivables	2,796,454	1,801,751
Refundable deposits	3,865,287	4,059,103
Less: Allowance for impairment losses	(7,014)	(7,014)
Net refundable deposits	3,858,273	4,052,089
Prepayments	789,252	1,740,123
Interest receivable	61	17,888
Goods and service tax recoverable	10,441	45,231
	-----	-----
	7,454,481	7,657,082
	-----	-----
Total trade and other receivables	11,877,559	13,911,132
	=====	=====

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	Company	
	2019 RM	2018 RM
Other receivables	1,882	1,882
Less: Allowance for impairment loss	(1,238)	(1,238)
Net other receivables	644	644
Refundable deposits	1,100	1,100
Interest receivable	-	17,888
Prepaid expenses	8,092	-
	-----	-----
Total other receivables	9,836	19,632
	=====	=====

(a) Trade receivables

Trade receivables are non-interest bearing. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month, extending up to three months for major customers. Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition.

The movements in the allowance for impairment loss in respect of trade receivables during the financial year are as follow:

Group	Lifetime ECL	Credit impairment	Total
2019	RM	RM	RM
At 1 January, as restated	150,649	784,791	935,440
Addition	24,746	141,673	166,419
Allowance for impairment loss no longer required	(11,183)	(23,600)	(34,783)
	-----	-----	-----
At 31 December	164,212	902,864	1,067,076
	=====	=====	=====
2018			
At 1 January	211,497	1,432,151	1,643,648
Addition	-	20,923	20,923
Write-off	-	(643,958)	(643,958)
Allowance for impairment loss no longer required	(60,848)	(24,325)	(85,173)
	-----	-----	-----
At 31 December, as restated	150,649	784,791	935,440
	=====	=====	=====

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(b) Other receivables

The movements in the allowance for impairment loss in respect of other receivables during the financial year are as follow:

	Group	
	2019 RM	2018 RM
At 1 January	14,207	1,238
Addition	-	12,969
	-----	-----
At 31 December	14,207	14,207
	=====	=====

13. AMOUNT OWING BY SUBSIDIARIES

The amount owing by subsidiaries are analysed as follows:

	Company	
	2019 RM	2018 RM
Non-trade account	15,660,410	16,609,875
Interest-bearing loan	13,578,880	14,422,000
	-----	-----
	29,239,290	31,031,875
Less : Allowance for impairment loss	(51,394)	(51,394)
	-----	-----
	29,187,896	30,980,481
	=====	=====

The non-trade account is interest-free, unsecured and repayable on demand.

The interest-bearing loan represents unsecured loan which bears interest at 4% (2018: 4%) per annum and are repayable on demand.

The movement in allowance for impairment loss in respect of amount owing by subsidiaries during the financial year are as follow:

	Company	
	2019 RM	2018 RM
At 1 January	51,394	-
Addition	-	51,394
	-----	-----
At 31 December	51,394	51,394
	=====	=====

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The amount owing to a subsidiary represents advances which bears interest at 4% per annum and is repayable on demand.

The movement in amount owing to a subsidiary is as follows:-

	Company
	2019
	RM
At 1 January	-
Cash flows:	
Advance from a subsidiary	50,000
Non-Cash:	
Interest expense	2,000

	52,000
	=====

14. CASH AND CASH EQUIVALENTS

	Group	
	2019	2018
	RM	RM
Cash and bank balances	1,405,385	3,088,415
Fixed deposits with licensed banks	2,183,209	2,106,635
	-----	-----
Cash and bank balances	3,588,594	5,195,050
	=====	=====
Weighted average interest rate of fixed deposits per annum (%)	3.41	3.34
Weight average maturity (days)	31	31
	=====	=====
	Company	
	2019	2018
	RM	RM
Cash and bank balances	29,879	88,058
	=====	=====

The currency profile of the Group's and the Company's cash and bank balances is as follows:

	Group	
	2019	2018
	RM	RM
Ringgit Malaysia	3,443,798	5,051,340
United Stated Dollar	144,796	143,710
	-----	-----
	3,588,594	5,195,050
	=====	=====
	Company	
	2019	2018
	RM	RM
Ringgit Malaysia	29,879	88,058
	=====	=====

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15. SHARE CAPITAL

	Number of Shares		Group/Company	
	2019	2018	2019 RM	2018 RM
Issued and fully paid Ordinary shares				
At 1 January/31 December	40,533,330 =====	40,533,330 =====	40,533,330 =====	40,533,330 =====

16. RETAINED EARNINGS

Any dividend distributed by the Company out of its retained earnings under the single tier tax system is not taxable in Malaysia in the hand of the shareholders.

