

JPX-R Annual Report 2023



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Introduction

Japan Exchange Regulation (JPX-R) is a corporate body established under Japan Exchange Group, Inc. (JPX) to specialize in self-regulatory operations of financial instruments exchanges in accordance with the Financial Instruments and Exchange Act of Japan.

JPX, the parent company of JPX-R, serves an important role in social infrastructure as a key financial instruments market that provides a platform for asset management and fund raising both in Japan and overseas. The mission of JPX-R is to ensure and improve the fairness, transparency, and reliability of markets through appropriate self-regulatory operations to facilitate the ability of exchanges to function fully.

In order to do so, it is essential to have close cooperation with Tokyo Stock Exchange (TSE) and Osaka Exchange (OSE), which are the market operators. However, there is concern regarding conflicts of interest between the for-profit and self-regulatory operations of exchanges, given that they are *kabushiki gaisha* (joint-stock companies); therefore, JPX-R is legally required to be highly independent from both exchanges through carrying out its own operations independently from other exchange operations.

Since its establishment in 2007, JPX-R has engaged in operations while always keeping in mind its mission and the maintenance of independence as a self-regulatory organization. Meanwhile, since the market environment is constantly changing, we aim to appropriately respond to environmental changes through close cooperation not only with TSE and OSE, but also government authorities and other related organizations in Japan and overseas, thereby executing better self-regulatory operations that gain and maintain the trust of market users.

Under such circumstances, JPX-R has continued steadily with its effective self-regulatory operations according to the characteristics of the new market segments of TSE, which were introduced on April 4, 2022. Also, two years have passed since JPX transitioned to a “Comprehensive Exchange” through the merger with Tokyo Commodity Exchange (TOCOM). While conducting ongoing monitoring and inspections of Commodity Futures, etc. Trading Participants, JPX-R has also worked diligently to improve their internal control systems through holding seminars, for example.

Furthermore, in addition to clarifying inspection methods for the listing examinations of deep tech companies, JPX-R hosted the COMLEC Market Surveillance Course and published a collection of case reports for trading participants’ trading management departments as a form of mutual market surveillance.

We hope that this report will help market stakeholders to further understand JPX-R self-regulatory operations, and that it will contribute to the establishment of sound exchange markets.

June 2023

Hosomizo Kiyoshi

President

Japan Exchange Regulation

I

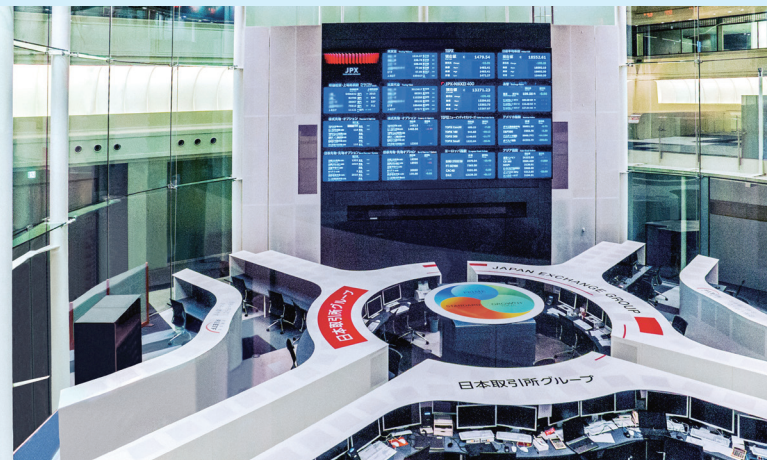
Overview of Japan Exchange Regulation

1 Importance of Self-Regulation in Financial Instruments Exchanges

The mission of financial instruments exchanges is to provide a high degree of liquidity, and therefore high-quality price discovery, by building fair and reliable markets that ensure efficiency and convenience of use, thereby enabling efficient fund distribution based on market mechanisms. Accomplishing this mission calls for markets that investors are able to trade in with peace of mind, and where prices reflect diverse investment decisions made by an extensive range of investors, including individual investors. Therefore, it is extremely important for market operators, who are closest to the markets, to implement appropriate self-regulatory operations that aim to maintain the eligibility of listed companies, prevent unfair trading, and ensure the soundness of trading participants through the development of appropriate regulations and rule frameworks, thereby ensuring the fairness, transparency, and reliability of markets.

