



Jamaica Stock Exchange Monthly Regulatory Report December 2023

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Overview

This is the Jamaica Stock Exchange's (JSE) December 2023 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.

The report also provides market education through its Market Awareness Page, which this month continues the featuring of information on Quarterly Financial Statements.

Arising from the discharge of the abovementioned regulatory activities, the Jamaica Stock Exchange is satisfied with the state of compliance to the rules of the Exchange by Member/Dealers and Listed Companies as at the end of the month December 2023. The exception, however, relates to the timely filing of Audited and Annual Reports by listed companies and member-dealers, which is a matter that is being reviewed by the JSE. It is expected that the review will be extended to our external stakeholders in 2024 to inform recommendations to address the concern.

Member-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers are required to file Monthly Returns for the period ended November 30, 2023, by December 31, 2023. For the reporting period ended November 30, 2023, fourteen (14) member-dealers' Monthly Return fell due and were submitted on time.

In accordance with JSE Rule 209 (B) member-dealers are required to file Quarterly Returns for the period ended November 30, 2023, by December 31, 2023. For the reporting period, no Quarterly Returns were due.

Under JSE Rule 209 (C) member-dealers with financial year ended September 30, 2023, were required to file their Annual Returns by December 31, 2023. For the reporting period, two (2) Annual Returns were due and submitted on time.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended December 2023, was 100%. For the comparative period ended December 2022, member-dealers' aggregate compliance rate was 94%.

For the reporting period ended November 2023 all member-dealers reported an Excess in Net Free Capital (ENFC). The bucket classification of each member-dealer ENFC for the reporting period ended November 2023 are represented in Table 1 below:

Table 1

Member-Dealers' Excess Net Free Capital (ENFC) as at November 2023		
ENFC Range(\$M)	# Of Member-Dealers Nov 2023	# Of Member-Dealers Nov 2022
Below 0	0	0
0 - 299	2	4
300 – 899	5	5
900 – 1,999	4	3
2,000 – 5,999	1	1
6,000 and above	2	2

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended October 31, 2023, by December 15, 2023. Listed Companies with year ended September 30, 2023, and selected a 90 days audited filing option, were required to file Audited Reports by December 29, 2023. Listed Companies with year ended October 31, 2023, and a 60 days audited filing option, were required to file their Audited Reports by December 30, 2023. Listed Companies with year ended August 31, 2023 were required to file Annual Reports by December 29, 2023. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
December 2023					December 2022			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	5	5	0	0	5	5	0	0
Audited	9	4	1	4	9	7	0	2*
Annual	2	2	0	0	1	1	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.

Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of December 2023 amounted to Twenty-Five (25). For the comparative period in 2023, the JSE identified Fifteen (15) issues. 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	
Dec 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022
25	15	11	12	14	3
Y-T-D '23	Y-T-D '22	Y-T-D '23	Y-T-D '22	Y-T-D '23	Y-T-D '22
288	313	264	301	24	12

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended December 2023, is represented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	ISP Finance Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension is outstanding as at the end of December 2023.
2	Margaritaville (Turks) Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended May 31, 2023, which became due on September 29, 2023, was submitted on December 7, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vii).
3	Express Catering Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended May 31, 2023, which became due on September 29, 2023, was submitted on December 1, 2023.
4	Honeybun Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended September 30, 2023, which became due on November 29, 2023, is outstanding as at the end of December 2023.
5	Tropical Battery Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended September 30, 2023, which became due on November 29, 2023, is outstanding as at the end of December 2023.

6	One on One Educational Services Limited	JMC	Junior Mkt Listed Co - Violation - Appendix 2, Part 8 -, Section 8(c) and 9 (b),	The Company provided notification on October 17, 2023, of dealings in its securities by a senior manager on September 13 and 15, 2023. Given the rules the notice to the Exchange was late.
7	One on One Educational Services Limited	JMC	Junior Mkt Listed Co - Violation - Appendix 2, Part 8 -, Section 8(c) and 9 (b),	The Company provided notification on September 4, 2023 of dealings in its securities by a senior manager on August 18, 2023. Given the rules the notice to the Exchange was late.
8	Ciboney Group Limited	MMC	JSE Rule Appendix 7, Section 9 (b) and 8 (c).	The Company provided notification on August 30, 2023, of dealings in its securities by a director on July 7, 2023. Given the JSE Rules the notice to the Exchange was late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).
9	Palace Amusement Company Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended June 30, 2023, which became due on September 28, 2023, was filed on October 6, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).
10	GWest Corporation Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4, (1) (b) (i) - Quarterly Financial Statements.	The Company's 2nd Quarter Unaudited Financial Statements for the period ended September 30, 2023, that was filed with the JSE on November 14, 2023, did not include in the Statement of Changes in Equity the comparative information for the prior year as required by IAS 34.20. The Company filed an amended report on November

				27, 2023, which satisfied the concerns.
11	NCB Financial Group Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended September 30, 2023, which became due on November 29, 2023, was filed on December 6, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).
12	Edufocal Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 - Requirements for Financial Reporting, Section (2)(c)(ii) and (iii) - Audited Financial Statements	The Company's Audited Financial Statements for the period ended December 31, 2022, that was filed with the JSE on May 12, 2023, did not include the top ten shareholders listing and the shareholdings listing of Directors, Senior Managers and Connected Persons. The Company submitted a revised report on June 22, 2023, which satisfied the concern.
13	CAC 2000 Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended October 31, 2023, which became due on December 30, 2023, is outstanding as at the end of December 2023.
14	Main Event Entertainment Group	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended October 31, 2023, which became due on December 30, 2023, is outstanding as at the end of December 2023.

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.

Quarterly Financial Statements

Listed Companies who prepare Quarterly Financial Statements are required to prepare such statements in accordance with International Financial Reporting Standards (IFRS). In reviewing Quarterly Financial Statements, the JSE is guided by the requirements of International Accounting Standards (IAS) 34 - Interim Financial Reporting.

Minimum Components

IAS 34 prescribes the minimum content for an interim financial report and the principles for recognition and measurement in such reports. It does not, however, mandate which companies should publish an interim report, how frequently or how soon after the end of an interim period. At a minimum, IAS 34 requires the following components:

- a condensed statement of financial position;
- a condensed statement of comprehensive income, presented as either:
 - a condensed single statement; or
 - a condensed separate income statement and a condensed statement of comprehensive income;
- a condensed statement of changes in equity;
- a condensed statement of cash flows; and
- *selected explanatory notes.* [IAS34.8]

Periods required to be presented

IAS 34.20 requires interim reports to include interim financial statements for the periods listed in the following table.

Statement	Current	Comparative
Balance Sheet	End of Current Interim Period	End of immediately preceding financial year
Income Statement	Current interim period and cumulatively for the current financial year-to-date	Comparable interim period and year-to-date of immediately preceding financial year
Statement of Changes in Equity	Cumulatively for the current financial year-to-date	Comparable year-to-date of immediately preceding financial year
Cash Flow Statement	Cumulatively for the current financial year-to-date	Comparable year-to-date of immediately preceding financial year

Earnings Per Share (EPS) should be included on the face of the Income Statement (IAS 34.11).