17. TRADE AND OTHER PAYABLES

	Group	
	2019 RM	2018 RM (Restated)
Trade payables	1,059,556	697,907
Provision for license fee	1,493,757	2,989,618
Accrued expenses	901,094	1,634,912
Customers' rental fundable deposits	396,317	518,358
Other payables	451,347	125,079
	-----	-----
	4,302,071	5,965,874
	=====	=====

	Company	
	2019 RM	2018 RM
Accrued expenses	97,864	73,100
Other payables	5,726	16,606
	-----	-----
	103,590	89,706
	=====	=====

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from one month to three months (2018: one month to three months). The Group receives extended credit terms from certain trade creditors.

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18. REVENUE

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Revenue from contracts customers				
(i) Recognised over time				
- rental contracts	11,876,173	14,376,186	-	-
- advertising display contracts	988,733	1,112,858	-	-
(ii) Recognised at a point in time				
- production contracts	1,686,568	2,074,647	-	-
Dividend (gross) from quoted shares in Malaysia	9,350	8,250	9,350	8,250
Single tier dividend from subsidiaries	-	-	-	800,000
Management fees from subsidiary (Note 27)	-	-	120,000	120,000
	-----	-----	-----	-----
	14,560,824	17,571,941	129,350	928,250
	=====	=====	=====	=====

19. COST OF SALES

	Group	
	2019 RM	2018 RM (Restated)
Contract costs	802,465	2,914,431
Production costs	1,647,758	1,584,420
Rental of advertising site	6,168,302	6,233,777
	-----	-----
	8,618,525	10,732,628
	=====	=====

Contract costs consist of maintenance costs, license fees and other costs directly related to the rental contracts.

20. INTEREST INCOME

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Interest income from:				
Fixed deposits with licensed banks	76,636	111,159	-	12,239
Current account with licensed banks	2,386	2,115	-	-
Advance to subsidiaries (Note 27)	-	-	543,155	589,676
Advances to associates	86,528	-	86,528	-
	-----	-----	-----	-----
	165,550	113,274	629,683	601,915
	=====	=====	=====	=====

21. OTHER OPERATING INCOME

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Rental income from:				
- investment properties	996,368	990,406	-	-
- coverage antenna space	423,800	433,531	-	-
Miscellaneous income	98,123	36,156	201	-
Distribution from investments in unit trust	20,075	147,389	6,366	105,079
Unrealised gain on foreign exchange	-	12,606	-	-
Impairment loss no longer required on trade receivables	34,783	85,173	-	-
Impairment loss no longer required on property, plant and equipment	6	41,968	-	-
Gain on disposal of property, plant and equipment	228,805	21,917	-	-
Fair value gain on financial asset designated at FVTPL	796,997	146,478	44,094	19,398
Written-off on trade payables	5,850	130,915	-	-
Dividend received	6	632	-	-
	-----	-----	-----	-----
	2,604,813	2,047,171	50,661	124,477
	=====	=====	=====	=====

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22. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is arrived at after charging:

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Auditors' remuneration:				
- statutory audit	122,000	144,800	70,000	60,500
- non-audit services	5,000	5,000	5,000	5,000
Allowance for impairment loss on:				
- trade receivables (Note 12)	166,419	20,923	-	-
- other receivables (Note 12)	-	12,696	-	-
- amount owing by associates (Note 8)	-	80,308	-	58,466
- amount owing by subsidiaries (Note 13)	-	-	-	51,394
Depreciation of:				
- property, plant and equipment (Note 3)	1,712,338	1,695,723	-	-
- right-of-use assets	4,653,303	-	-	-
- Investment properties (Note 4)	251,101	203,472	-	-
Impairment loss on property, plant and equipment (Note 3)	777,392	-	-	-
Interest expense on lease liabilities	681,327	-	-	-
Bad debts written off on trade receivables	-	12,190	-	-
Management fees paid to related companies	-	4,320	-	-
Property, plant and equipment written off	31	291,618	-	-
Unrealised loss on foreign exchange	1,298	-	-	-
Operating lease expense:				
- office premise	-	281,682	-	-
	=====	=====	=====	=====

23. INCOME TAX EXPENSE

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Current tax:				
- current year	280,585	471,452	68,099	122,582
- under/(over) provision in prior years	126,256	(12,542)	4,450	990
	-----	-----	-----	-----
	406,841	458,910	72,549	123,572
Deferred tax:				
- current year	(82,760)	12,944	-	-
- over/(under) provision in prior years	59,445	(4,448)	-	-
	-----	-----	-----	-----
	(23,315)	8,496	-	-
	-----	-----	-----	-----
Income tax expense	383,526	467,406	72,549	123,572
	=====	=====	=====	=====

The reconciliation of income tax expense applicable to the (loss)/profit before tax at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:

	Group		Company	
	2019 RM	2018 RM (Restated)	2019 RM	2018 RM
(Loss)/Profit before tax	(98,280)	(280,855)	117,953	960,349
	=====	=====	=====	=====
Tax at statutory tax rate of 24%	(23,587)	(67,405)	28,309	230,484
Tax effects of:				
- non-taxable income	(285,964)	(241,820)	(14,403)	(107,902)
- non-deductible expenses	572,649	899,902	54,193	-
Under/(Over)provision in prior years				
- current tax	126,151	(12,542)	4,450	990
- deferred tax	59,445	(4,448)	-	-
Utilisation of deferred tax assets previously not recognised	(65,168)	(106,281)	-	-
	-----	-----	-----	-----
Income tax expense	383,526	467,406	72,549	123,572
	=====	=====	=====	=====