In addition, structural reform to vitalize the Japanese economy is underway, and calls to shift to a financial system that prioritizes the role of direct financing have been growing ever louder. Under these circumstances, it is necessary to reinforce market surveillance functionality and systems for establishing a financial system centered on market functions. To achieve this it is essential to establish a highly effective, efficient, and harmonized structure which utilizes the strengths of both the regulations of government authorities and the self-regulation of exchanges to complement each other.

The self-regulatory functions of financial instruments exchanges thus embody their public nature, which is to ensure the fairness, transparency, and credibility of markets, and thereby forms the foundations of the market operations that market operators are involved in. JPX recognizes this and implements self-regulatory operations accordingly.



2 Japan Exchange Regulation's Organizational Structure

The task of adequately implementing self-regulatory operations requires a high degree of autonomy with a focus on public interest and investor protection along with an organizational structure that ensures fair management and operations from a neutral position. It also calls for swift and effective responses to various market events as well as substantial expertise in terms of familiarity with market functions and characteristics. For these reasons, self-regulatory operations have historically been the responsibility of the exchanges themselves. Meanwhile, along with the advancement of borderless trading and international market competition, it has become increasingly important for exchanges to flexibly respond to environmental changes and to promote greater efficiency and convenience, and it has also become more common for exchanges to be restructured into stock companies. TSE and OSE are also operated as subsidiaries of JPX, which is a listed company.

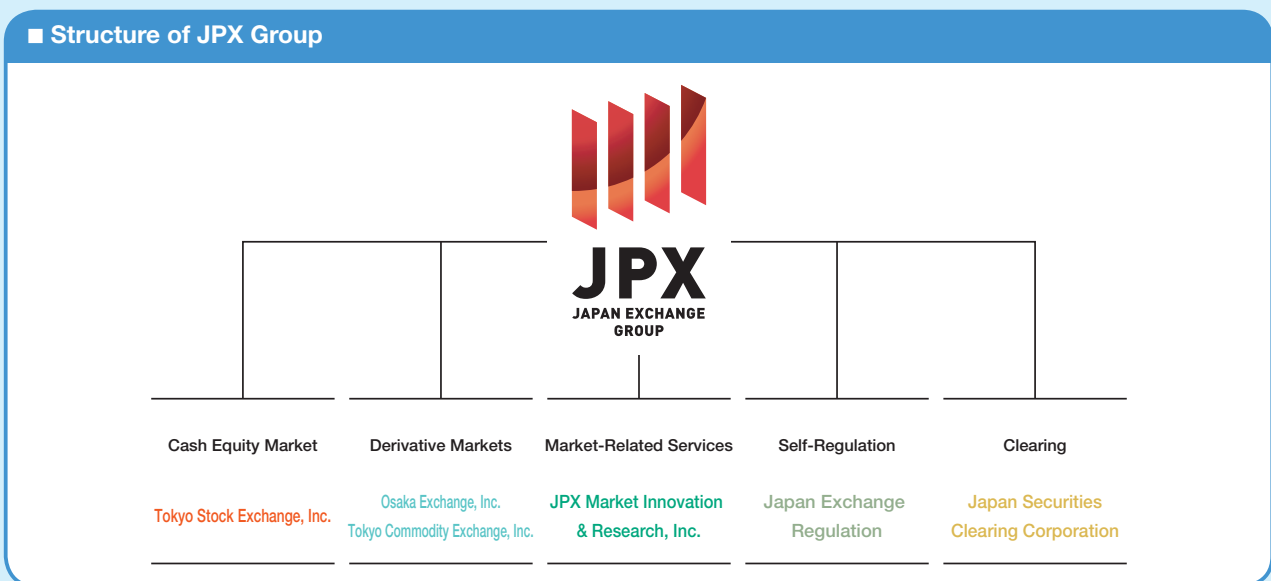
In order to meet the demand for neutrality and efficiency in self-regulation while simultaneously maintaining the business strategies and profitability of exchanges, JPX opted for an organizational structure with an organization specialized in self-regulatory operations as a separate corporate body, Japan Exchange Regulation (JPX-R), within the same group as the exchanges. This structure was created to enable JPX-R to demonstrate its high level of expertise in close proximity to the markets, while achieving highly effective operational execution from a position of neutrality independent from the exchanges. In addition, the Board of Governors, which is the highest decision-making body when it comes to business operations, has a majority of independent governors, enabling an independent governance structure in decision-making, too.

