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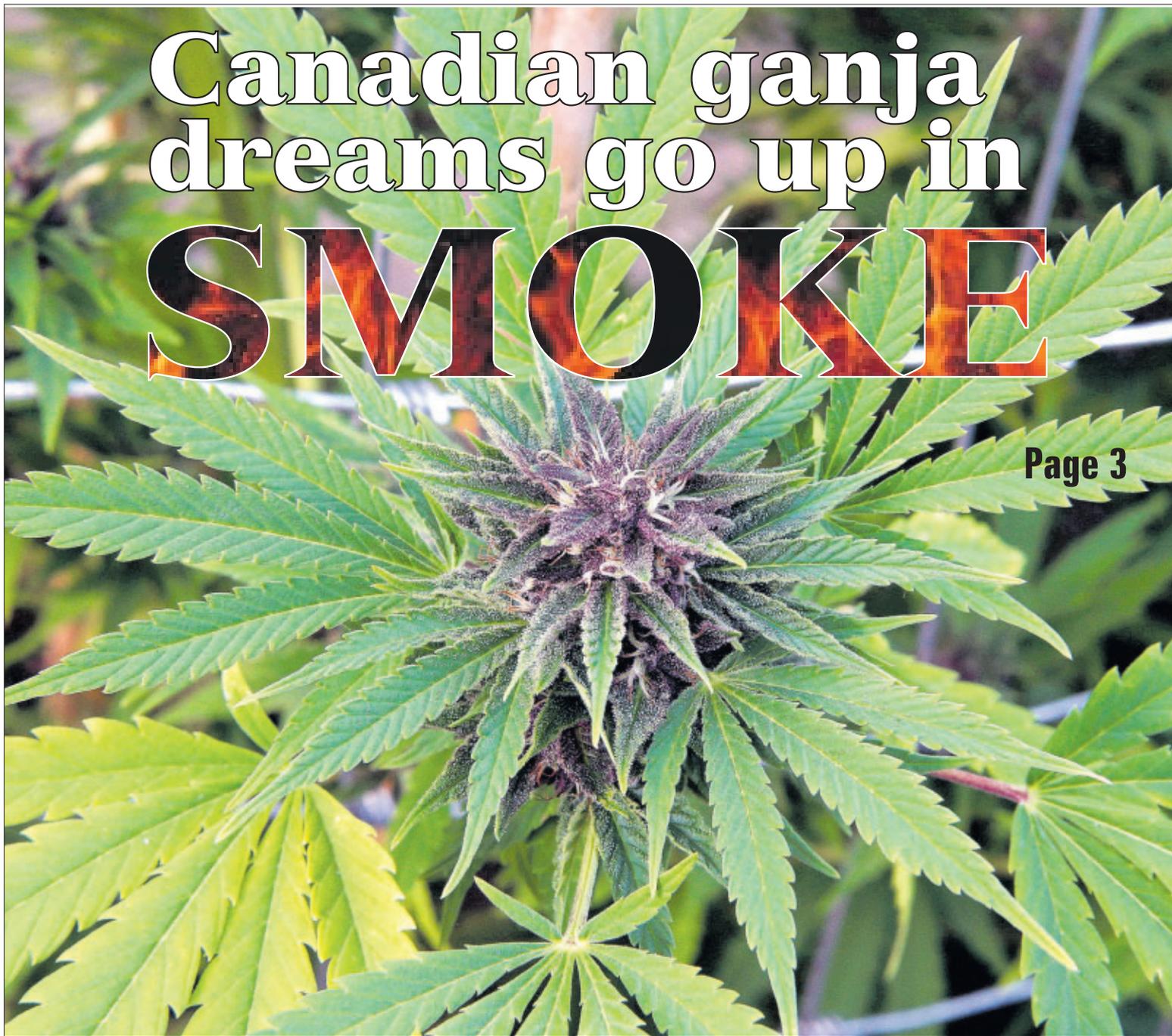
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Canadian ganja dreams go up in SMOKE

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INCREASED REVENUES FOR TTECH IN 2019

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Canadian company pulls out of expansion plans in Jamaica's cannabis industry

Cannabis export regulations delay blamed

BY DURRANT PATE
Observer business writer

JAMAICA'S long delay in promulgating regulations for the commercial export of cannabis has resulted in a Canadian company pulling back on its expansion plans in Jamaica.

The company in question, the Green Organic Dutchman, out of Canada, which has partnered with local cannabis company Epican Medicinal has pulled back on its expansion plans in Jamaica citing market conditions on the island, which have forced it to revise its short- and long-term growth forecasts.