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The following temporary differences exist at the end of the financial year which have not been recognised in the financial statements:

	Group	
	2019	2018
	RM	RM
		(Restated)
Temporary differences arising from:		
Property, plant and equipment	(1,321,977)	(2,083,367)
Advance billings	972,441	1,744,735
Provision for license fee	1,493,757	2,989,618
Unutilised capital allowances	3,386,515	2,791,963
Unabsorbed tax losses	429,605	429,605
Leases	504,206	-
Allowance for doubtful debts	993,826	857,352
	-----	-----
	6,458,373	6,729,906
	=====	=====

24. LOSS PER SHARE

Basic loss per share is calculated by dividing the Group's loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The basic loss per share

	Group	
	2019	2018
	RM	RM
Loss attributable to owners of the Company	(481,806)	(748,261)
	=====	=====
Weighted average number of ordinary shares at 31 December	40,533,330	40,533,330
	=====	=====
Basic loss per share attributable to owners of the parent	(1.19)	(1.85)
	=====	=====

Diluted loss per share

The basic and diluted loss per share are the same as the Group has no potential dilutive ordinary shares.

25. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Wages, salaries and bonuses	2,244,893	1,476,114	335,067	108,000
Contributions to defined contribution plan	300,863	198,170	19,189	18,360
Other benefits	115,367	98,304	9,638	6,662
	-----	-----	-----	-----
	2,661,123	1,772,588	363,894	133,022
	=====	=====	=====	=====

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,345,714 (2018: RM1,304,400) and RM135,894 (2018: RM126,360), respectively, as disclosed in Note 26.

26. DIRECTORS' REMUNERATION

	Group		Company	
	2019 RM	2018 RM	2019 RM	2018 RM
Executive directors:				
Salaries and other emoluments	1,139,063	1,119,996	107,067	108,000
Contributions to defined contribution plans	190,213	184,404	19,189	18,360
Other benefits	16,438	-	9,638	-
	-----	-----	-----	-----
	1,345,714	1,304,400	135,894	126,360
Non-executive directors:				
Directors' fees	228,000	228,000	228,000	228,000
	-----	-----	-----	-----
	1,573,714	1,532,400	363,894	354,360
	=====	=====	=====	=====

FINANCIAL STATEMENTS

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27. RELATED PARTY DISCLOSURES

- (a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties during the financial year:

	2019 RM	2018 RM
Group		
Interest charged to an associated company	86,528	-
Disposal of property, plant and equipment to a director	230,800	-
	=====	=====
Company		
Management fee charged to a subsidiary (Note 18)	120,000	120,000
Interest charged to a subsidiary (Note 20)	543,155	589,676
Interest charged to an associated company	86,528	-
	=====	=====

- (b) Compensation of key management personnel

The members of key management personnel of the Group and of the Company comprise directors of the Company. Details on compensation for these key management personnel are disclosed in Note 26.

28. FINANCIAL INSTRUMENTS

- (a) Categories of financial instruments

	2019 RM	Group 2018 RM (Restated)
Financial assets		
<i>At amortised cost</i>		
Other investment	3,000	3,000
Trade and other receivables	11,077,866	12,125,778
Amount owing by associates	18,274,226	13,683,821
Cash and bank balances	3,588,594	5,195,050
	-----	-----
	32,943,686	31,007,649
	=====	=====
<i>At FVTPL</i>		
Other financial assets	4,221,523	3,654,417
	=====	=====

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	Group	
	2019	2018
	RM	RM (Restated)
Financial liabilities		
<i>At amortised cost</i>		
Trade and other payables	4,302,071	5,965,874
Amount owing to an associate	225,000	-
	-----	-----
	4,527,071	5,965,874
	=====	=====
	Company	
	2019	2018
	RM	RM
Financial assets		
<i>At amortised cost</i>		
Other receivables	1,744	19,632
Amount owing by subsidiaries	29,187,896	30,980,481
Amount owing by an associate	3,894,189	857,662
Cash and bank balances	29,879	88,058
	-----	-----
	33,113,708	31,945,833
	=====	=====
<i>At FVTPL</i>		
Other financial assets	229,568	1,179,108
	=====	=====
Financial liabilities		
<i>At amortised cost</i>		
Other payables	103,590	89,706
Amount owing to a subsidiary	52,000	-
	-----	-----
	155,590	89,706
	=====	=====

(b) Fair values of financial instruments

The fair value of a financial instruments is the amounts at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The carrying amounts of the financial instruments of the Company at the reporting date approximate their fair values.