Necessary information regarding specific operations of JPX-R is always shared with the exchanges. However, JPX-R independently conducts neutral inspections and makes decisions on approvals, disciplinary actions, and other measures under the name of the exchanges based on the results of these inspections.

In overseas markets, there is a wide range of organizational structures that perform self-regulatory operations that reflect the history, legal systems, and business practices of each market.

When compared to global standards, JPX-R has a unique organizational structure and framework for executing operations that we believe is exceptionally well suited to maintaining a high level of expertise while simultaneously fulfilling the demand for efficiency and convenience of market operations as well as the demand for ensuring fair and reliable capital markets.

JPX-R ensures market fairness and aspires to continue meeting the expectations of investors through the execution of highly efficient self-regulatory operations in line with the market environment and legal systems.



Note: JPX-R was established as a membership association in accordance with the Financial Instruments and Exchange Act. Currently, JPX-R is entrusted with self-regulatory operations by TSE and OSE.

3 Characteristics of Japan Exchange Regulation

Below is an overview of JPX-R's organization and duties.

1 Ensuring Market Fairness, Transparency, and Reliability

JPX-R works to manage market quality through, among other things, the promotion of fairness of exchange trading and investor protection.

Specifically, JPX-R conducts “listing examinations” to review the eligibility of prospective companies, “listed company compliance,” which involves monitoring information disclosure and corporate conduct, “trading participant examination and inspection” to ensure the reliability of securities companies and other trading participants, and “market surveillance” to monitor for unfair trading. Through these operations related to self-regulation, JPX-R maintains the fairness, transparency, and credibility of markets.

2 An Organizational Structure That Ensures Neutrality and Effectiveness

Self-regulatory operations need to be based on neutrality and independence from market operators, and require a high level of expertise in close proximity to the markets. To accomplish this, JPX-R was established within JPX but as a separate corporate body from the exchanges that function as market operators.

3 Prioritizing Communication with Market Stakeholders

The market environment undergoes significant transformations on a daily basis. New products and trading methods are constantly being developed while new issues are also appearing. To execute self-regulatory operations flexibly in response to market trends, JPX-R carries out its day-to-day operations while always listening to the opinions of market stakeholders and valuing dialogue.

4 Support to Prevent Undesirable Trading Activity

JPX-R also works to prevent activity that is undesirable for markets. Through the holding of compliance seminars, the dispatch of lecturers, and the publication of case report collections, JPX-R provides effective support to ensure that the broadest possible range of market participants understand the importance of preventing this kind of activity.

Please check the official JPX website for details.

<https://www.jpx.co.jp/english/regulation/outline/index.html>

II

Changes in the Market Environment and JPX-R's Responses

This chapter introduces JPX-R's current understanding of changes in the exchange market environment and its responses to these.

1 Adapting the Process for Listing Examinations to Changes in the Market and Social Environment

The cultivation of start-ups is considered to be the key to addressing social issues by pushing forward the dynamism and growth of the Japanese economy. Against this backdrop, the Japanese government is advancing a wide range of policies, including those specified by the Grand Design and Action Plan for a New Form of Capitalism/Follow-up (approved by the Cabinet on June 7, 2022). TSE, for its part, has reviewed the listing framework for IPOs with a focus on promoting diverse methods for initial listing of start-ups, including to facilitate a smooth initial listing processes and enable Direct Listings. It has also revised the listing rules for venture funds to develop an environment that encourages more high-risk, high-return investments in non-listed companies.

To conduct appropriate listing examinations in response to these changes in the market and social environment, JPX-R closely cooperates with TSE, which regulates the listing system, and implements necessary measures. In FY2022, we clarified listing examination methods for R&D-type companies (deep tech) aiming to discover new markets utilizing new technologies in innovative industries such as space, materials, and healthcare. These methods included the utilization of investment valuations from institutional investors, based on the recognition that companies in these industries are in the process of developing their technologies and business models, making the evaluation of corporate value relatively challenging. In addition, we also revised the guidelines for listing examinations and other operations that aim to ensure the soundness of fund management in venture fund markets. Furthermore, to address the increasing number of lead underwriters and auditing firms that are in the market in response to the rise in new listings, we actively held study sessions and opinion exchange meetings with parties involved in IPOs. While maintaining close contact with related departments and parties involved in IPOs, we will continue to work on carrying out appropriate listing examinations in line with changes in the market and social environment.