This has caused the company to forgo the expansion of its proposed cultivation activities for export in Jamaica, in order to focus on its Canadian operations. This was disclosed in the company's March financial statements.

UNABLE TO RECOUP JAMAICAN INVESTMENT

Green Organic Dutchman Chief Financial Officer Sean Bovington reportedly told investors during a conference call in March that it was unlikely that the company would be able to



A stylised ganja leaf at Epican in Kingston (Photo: Richard Browne)

recoup, in the short term, roughly C\$4 million (\$130 million) it had invested in Jamaica. The statement arrived in the context of the work done by the Cannabis Licensing Authority (CLA) to boost the industry post-COVID-19.

The CLA is charged with the responsibility of regulating the legal cannabis industry and through the regulations will be able to grant import and export licences for businesses in the medicinal cannabis industry. The **Jamaica Observer** understands Green Organic Dutchman is among the foreign companies that have invested in Jamaica's legal cannabis industry which, while acknowledging the regulatory delays, have declared that the overall uncertainty is a cause for concern.



Minister of Industry, Commerce, Agriculture and Fisheries Audley Shaw

CONCERN OVER DELAYS IN EXPORT REGULATIONS

Industry players are already raising concerns about the long delay in the regulations being promulgated. The regulations were announced earlier this year and were to have come into effect by April, as part of a targeted support programme for small and medium-sized enterprises in various industries.

However, the draft regulations, which have been back and forth among a number of government entities, have been delayed due to the COVID-19 pandemic, which is now at the centre of national concern. The first-draft regulations for the commercial export of cannabis, having been completed since

last August, have been making the rounds among the Ministry of Industry, Commerce, Agriculture and Fisheries, Attorney General's Department, Chief Parliamentary Counsel, and the CLA.

LONGER WAIT FOR REGULATIONS

Industry officials are not saying how long the wait will be, nor were they willing to commit to a date when the regulations would be promulgated. Audley Shaw, whose Ministry of Industry, Commerce, Agriculture and Fisheries is pushing the regulations, was recently quoted as saying work is still being done on having the regulations completed.

He stated that much of the regulations have been finalised and are "due to be submitted to the Office of the Parliamentary Counsel". He told *Cannabis Wire* that the delay was expected, arguing that the COVID-19 pandemic in the Caribbean could set the development of the industry across the islands back by at least a year in some cases.

On promulgation of the regulations, the CLA will have jurisdiction or the statutory authority to grant licences and permits for import/export of inflorescence/flower and extract/resin. This will make Jamaica one of only 10 countries in the world with an export regime.

The CLA through the regulations will be able to grant import and export licences for businesses in the medicinal cannabis industry.

BY ABBION ROBINSON
Business reporter
robinsona@jamaicaobserver.com

MANAGED IT services and consulting company tTech Limited remained profitable for its fourth year since its January 2016 listing on the Junior Market of the Jamaica Stock Exchange, amid a mixed performance.

For its financial year ended December 31, 2019 tTech achieved revenues of \$340.3 million, an increase of 19.9 per cent when compared with the \$283.9 million recorded in the corresponding period in 2018.

However, net profit for the period under review amounted to \$24.7 million, a 10.1 per cent decrease when compared with the previous corresponding period.

According to tTech, the adoption of International Financial Reporting Standards (IFRS) 16 Leases influenced this result.

The company added that if the new standard were not applicable, tTech would have recorded net profit of \$27.0 million, a two per cent decrease compared to the \$27.5 recorded in the corresponding period in 2018.

tTech experienced growth in its total net asset value of \$17.8 million, an increase of 8.9 per cent over the prior corresponding financial year. This was driven by a mix of growth in net current assets

Increased revenues, less profit for tTech in 2019 financial year



tTech CEO Chris Reckord

of \$13.3 million and growth in net non-current assets of \$4.6 million.

Earnings per share for the period under review ended at \$0.23, a decrease compared with the \$0.26 recorded in the prior corresponding period.

"At the time of writing the world is in crisis as a result of the coronavirus disease 2019 (COVID-2019) pandemic. However, tTech intends to survive and thrive in these unprecedented times, and we have been making adjustments to how we operate. One benefit of the technology investments

made since inception is that the entire staff can operate remotely from home, and tTech

is perfectly positioned to help organisations to quickly and securely increase their use

of technology because of the COVID-19 crisis," tTech stated.

The company added that the COVID-19 crisis will not be a short-term problem but has forced organisations to increase their use of technology, which will be positive for tTech.

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