Market Risk

The Group and the Company have no exposure to price fluctuation risk of sales to its customers due to lump sum or fixed pricing contract. The Group and the Company face minimal exposure to market risk or the manner in which this risk is managed and measured.

Interest Rate Risk

Interest rate risk is the risk that the changes in interest rates will have an adverse financial effect on the Group's and the Company's financial position. The Group and the Company is not exposed to any significant interest rate risk.

Credit Risk

Credit risk refers to the risk that counterparty will default on their contractual obligations resulting in financial loss to the Group.

The Group's primary exposure to credit risk arises through its trade receivables, other receivables and amount owing by associates. The Group's trading terms with its customer are mainly on credit. The Group seek to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. As the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade and other receivables are non-interest bearing.

An impairment analysis is performed at each reporting date to measure the ECL. The calculation reflects information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Management applies simplified approach (i.e. lifetime expected credit losses) in measuring the loss allowance for trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Management writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

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The ageing analysis of receivables which are trade in nature is as follows:

Group 2019	Gross amount RM	Impairment RM	Carrying value RM
Not past due	-	-	-
Past due 1-30 days	804,762	(24,225)	780,537
Past due 31-60 days	1,176,601	(39,722)	1,136,879
Past due 61-90 days	1,026,952	(38,475)	988,477
Past due 91-120 days	1,578,975	(61,790)	1,517,185
Past due more than 121 days	902,864	(902,864)	-
	-----	-----	-----
	5,490,154	(1,067,076)	4,423,078
	=====	=====	=====

2018

Not past due	1,174,172	(7,817)	1,166,355
Past due 1-30 days	1,278,093	(7,036)	1,271,057
Past due 31-60 days	1,477,434	(5,242)	1,472,192
Past due 61-90 days	1,236,493	(9,640)	1,226,853
Past due 91-120 days	395,731	(6,460)	389,271
Past due more than 121 days	1,627,567	(899,245)	728,322
	-----	-----	-----
	7,189,490	(935,440)	6,254,050
	=====	=====	=====

Liquidity Risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting their financial obligations due to shortage of funds.

The Group's manages its operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

The Group's and the Company's remaining contractual maturity for their financial liabilities is due within one year from the end of the reporting period and are non-interest-bearing.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The group's exposure is as disclosed in Note 14. The effects of the changes arising from changes in foreign exchange rates are determined to be immaterial.

30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximises shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes.

31. SEGMENTAL INFORMATION

No segmental information is provided as the Group's activities are predominantly in the advertising segment and are conducted in Malaysia.

32. SUBSEQUENT EVENT

On 11 March 2020, the World Health Organisation assessed the Covid-19 outbreak as a pandemic due to rapid escalation of Covid-19 cases across the globe. On 16 March 2020, the Government of Malaysia announced the implementation of a Movement Control Order ("MCO") nationwide from 18 March to 31 March and was subsequently further extended for several occasions until 9 June 2020. The Covid-19 pandemic also resulted in travel restriction and other precautionary measures implemented by the government of Malaysia.

The management assessed based on pertinent information and facts available at the balance sheet date and concluded that the spread of Covid-19 pandemic is a non-adjusting event to the financial statements of the Group. Consequently, there is no impact on the recognition and measurement of assets and liabilities of the Group as at 31 December 2019.

Notwithstanding this, management also assessed that the Group is still able to maintain sufficient liquidity to enable the Group to meet their liabilities as and when they fall due. The full effect of the pandemic is subject to uncertainty and could not be ascertained at this juncture.

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33. ADOPTION OF NEW STANDARD

MFRS 16 Leases

As a lessee

At 1 January 2019, for leases that were classified as operating lease under MFRS 117, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. The rate applied is at 5.11%. Right-of-use assets are measured at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments.

For leases that were classified as finance lease under MFRS 117, the carrying amounts of the right-of-use assets and the lease liabilities at 1 January 2019 are determined to be the same as the carrying amounts of the leased assets and lease liabilities under MFRS 117 immediately before that date.

Since the Group applied the requirements of MFRS 16 modified retrospectively with the right-of-use assets equal to lease liabilities at 1 January 2019, there are no adjustments made to the prior period presented.

The impact on the Group's statement of financial position as at 1 January 2019 is summarised below:

	2019 RM
Right-of-use assets	12,889,593
Lease liabilities	12,889,593
	=====

The following table explains the difference between operating lease commitments disclosed applying MFRS 117 at 31 December 2018, and lease liabilities recognised in the statement of financial position at 1 January 2019.