2 Listed Company Compliance After the Market Restructuring

On April 4, 2022, TSE restructured its previous four market segments (First Section, Second Section, Mothers, and JASDAQ) into three new market segments, the Prime Market, the Standard Market, and the Growth Market, based on clear market concepts. The Prime Market is oriented toward companies which prioritize constructive dialogue with global investors. The Standard Market is oriented toward companies with sufficient liquidity and governance levels to be investment targets in public markets. The Growth Market is oriented toward companies with high growth potential. The Listed Company Compliance Department examined and took necessary measures in response to the restructuring of market segments in FY2022, the first year of the new market structure, while considering discussions about the end of transition measures regarding the continued listing criteria at the Council of Experts Concerning the Follow-up of Market Restructuring. Specifically, the department conducts examinations based on the features of each market segment in line with changes to rules such as the revision of Japan's Corporate Governance Code (June 2021). In addition, in consideration of the potential increased risk of improper actions caused by the above-mentioned announcement of the end of transition measures, if concerns about the internal control systems or other aspects of listed companies arise, JPX-R works to prevent violations of the listing rules or other rules and to promptly improve those aspects that are of concern through on-site visits to listed companies, online meetings, and written inquiries.

3 Responses to Issues Concerning Commodity Futures, etc. Trading Participants

We have been monitoring Commodity Futures, etc. Trading Participants who acquired the trading qualification upon the establishment of the Comprehensive Exchange since the provision of the qualification in July 2020, and we have been conducting trading participant examinations and inspections since the one-year transitional period ended. Although there were no serious deficiencies, JPX-R has been working to improve the internal control systems of participants, such as pointing out problems mainly related to system risk management structures, providing guidance to develop trading supervision systems, and in February 2023, holding a seminar through COMLEC for Commodity Futures, etc. Trading Participants which featured an overview of conducted examinations and inspections with examples of cases with deficiencies and the measures taken as a result.

In FY2022, disciplinary actions were taken in response to cases in which, for example, a Commodity Futures, etc. Trading Participant's capital requirement ratios were falsely calculated over an extended period. Cases such as these are a reason we will continue efforts to confirm the development of internal control systems through examinations, inspections, and monitoring.

In addition, with regard to trading supervision, there was a case of market manipulation through proprietary trading by a major securities company and disciplinary action was taken by the exchanges in FY2022. In response, we conducted interviews with other trading participants handling block offers about their workflows, trade surveillance systems, and other details.

4 Enhancement of Mutual Market Surveillance

To increase the attractiveness of Japanese financial and capital markets and further ensure the shift from savings to investment (asset formation) in order to achieve a virtuous cycle of growth and distribution through capital markets, it is necessary for securities companies, which serve as market gatekeepers, to fully develop compliance structures to ensure appropriate business operations and thorough compliance with laws and regulations, including trade surveillance systems to prevent unfair trading.

As an important component of this, officers and staff at securities companies, who serve as important leaders of financial and capital markets, must maintain high ethical standards and hone their expertise in areas such as trading supervision.

However, there have been some cases that significantly damaged the credibility of markets through violations caused by deficiencies in trade surveillance frameworks and business management structures designed to ensure appropriate business operations. In addition, the opinion exchange meeting with trading participants held by JPX-R in 2018 concluded that there is a lack of proactive and systematic cultivation of experts in charge of trading supervision which is common to all participants.

Therefore, JPX-R has been offering the COMLEC Trade Surveillance Course since FY2019 to foster the ability to prevent unfair trading throughout the entire securities industry, and has initiated support for the cultivation of human resources specializing in trading supervision at trading participant companies, which was an urgent issue. In FY2022, we held an online seminar for about 90 individuals in charge of trading supervision at trading participants who had relatively less practical experience.

As well as seminars for beginners, we have established an intermediate level program focusing on face-to-face discussions for individuals with relatively extensive practical experience in trading supervision to improve relationships among participants and deepen their understanding of trade surveillance through discussions rather than one-way guidance from JPX-R.

