



Jamaica Stock Exchange's Monthly Regulatory Report May 2021

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Overview

This is the Jamaica Stock Exchange's (JSE) May 2021 Monthly Regulatory Report. The report gives a synopsis of the following regulatory activities:

1. Member-dealers' reporting,
2. Listed companies' submissions,
3. Market surveillance and compliance activities,
4. Regulatory breaches and enforcement actions.

Member-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers were required to file Monthly Reports for the period ended April 30, 2021 by May 31, 2021. For the reporting period, thirteen (13) Monthly Reports were due and submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended April 30, 2021 by May 31, 2021. For the reporting period, one (1) Quarterly Report was due and submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended February 28, 2021 were required to file their Audited Reports by May 31, 2021. For the reporting period no Audited Reports were due.

The aggregate compliance rate for member-dealers' filing of Monthly and Quarterly Reports due for the month ended May 31, 2021 was 100%. For the 2020 comparative reporting period, member-dealers' aggregate compliance rate was also 100%. For the reporting period ended April 30, 2021 all member-dealers satisfied the JSE's Excess Net Free Capital (ENFC) requirement as prescribed by JSE Rule Appendix 12 – Member/Dealers' Report and Financial Information, which is represented in Table 1 below.

Table 1

| Member-Dealers' Excess Net Free Capital (ENFC) as at April 30, 2021 | | |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| ENFC Range(\$M) | # Of Member-Dealers Apr 2021 | # Of Member-Dealers Apr 2020 |
| Below 0 | 0 | 0 |
| 0 - 299 | 2 | 1 |
| 300 – 899 | 4 | 7 |
| 900 – 1,999 | 3 | 1 |
| 2,000 – 5,999 | 0 | 2 |
| 6,000 and above | 4 | 2 |

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended March 31, 2021 by May 15, 2021. Listed Companies with year ended March 31, 2021 that selected the 60 -days filing option were required to file Audited Reports by May 30, 2021. The filing statistics are represented in Table 2 below:

Table 2

| Listed Companies' Financial Submissions | | | | | | | | |
|-----------------------------------------|-----------|---------------|------|--------------------------------|-----------|---------------|------|--------------------------------|
| April 2021 | | | | | May 2020 | | | |
| Reports | Total Due | Timely Filing | Late | Outstanding/ Extension Relief* | Total Due | Timely Filing | Late | Outstanding/ Extension Relief* |
| Unaudited | 63 | 61 | 1 | 1 | 61 | 53 | 0 | 8* |
| Audited | 12 | 4 | 0 | 8* | 12 | 3 | 0 | 9* |
| Annual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

*Key: Late reports are filings after the due date that came in before the close of the month.
Outstanding reports are due reports that were not received as at the close of the month.*

* Due to the prolonged impact of the Covid-19 pandemic, the JSE made available extension relief of 45 days to Listed Companies who were required to file Audited Financial as at the end of the month.

Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of May 2021 amounted to twenty (20) versus sixteen (16) for the comparative period. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

Table 3

| Market Surveillance & Compliance Log | | | | | |
|--------------------------------------|-----------|---------------|-----------|-----------------|-----------|
| Total Issues | | Issues Closed | | Issues Unclosed | |
| May 2021 | May 2020 | May 2021 | May 2020 | May 2021 | May 2020 |
| 20 | 16 | 12 | 13 | 8 | 3 |
| Y-T-D '21 | Y-T-D '20 | Y-T-D '21 | Y-T-D '20 | Y-T-D '21 | Y-T-D '19 |
| 99 | 94 | 84 | 85 | 15 | 9 |

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended May 31, 2021 is presented at Table 4.

Table 4

| # | Entity | Code | Rule | Details |
|---|---------------------------------------|------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Consolidated Bakeries Jamaica Limited | JMC | JSE Junior Market Rule Appendix 2, Part 4 (3)- Published Annual Report and Audited Financial Statements. | The Company's Annual Report for the period ended December 31, 2019, which was granted an extension relief due to the impact of COVID-19 was filed on May 19, 2021. Due to not filing its report within the relief period granted, the company's Annual Report was deemed to be late. |
| 2 | MPC Caribbean Clean Energy Limited | MMC | JSE Rule 407 – Quarterly Financial Statements | The Company's 4 th Quarter Unaudited Financial Statements for the period ended December 31, 2020, which became due on February 14, 2021, was submitted on May 7, 2021. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (v). |
| 3 | KLE Group Limited | JMC | JSE Junior Market Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements | The Company's Audited Financial Statements for the period ended December 31, 2021, which became due on March 1, 2021, was submitted on May 28, 2021. The Company provided a delay notice. Due to the filing of the Audited Financial Statements on May 28, 2021, the Company breached JSE Junior Market Rule Appendix 2, Part 4 (2) (a) (i). |
| 4 | Express Catering Limited | JMC | JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i) | The Company's 3rd Quarter Unaudited Financial Statements for the period ended February 28, 2021, which became due April 14, 2021 is outstanding as at May 31, 2021. |
| 5 | KLE Group Limited | JMC | JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i) | The Company's 1st Quarter Unaudited Financial Statements for the period ended March 31, 2021, which became due May 15, 2021, is outstanding as at May 31, 2021. |
| 6 | ICreate Limited | JMC | JSE Junior Mkt - Violation - Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements | The Company's Audited Financial Statements for the period ended December 31, 2020 which was granted an extension relief due to the impact of COVID-19 to file by May 15, 2021 is outstanding as at May 31, 2021. |
| 7 | General Accident Insurance | JMC | JSE Junior Mkt - Violation - Rule Appendix 2, Part 4 (2) | The Company's Audited Financial Statements for the period ended December 31, 2020 which was granted an extension |

| | | | | |
|----|-------------------------------------------|-----|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Company Jamaica Limited | | (a)(i) – Audited Annual Financial Statements | relief due to the impact of COVID-19 to file by May 15, 2021 is outstanding as at May 31, 2021. |
| 8 | Caribbean Cream Limited | JMC | JSE Junior Mkt - Violation - Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements | The Company's Audited Financial Statements for the period ended December 31, 2020 which was granted an extension relief due to the impact of COVID-19 to file by May 15, 2021 is outstanding as at May 31, 2021. |
| 9 | Victoria Mutual Wealth Management Limited | M/D | Member/Dealer Violation - JSE Rule 209 (c) – Annual Return | The firm's Annual Return for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 to file by May 15, 2021 was submitted on May 24, 2021. Consequently, the firm was subjected to JSE Rule 211 (A). |
| 10 | Palace Amusement Company Limited | MMC | JSE Rule 407 – Quarterly Financial Statements | The Company's 3 rd Quarter Unaudited Financial Statements for the period ended March 31, 2021, which became due on May 15, 2021, was submitted on March 19, 2021. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (v). |

Code Key:

1. JMC – Junior Market Company
2. MMC – Main Market Company
3. M/D – Member-Dealer
4. O – Others

The RMOD undertakes enforcement actions as prescribed by the JSE rules. Enforcement actions take the form of fines; suspension and delisting that are imposed on entities that are found to be in breach of the rules and regulations of JSE.