	RM
Operating lease commitments as at 31 December 2018	14,802,250
Less: Recognition exemption for leases of short-term lease	(305,567)
Less: Effect of discounting using incremental borrowing rate	(1,607,090)

Lease liabilities recognised as at 1 January 2019	12,889,593
	=====

34. CORRECTION OF ERRORS

- (a) During the financial year ended 31 December 2018, a subsidiary company, Seni Jaya Sdn. Bhd. ("SJSB") has received a supplier invoice of the advertising fee amounting to RM100,000. As a result, SJSB recognised the said amount by debiting trade and other receivables and crediting trade and other payables. As a consequence, the other operating expenses were understated and trade and other receivables were overstated.
- (b) Certain comparative figures have been reclassified to conform with current year's presentation.

The financial effects of correction of errors and reclassification are disclosed below:

Group

Impact on Consolidation Statement of Financial Position as at 31 December 2018

	Reported previously RM	Reclassification RM	Restated RM
Trade and other receivables	14,011,132	(100,000)	13,911,132
Trade and other payables	(6,054,206)	88,332	(5,965,874)
Retained earnings	(12,656,139)	11,668	(12,644,471)
	=====	=====	=====

Impact on Consolidation Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 December 2018

	Reported previously RM	Reclassification RM	Restated RM
Cost of sales	(10,820,960)	88,332	(10,732,628)
Administrative expenses	(3,009,729)	(192,284)	(2,817,445)
Other operating expenses	(5,741,686)	(292,284)	(6,033,970)
	=====	=====	=====

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Impact on Consolidation Statement of Cash Flows for the financial year ended 31 December 2018

	Reported previously RM	Reclassification RM	Restated RM
(Loss)/Profit before tax	(269,187)	(11,668)	(280,855)
Change in trade and other receivables	802,083	100,000	902,083
Change in trade and other payables	1,317,971	(88,332)	1,229,639
	=====	=====	=====

Company

Impact on Statement of Profit or Loss and Other Comprehensive income for the financial year ended 31 December 2018

	Reported previously RM	Reclassification RM	Restated RM
Administrative expenses	567,933	(206,911)	361,022
Other operating expenses	126,360	206,911	333,271
	=====	=====	=====

35. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were authorised for issue on 18 June 2020 by the board of directors.

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SENI JAYA CORPORATION BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Dato' Sri Anne Teo and Datin Lee Nai Yee, being two of the directors of Seni Jaya Corporation Berhad, do hereby state that, in the opinion of the directors, the financial statements set out on pages 75 to 138 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019 and financial performance and cash flows of the Group and of the Company for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the board of directors in accordance with a directors' resolution.

DATO' SRI ANNE TEO

Director

DATIN LEE NAI YEE

Director

Kuala Lumpur

Date: 18 June 2020

Registration No.: 199301025122 (279860-X)

SENI JAYACORPORATION BERHAD

(Incorporated in Malaysia)

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Dato' Sri Anne Teo, being the director primarily responsible for the financial management of Seni Jaya Corporation Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the financial statements set out on pages 75 to 138 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared
by the abovenamed
Dato' Sri Anne Teo
at Kuala Lumpur
in the Federal Territory
on this 18 June 2020

DATO' SRI ANNE TEO

Before me,

COMMISSIONER FOR OATHS
KAPT (B) JASNI BIN YUSOFF
W 465

ANALYSIS OF SHAREHOLDINGS

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ANALYSIS OF SHAREHOLDINGS AS AT 11 JUNE 2020

Total Issued Share Capital : RM 40,533,330/-
 Class of Shares : Ordinary Shares
 Voting Rights : One vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 – 99	38	4.82	1,814	0.00
100 – 1000	296	37.52	53,330	0.13
1,001 – 10,000	360	45.63	1,243,540	3.07
10,001 – 100,000	71	9.00	2,310,700	5.70
100,001 - 2,026,665*	22	2.79	15,352,964	37.88
2,026,666 and above**	2	0.25	21,570,982	53.22
Total	789	100.00	40,533,330	100.00

Remark: * - Less than 5% of issued shares
 ** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

No.	Name	No. of Shares	%
1.	Datin Lee Nai Yee	15,143,130	37.36
2.	Dato' Sri Anne Teo	9,004,866	22.22

DIRECTORS' SHAREHOLDINGS

No.	Name	No. of Shares			
		(%)	Indirect	(%)	
1.	Dato' Sri Anne Teo	9,004,866	22.22	-	-
2.	Datin Lee Nai Yee	15,143,130	37.36	-	-
3.	Dato' Sri Liew Lee Leong	-	-	-	-
4.	Dato' Shamsul Falak Bin Abdul Kadir	-	-	-	-
5.	Lim Chee Khang	-	-	-	-