In addition, in FY2022, TSE's trading supervision rules were revised under JPX-R's initiative and trading supervision guidelines were established to supplement those rules in response to diversification of risks of unfair trading by participants that stems from the increasing complexity and sophistication of the markets, including the expansion of trading by HFTs. This revision flexibly allows individual participants to conduct their own trade surveillance (principle-based) according to their lines of business, customer attributes, and other circumstances, as long as, for instance, they have trading supervision systems that satisfy certain requirements.

As a reference for making judgments on unfair trading risks, JPX-R has collected reports of trading cases that may lead to stock price manipulation, and started providing these to the trading supervision departments of individual trading participants. We will continue to periodically update the case reports for provision to trading participants to prevent unfair trading.

III

Report on Self-Regulatory Operations in FY2022

This section gives a report on our self-regulatory operations (listing examination, listed company compliance, trading participants examination and inspection, market surveillance, etc.) in FY2022.

1 Listing Examination

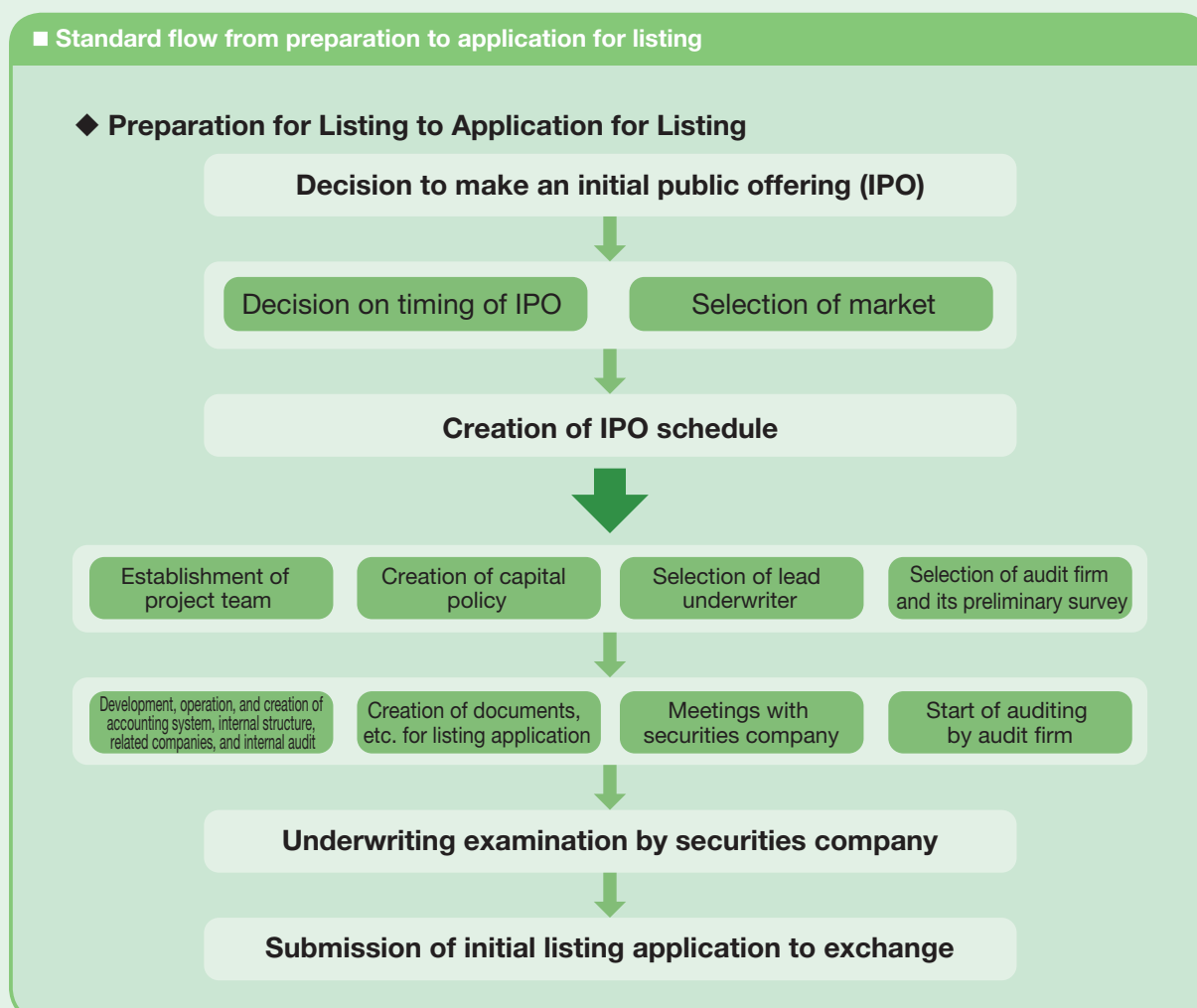
1 Listing Examination Overview

A company wishing to be listed on TSE establishes and reinforces its revenue base and develops an internal management system before submitting its application for listing. It proceeds with these under the direction and supervision of a lead underwriter that creates the report of listing eligibility for the listing application and a certified public accountant (audit firm) that handles the audit of financial statements and related documents.

The lead underwriter provides advice for capital policy and internal structure development through departments for consultation such as an underwriting department. After all preparations are complete, a listing examination department, separate from the consultation department, conducts an examination from an objective standpoint.

The listing examination department carries out mainly an examination in order to write the “Report on Listing Eligibility Investigation” and an examination of corporate information that enables it to underwrite the public offering or secondary distribution (the underwriting examination). In principle, a company cannot apply for listing without passing these examinations.

The audit firm indicates matters to be improved in the accounting processing and internal control system



of the company wishing to apply for listing, and provides an auditor's opinion for the financial statements and related documents. In order to apply for listing, in principle, the company must make improvements based on the matters indicated by the audit firm and be expected to receive a qualified opinion for financial statements for two fiscal terms.

As described above, after being reviewed by the lead underwriter and audit firm and preparing the application for listing, the company can apply to TSE for listing.

