



Jamaica Stock Exchange Monthly Regulatory Report January 2024

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Overview

This is the Jamaica Stock Exchange's (JSE) January 2024 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 focuses on the Record and Ex-Dates.

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 January 2024. 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 December 31, 2023, by January 31, 2024. For the reporting period ended December 31, 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 December 31, 2023 by January 31, 2024. For the reporting period, thirteen (13) member-dealers' Quarterly Return fell due and were submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended October 31, 2023, were required to file their Annual Returns by January 31, 2024. For the reporting period, two (2) Annual Returns were due and of the two (2), one (1) was submitted on time.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended January 2024, was 97%. For the comparative period ended January 2023, member-dealers' aggregate compliance rate was 77%.

For the reporting period ended December 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 December 2023 are represented in Table 1 below:

Table 1

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

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended November 30, 2023, by January 15, 2024. Listed Companies with year ended November 30, 2023, and selected a 60 days audited filing option, were required to file Audited Reports by January 29, 2023. Listed Companies with year ended October 31, 2023, and a 90 days audited filing option, were required to file their Audited Reports by January 29, 2024. Listed Companies with year ended September 30, 2023 were required to file Annual Reports by January 29, 2024. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
January 2024					January 2023			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	11	7	3	1	10	7	3	0
Audited	2	1	1	0	2	1	0	1*
Annual	10	3	1	6	10	6	0	4*

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 January 2024 amounted to Twenty-Nine (29). For the comparative period in 2023, the JSE identified Nine (9) 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	
Jan 2024	Jan 2023	Jan 2024	Jan 2023	Jan 2024	Jan 2023
29	9	21	8	8	1
Y-T-D '24	Y-T-D '23	Y-T-D '24	Y-T-D '23	Y-T-D '24	Y-T-D '23
29	9	21	8	8	1

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended January 2024, is represented in 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 was submitted on January 17, 2024. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
2	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, was submitted on January 2, 2024.
3	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 January 2024.
4	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 January 2024.
5	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, was submitted on January 15, 2024.
6	iCreate Limited	JMC	Junior Mkt Listed Company Violation -	The Company's Audited Financial Statements for the

			Rule Appendix 2, Part 4 - Requirements for Financial Reporting, Section (2)(c)(ii) and (iii)	period ended December 31, 2022, that was filed with the JSE on September 29, 2023, did not include the shareholdings listing of Directors, Senior Managers and Connected Persons. The company was suspended effective January 18, 2024 in keeping with JSE Junior Market Rule 505 - Ongoing Requirements, Section 14 - Delisting or Suspension 14 (a) (i), due to its failure to comply with the requirements of JSE Junior Market Rule Appendix 4 - Admission Agreement, Paragraphs 2 and 4. The requisite report is outstanding as at the end of January 2024.
7	iCreate Limited	JMC	Junior Mkt Listed Company Violation - Rule Appendix 2, Part 4 (3) - Published Annual Report and Audited Financial Statements -	The Company's Annual Report for the period ended December 31, 2022 that was filed with the JSE on November 2, 2023, did not include the Top Ten Shareholder Listings and the shareholdings listing of Directors, Senior Managers and Connected Persons. The company was suspended effective January 18, 2024 in keeping with JSE Junior Market Rule 505 - Ongoing Requirements, Section 14 - Delisting or Suspension 14 (a) (i), due to its failure to comply with the requirements of JSE Junior Market Rule Appendix 4 - Admission Agreement, Paragraphs 2 and 4. The requisite reports are outstanding as at the end of January 2024.
8	iCreate Limited	JMC	Junior Mkt Listed Company Violation - Rule Appendix 2, Part	The Company's 2nd Quarter Unaudited Financial Statements for the period ended June 30,

			4 (1) (a) (iii)- Quarterly Financial Statements -	2023 that was filed with the JSE on September 29, 2023, did not include the shareholdings listing of Directors, Senior Managers and Connected Persons. The company was suspended effective January 18, 2024 in keeping with JSE Junior Market Rule 505 - Ongoing Requirements, Section 14 - Delisting or Suspension 14 (a) (i), due to its failure to comply with the requirements of JSE Junior Market Rule Appendix 4 - Admission Agreement, Paragraphs 2 and 4. The requisite reports are outstanding as at the end of January 2024.
9	Caribbean Cream Limited	JMC	Junior Mkt Listed Co - Violation - Rule Appendix 2, Part 4	The Company's 3rd quarter for the period ended November 30, 2023, which became due on January 15, 2024 was filed on February 28, 2024.
10	Jamaican Teas Limited	JMC	Junior Mkt. Listed Co. Violation - JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended September 30, 2023, which became due on January 29, 2024, was filed on February 29, 2024.
11	Tropical Battery Company Limited	JMC	JR Mkt. Listed Co. Violation - JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended September 30, 2023, which became due on January 29, 2024, is outstanding as at January 31, 2024.
12	Salada Foods Jamaica Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended September 30, 2023, which became due on January 29, 2024, is outstanding as at January 31, 2024.
13	Ideal Securities	M/D	JSE Rule 209 (C) - Annual Returns	The firm's Annual Return for the year ended October 31, 2023,

	s Brokers Limited			which became due on January 31, 2024, is outstanding.
14	Barita Investments Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended September 30, 2023, which became due on January 29, 2024, is outstanding as at January 31, 2024.

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.

Market Awareness Page

Understanding Ex-Date and Record Date

The JSE Rule states that "*transactions in shares shall be ex-dividend, ex-rights or ex-subscription privileges, as the case may be, the business day immediately preceding the record date or the date of the closing of the transfer books therefore.*" However, what is the importance of the Record Date and the Ex-Date to investors.

The Record Date

The record date is the cut-off date that a company sets to determine the shareholder(s) who are eligible to receive a dividend or distribution. The record date is needed to ascertain who exactly a company's shareholders are as of that date since shareholders of an actively traded stock are continuously changing. The dividend or distribution that the corporation declares will be payable to the shareholders who were listed on the record date.

The Ex-Date

The ex-dividend date determines if a shareholder will receive an upcoming dividend or distribution payment. It is the day after which dividend payments will no longer be paid to investors who purchase a stock. When a company announces that it will pay out a dividend, it will also announce how much will be paid to shareholders, and the date that investors must own shares to receive the dividend payment, which is known as the record date. The ex-dividend date serves as a cutoff date after which new investors in the company must wait for the next dividend.

When trading stocks, being aware of the ex-date can make all the difference in an investor's ability to receive the impending dividend or distribution payment.

Please refer to *JSE Main Market Rule 314 - Ex-Dividends, Ex-Rights, etc.*