ANALYSIS OF SHAREHOLDINGS

TOP THIRTY SECURITIES ACCOUNT HOLDERS AS AT 11 JUNE 2020

No.	Name	Shareholdings	%
1.	Lee Nai Yee	12,567,930	31.01
2.	Anne Teo	9,003,052	22.21
3.	CitiGroup Nominees (Asing) Sdn. Bhd. Exempt AN for OCBC Securities Private Limited (Client A/C-NR)	1,942,000	4.79
4.	Rantau Selangit Sdn. Bhd.	1,933,800	4.77
5.	Affin Hwang Nominees (Asing) Sdn. Bhd. DBS Vickers Secs (S) Pte Ltd for Capital Award Investments Limited	1,814,944	4.48
6.	Lee Nai Yee	1,675,200	4.13
7.	Teo Kwee Hock	1,669,900	4.12
8.	Paramount Pinang Sdn. Bhd.	1,075,200	2.65
9.	Lee Nai Yee	900,000	2.22
10.	Mah Siew Hoe	863,200	2.13
11.	Juwitawan Sdn. Bhd.	514,000	1.27
12.	Kencana Horizon Sdn. Bhd.	496,400	1.22
13.	Azeera Management Consultants (M) Sdn. Bhd.	452,400	1.12
14.	Bijak Tulus Sdn. Bhd.	259,500	0.64
15.	Landswell Corporation Sdn. Bhd.	250,000	0.62
16.	Yuen Yoo Yee	240,520	0.59
17.	Juwitawan Sdn. Bhd.	230,000	0.57
18.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Chye Gaik	201,000	0.50
19.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tong Kim Fatt @ Allen Tong	194,000	0.48
20.	Leong Tsui Kum	161,400	0.40
21.	Yu Yock Ming	146,700	0.36
22.	Lee Nai Soo	114,800	0.28
23.	Yap Chooi Wah	114,000	0.28
24.	Liew Voon Yau	104,000	0.26
25.	Kenanga Nominees (Asing) Sdn. Bhd. Pledged Securities Account for Charles Ross Mckinnon	100,000	0.25
26.	Low Pak Seng	100,000	0.25
27.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Koo Tai Ping @ Koh Kian Tee	86,100	0.21
28.	Lee Chee Beng	85,000	0.21
29.	Sim Leck Seng	82,700	0.20
30.	Teo Tiew	72,000	0.18

PARTICULARS OF PROPERTIES

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AS AT 31 DECEMBER 2019

Location	Description and Existing	Tenure and Expiry Date	Built-up /Land Area (Sq. Ft)	Date of Acquisition	Net Book Value (RM'000)	Age of Building (No. of years)
No.12, Jalan SS22/21 Damansara Jaya 47400 Petaling Jaya	Four Storey Terraced Shop-Office	Freehold	5,401 / 1,650	6/7/90	106	36
No.14, Jalan SS22/21 Damansara Jaya 47400 Petaling Jaya	Four Storey Terraced Shop-Office	Freehold	5,401/ 1,650	6/7/90	106	36
148-2-10, Villa Flora Condominium Taman Tun Dr. Ismail 60000 Kuala Lumpur	Residential Apartment	Freehold	1,959	20/6/94	185	24
Unit F, 15th Floor Peace World Centre Guangzhou China	Office	Leasehold 31 Dec 2041	1,452	12/7/96	663	23
No. 2, Anggerik Mokara 31/61, Kota Kemuning Section 31 40460 Shah Alam	1 1/2 Storey Factory	Freehold	5,050/ 10,781	5 /1/96	465	22
No. 4, Anggerik Mokara 31/61, Kota Kemuning Section 31 40460 Shah Alam	1 1/2 Storey Factory	Freehold	5,050/ 10,500	5 /1/96	465	22
No. 18, Jalan 24/70A Desa Sri Hartamas 50480 Kuala Lumpur	Four Storey Terraced Shop-Office	Freehold	6,752/ 1,760	4/3/97	1,171	21
No. 20, Jalan 24/70A Desa Sri Hartamas 50480 Kuala Lumpur	Four Storey Terraced Shop-Office	Freehold	6,752/ 1,760	4/3/97	1,171	21
No. 8, Jalan Raja Abdullah Off Jalan Sultan Ismail 50300 Kuala Lumpur	Four Storey Terraced Shop-Office	Freehold	21,544/ 4,313	4/3/94	4,051	21
B1-G-103 Savanna Executive Suites, Jalan BBLs 2, Bandar Baru Lembah Selatan, 43800 Dengkil Selangor	Shop/Office	Freehold	5,687	27/3/14	2,795	3
B2-09-02 Savanna Executive Suites, Jalan BBLs 2, Bandar Baru Lembah Selatan, 43800 Dengkil Selangor	Shop/Office	Freehold	956	27/3/14	301	3

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh (“**27th**”) Annual General Meeting (“**AGM**”) of Seni Jaya Corporation Berhad (the “**Company**”) will be held at Greens 1, Golf Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 29 July 2020 at 9:00 a.m. for the following purposes: -

AGENDA

- | | | |
|----|--|--|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and the Auditors thereon. | [Please refer to Explanatory Note (1)] |
| 2. | To approve the payment of Directors’ fees amounting to RM228,000/- for the financial year ended 31 December 2019. | (Ordinary Resolution 1) |
| 3. | To re-elect the following Directors who are due to retire pursuant to Clause 117 of the Company’s Constitution and being eligible, have offered themselves for re-election:-