After submission of the application to TSE, JPX-R examines the eligibility of the company as a listed company in terms of investor protection in accordance with the initial listing criteria specified by TSE. The initial listing criteria consist of initial requirements and the contents of the listing examination. The initial requirements specify the criteria that must be satisfied before listing while the contents of the examination are criteria that will be necessary for companies after listing.

Purpose of Initial Requirements

- To ensure smooth distribution and fair price formation (number of shareholders, tradable shares, etc.)
- To maintain listing eligibility in terms of mainly continuity, financial conditions, and profitability of the company (years of business operation, profits, etc.)
- To ensure appropriate disclosure of company information (confirmation of no false statements in annual securities reports, etc.)
- Other (establishment of a shareholder services agent, etc.)

Purpose of Contents of Examination

- Corporate continuity and profitability
- Soundness of corporate management
- Effectiveness of corporate governance and internal control system
- Appropriateness of the disclosure of corporate information, etc.
- Other matters deemed necessary from the viewpoint of public interest and investor protection

To confirm compliance with these requirements, we check application documents, interview the applicant company, conduct on-site surveys at factories and offices, interview the certified public accountant acting as the accounting auditor, and interview the president, company auditors, and independent officers, among other things.

Examinations include initial listing examinations of securities to be listed on the Prime Market, Standard Market, Growth Market, and TOKYO PRO Market, ETFs and ETNs, real estate investment trusts (REITs), infrastructure funds, and venture funds. There are also initial listing examinations for the TOKYO PRO-BOND Market, examinations for transfers of market segment such as transfers from the Growth to the Prime Market, and listing examinations for companies to which technical listing regulations apply (companies established due to mergers of listed companies or share transfers, etc.).

Please check the official JPX website for details.

<https://www.jpx.co.jp/english/regulation/listing/eligibility/index.html>

2 Number of Listing Examinations

We examined a total of 184 securities* in FY2022.

(Number of securities; based on date of application)

Type of Examination	FY2022	Year-on-year Change
Listing Examination	184	-8

*The number of securities is the total of initial listing applications (including technical listing applications) for the Prime, Standard, Growth, and TOKYO PRO Markets, and applications for transfer of market segments such as from the Growth to the Prime Market

3 Listing Examination Results

The numbers shown below are initial listings and segment transfers on TSE as a result of initial listing and segment transfer examinations conducted by JPX-R in FY2022.