(a) Dato’ Sri Liew Lee Leong; and
(b) Dato’ Shamsul Falak Bin Abdul Kadir | (Ordinary Resolution 2)
(Ordinary Resolution 3) |
| 4. | To re-appoint Messrs. Mazars PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. | (Ordinary Resolution 4) |

AS SPECIAL BUSINESS:

To consider and, if thought fit, with or without modifications, to pass the following ordinary resolutions:-

- | | | |
|----|---|-------------------------|
| 5. | ORDINARY RESOLUTION
RETENTION OF DATO’ SRI LIEW LEE LEONG AS AN INDEPENDENT
NON-EXECUTIVE DIRECTOR | (Ordinary Resolution 5) |
| | “ THAT subject to the passing of Ordinary Resolution 2, Dato’ Sri Liew Lee Leong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, be and is hereby retained as an Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance.” | |
| 6. | ORDINARY RESOLUTION
RETENTION OF DATO’ SHAMSUL FALAK BIN ABDUL KADIR AS AN
INDEPENDENT NON-EXECUTIVE DIRECTOR | (Ordinary Resolution 6) |
| | “ THAT subject to the passing of Ordinary Resolution 3, Dato’ Shamsul Falak Bin Abdul Kadir who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance.” | |

7. **ORDINARY RESOLUTION** (Ordinary Resolution 7)
RETENTION OF MR. LIM CHEE KHANG AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

“**THAT** Mr. Lim Chee Khang who would have served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years from 27 September 2020 onwards, be and is hereby retained as an Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance.”

8. **ORDINARY RESOLUTION** (Ordinary Resolution 8)
AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016

“**THAT** subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

9. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)

YAU JYE YEE (SSM PC NO. 202008000733) (MAICSA 7059233)

Company Secretaries

Kuala Lumpur

29 June 2020

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:-

(1) Item (1) of the Agenda - To receive the Audited Financial Statements for the financial year ended 31 December 2019

This Agenda item is meant for discussion only as under the provision of Section 340(1)(a) of the Act, the audited financial statements do not require a formal approval of the shareholders. Hence, this Agenda item will not put forward for voting.

The Annual Report 2019 which includes the Audited Financial Statements, Directors' Report and Independent Auditors' Report will be presented to the meeting. The shareholders can access a copy of the Annual Report 2019 at Seni Jaya Corporation Berhad's website, www.senijayacorp.com.

The Chairman will give the shareholders an opportunity to ask question about, and make comments on the financial statements and reports and Seni Jaya Corporation Berhad's performance.

The shareholders will also be given an opportunity to ask the representative(s) of the Company's Auditors, Messrs. Mazars PLT, questions relevant to audit matters, including the Auditors' Report.

(2) Ordinary Resolution 1 – Directors' Fees

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Resolution 1, if approved, will authorise the payment of Directors' fees for the financial year ended 31 December 2019 of RM228,000/- (2018: RM228,000/-).

(3) Ordinary Resolution 5 – Retention of Independent Non-Executive Director

At the Twenty-Sixth ("26th") AGM of the Company, Dato' Sri Liew Lee Leong ("**Dato' Sri Liew**") was retained to hold office until the conclusion of the 27th AGM.

Dato' Sri Liew was appointed as Independent Non-Executive Director of the Company on 28 March 2008. Therefore, he has on 27 March 2020 served the Board in that capacity for a cumulative of more than twelve (12) years, offered himself to continue in office as an Independent Non-Executive Director of the Company.

The Board of Directors has vide the Nomination Committee, after having assessed of the independence of Dato' Sri Liew, regards him to be independent based amongst others, the following justifications and recommends that Dato' Sri Liew be retained as an Independent Non-Executive Director of the Company subject to the approval from the shareholders of the Company through a two-tier voting process as described in the Guidance to Practice 4.2 of the Malaysian Code on Corporate Governance:-

- (i) **Dato' Sri Liew** has met the independent guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities.
- (ii) **Dato' Sri Liew** has been with the Company for more than twelve (12) years, therefore understands the business operations of the Group.

- (iii) **Dato' Sri Liew** actively participates and contributes to the discussions and deliberations of the Board and Board Committees meetings. He has diligently attended all of the meetings held for the Board and the Board Committees for the financial year ended 31 December 2019.
- (iv) **Dato' Sri Liew** has exercised due care and diligence during his tenure as the Independent Non-Executive Director of the Company.

(4) Ordinary Resolutions 6 and 7 – Retention of Independent Non-Executive Directors

At the Twenty-Sixth (“26th”) AGM of the Company, Dato' Shamsul Falak Bin Abdul Kadir (“**Dato' Shamsul**”) was retained to hold office until the conclusion of the 27th AGM.

Dato' Shamsul was appointed as an Independent Non-Executive Director of the Company on 22 January 2009. Therefore, he has served the Board in that capacity for a cumulative of more than nine (9) years. He has offered himself to continue in office as an Independent Non-Executive Director of the Company.

Mr. Lim Chee Khang (“**Mr. Lim**”) was appointed as an Independent Non-Executive Director of the Company on 28 September 2011. Therefore, he would have served the Board in the capacity for a cumulative term of more than nine (9) years from 27 September 2020 onwards. He has offered himself to continue in office as an Independent Non-Executive Director of the Company.

In accordance with the Malaysian Code on Corporate Governance, prior approval should be obtained from the shareholders at the 27th AGM, to enable Mr. Lim to continue in office as Independent Non-Executive Director before he reaches the nine (9) years term limit on 27 September 2020.

The Board of Directors has vide the Nomination Committee, after having assessed of the independence of Dato' Shamsul and Mr. Lim, regards themselves to be independent based amongst others, the following justifications and recommends that Dato' Shamsul and Mr. Lim be retained as Independent Non-Executive Directors of the Company:-

- (i) They have met the independent guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities.
- (ii) Dato' Shamsul has been with the Company for more than nine (9) years and Mr. Lim would have been with the Company for more than (9) years and therefore understand the business operations of the Group.
- (iii) They actively participate and contribute to the discussions and deliberations of the Board and Board Committees meetings. They have diligently attended all of the meetings held for the Board and the Board Committees for the financial year ended 31 December 2019.
- (iv) They have exercised due care and diligence during their tenure as the Independent Non-Executive Directors of the Company.

(5) Ordinary Resolution 8 – Authority to Issue Shares pursuant to the Act

The proposed Ordinary Resolution 8 is to seek a renewal of the general mandate which was approved at the 26th AGM of the Company held on 27 June 2019 and which will lapse at the conclusion of the 27th AGM.

NOTICE OF ANNUAL GENERAL MEETING

The general mandate, if approved, will give a renewal mandate to the Directors of the Company, an authority to allot and issue new ordinary shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for such purposes as the Directors may in their discretion deem expedient in the best interest of the Company, subject to compliance with the relevant regulatory requirements. This renewed mandate, unless earlier revoked or varied by the shareholders of the Company at a general meeting, will expire at the next AGM of the Company.

As at the date of this Notice, the Authority to Issue Shares granted by the shareholders at the 26th AGM of the Company had not been utilised and hence, no proceeds were raised therefrom.

Notes:-

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 July 2020 ("**General Meeting Record of Depositors**") shall be eligible to attend, speak and vote at the Meeting.
2. A member entitled to attend and vote at this meeting shall be entitled to appoint more than one (1) proxy to attend and vote in his stead. Where a member appoints more than one (1) proxy to attend and vote at the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
3. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the member to attend, participate, speak and vote at the Meeting and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof. All the resolutions set out in this Notice are to be voted by poll.

SENI JAYA CORPORATION BERHAD
[Registration No. 199301025122 (279860-X)]
(Incorporated in Malaysia)

CDS Account No.
Number of ordinary shares

FORM OF PROXY

I/We _____ NRIC No./Passport No./Company No. _____

of _____

being a member/members of Seni Jaya Corporation Berhad hereby appoint :-

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or *delete if not applicable

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting* as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Seventh Annual General Meeting of the Company to be held at Greens 1, Golf Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 29 July 2020 at 9:00 a.m., or at any adjournment thereof. My/our proxy is to vote as indicated below.

Resolution	Agenda	For	Against
Ordinary Resolution 1	Approval of the payment of Directors' fees of RM228,000/- for the financial year ended 31 December 2019.		
Ordinary Resolution 2	Re-election of Dato' Sri Liew Lee Leong as a Director of the Company.		
Ordinary Resolution 3	Re-election of Datuk Shamsul Falak Bin Abdul Kadir as a Director of the Company.		
Ordinary Resolution 4	Re-appointment of Messrs. Mazars PLT as Auditors of the Company.		

As Special Business:

Ordinary Resolution 5	Retention of Dato' Sri Liew Lee Leong as an Independent Non-Executive Director of the Company.		
Ordinary Resolution 6	Retention of Dato' Shamsul Falak Bin Abdul Kadir as an Independent Non-Executive Director of the Company.		
Ordinary Resolution 7	Retention of Mr. Lim Chee Khang as an Independent Non-Executive Director of the Company.		
Ordinary Resolution 8	Authority to Issue Shares pursuant to the Companies Act, 2016.		

Please indicate with an "X" in the appropriate space how you wish your proxy to vote. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit or, at his discretion, abstain from voting.

Dated this day _____ of _____ 2020

*Signature/Common Seal of Shareholder

*Delete if not applicable

Notes:-

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SETEM

The Company Secretaries
SENI JAYA CORPORATION BERHAD
[Registration No. 199301025122 (279860-X)]
(Incorporated in Malaysia)

c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

SENI JAYA CORPORATION BERHAD

Reg. No.:199301025122 (279860-X)

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