I Number of Initial Listings and Segment Transfers

(Number of securities)

Initial Listings	
Stocks	126 (10)
First Section	1 (1)
Prime Market	9 (6)
Standard Market	20 (3)
Growth Market	74 (0)
TOKYO PRO Market	22 (0)
Bonds, etc.	0
ETFs, ETNs	29
REITs, Infrastructure Funds	0
TOKYO PRO-BOND Market	9
Securities Options	0

(Number of securities)

Segment Transfers	
	9
From Standard Market to Prime Market	1
From Growth Market to Prime Market	6
From Growth Market to Standard Market	2

Notes:

1. Securities shown in the table carried out initial listings or segment transfers on TSE in FY2022.
2. Figures shown in parentheses are the number of initial listings that have technical listing status.
3. Please see Page 40 "III. 6 Lists of Securities, 1. Securities That Carried Out Initial Listings or Segment Transfers" for the individual securities shown in each item.

FY2022 was the first year of the transition to the new market segments, and against a backdrop of weak markets that reflected the unpredictable global situation, the number of initial listings declined from the previous year. However, the number of initial listings on the Growth and TOKYO PRO Markets has remained high. Under such circumstances, JPX-R continues enhancing cooperation with related organizations to improve the quality of all parties engaged in IPOs. Specifically, we hold opinion exchange meetings with trading participants acting as lead underwriters and audit firms, focusing on cases requiring attention and cases involving misconduct following listing, as well as exchanging information with the Metropolitan Police Department and related parties to eliminate the listing of companies closely associated with anti-social forces, and exchanging information with other financial instruments exchanges in Japan. In addition, we also revised initial listing guidebooks and improved the content of the examination manuals to respond to environmental changes as well as to maintain and improve examination quality.

4 Number of Information Submissions Received

JPX-R has established a page on our website with a submission form for receiving information from the public on the listing eligibility of initial listing applicants. The information provided is used as reference for our operations.

Classification	Number of Submissions	Year-on-year Change
Provision of Information Regarding Initial Listing Applications, etc.	121	+4
Other	4	±0
Total	125	+4

2 Listed Company Compliance

1 Overview of Listed Company Compliance Operations

After financial products are listed on a financial instruments exchange market, they are widely held by general investors through day-to-day trading. Prices formed in these markets are widely used as fair prices for listed financial instruments. In order to protect investors and ensure the fairness and reliability of financial instrument exchange markets, JPX-R constantly examines issuers to monitor their timely disclosure of corporate information and corporate behavior in relation to the following topics, and notifies TSE of its findings.

a. Examination related to timely disclosure of corporate information

Based on the recognition that timely and appropriate disclosure of corporate information to investors by issuers is an important factor in forming the basis of sound financial instruments exchange markets, JPX-R conducts examinations to ensure the appropriateness of such disclosures.

Themes of the Examination on Timely Disclosure

- Whether the timing of the disclosure is appropriate
- Whether disclosed information contains any false statements
- Whether disclosed information lacks any information deemed important for investment decisions
- Whether disclosed information could cause misunderstandings regarding investment decisions
- Whether disclosed information falls short of the disclosure requirements in any other way

b. Examination related to Code of Corporate Conduct

Listed companies and other issuers are expected to remain conscious of their position as a part of the financial instruments exchange markets and to conduct their business in an appropriate manner in the interests of investor protection and for the sound functioning of the market. JPX-R examines whether issuers comply with the “matters to be observed” prescribed in the Code of Corporate Conduct of the Securities Listing Regulations.

c. Disciplinary measures against listed securities

In order to ensure investor protection, and the fairness and soundness of financial instruments exchange markets, if a security is found to have violated the Securities Listing Regulations during the above-mentioned examinations, JPX-R will decide the necessary actions to take against the security. These measures include, either individually or in combination, designation as Securities on Alert, request for an improvement report, listing agreement violation penalties, and public announcements.

d. Examinations related to delisting, etc.

To maintain a listing on the exchange markets, financial instruments are required to continuously satisfy the requirements (delisting criteria*) specified to protect investors and ensure the fairness and soundness of financial instruments exchange markets. JPX-R examines securities to confirm that they do not fall under the delisting criteria specified by the Securities Listing Regulations.

* After the transition to the new market segments, listing criteria were established according to the concept of each segment, and initial listing criteria and continued listing criteria for each segment were standardized. Listed companies are required to continuously satisfy all criteria

such as number of shareholders, tradable shares, trading value, and amount of net assets. Non-compliance with any of the continued listing criteria is one of the delisting criteria. As per regulation, a listed company will be delisted if it fails to meet the continued listing criteria within one year from the first occurrence of non-compliance. In addition, there are other delisting criteria such as delays in submission of securities reports.

Please see the official JPX website for details.

- Listed Company Compliance

<https://www.jpx.co.jp/english/regulation/listing/compliance/index.html>

- Principles for Preventing Corporate Scandals

<https://www.jpx.co.jp/english/regulation/listing/preventive-principles/index.html>

- Principles for Responding to Corporate Scandals

<https://www.jpx.co.jp/english/regulation/listing/principle/index.html>

- Principles for Equity Financing

<https://www.jpx.co.jp/english/regulation/listing/equity-finance/index.html>

2 Listed Company Compliance Cases

The results of examinations regarding timely disclosure of corporate information, the Code of Corporate Conduct, delisting, and other examinations conducted by JPX-R in FY2022 are shown in the chart below.

(Based on when examinations were completed)

Items		Cases in FY2022	Year-on-year Change
1. Examination Related to Timely Disclosure ¹		320	+10
2. Examination Related to Code of Corporate Conduct ²		303	+23
3. Delisting Examination	Examination Regarding Quantitative Criteria ³ (Failure to Meet Continued Listing Criteria)	0	-
	Examination Regarding Quantitative Criteria ⁴ (Other Than Failure to Meet Continued Listing Criteria)	86	-28
	Examination Regarding Qualitative Criteria ⁵	2	±0
	Examination to Determine Whether Substantial Surviving Company ⁶	74	+34

Notes:

1. Number of examinations for inappropriate information disclosure
2. Number of examinations for compliance with the "matters to be observed" prescribed in the Code of Corporate Conduct of the Securities Listing Regulations
3. Number of examinations for delisting conducted after passing a certain period from the time the company fails to meet continued listing criteria such as the number of shareholders and tradable share market capitalization
4. Number of examinations for delisting due to meeting quantitative delisting criteria other than failure to meet the continued listing criteria, such as acquisition by request for sale of shares and share consolidation
5. Number of examinations for delisting due to meeting qualitative delisting criteria such as false statements and violation of listing agreement
6. Number of examinations regarding whether a listed company is a substantial surviving company when performing a reorganization

3 Results of Examinations for Listed Company Compliance

The number of securities delisted, ceasing to be a substantial surviving company, or brought under other measures by TSE as a result of examinations conducted by JPX-R are shown in the chart below.

Seventy securities were delisted in FY2022, and the majority of these (69 securities) were delisted due to business restructurings at listed companies, such as by becoming wholly-owned subsidiaries, requests for the sale of shares, and mergers. There were no delisted securities as a result of examination regarding qualitative requirements.

I Number of Securities Delisted or Ceasing to be a Substantial Surviving Company

(Number of Securities)

Delisted ¹		
Stocks		70
Prime Market		21
Standard Market		41
Growth Market		8
Securities Options		0
Bonds, etc.		3
ETFs, ETNs		3
REITs		1
Infrastructure Funds		2
TOKYO PRO-BOND Market		6
Ceasing to be a Substantial Surviving Company		0

I Number of Securities Brought Under Other Measures²

(Number of Securities)

Designation as Securities on Alert	4
Request for Improvement Report	1
Public Announcement Measures	1
Listing Agreement Violation Penalty	4

Notes:

1. Among the securities delisted from TSE or ceasing to be a substantial surviving company in FY2022, securities shown in the chart are those examined by JPX-R.
2. Listing agreement violation penalties were also imposed on the four securities designated as Security on Alert. Public announcement measures were also taken for one security for which an improvement report was requested.
3. Please see Page 43 "III. 6 Lists of Securities, 2. Securities That Were Delisted, Ceased to be a Substantial Surviving Company, or Were Brought Under Other Regulatory Measures" for the individual securities shown in each item.

4 Number of Information Submissions Received

JPX-R has established a page on our website with a submission form for receiving information from the public on non-compliance with laws and regulations or other information regarding listed companies. JPX-R accepts a wide range of information that can be used in our inspection and audit operations, such as information regarding inappropriate disclosures. Based on the usefulness of the information provided, we revised the reporting system in FY2022 to improve convenience for information providers, and to make it possible for JPX-R to respond promptly and effectively. As a result, we received 11 more reports compared to the previous year, and JPX-R used the information for the prevention or early correction of problems in listed companies through additional investigations and examinations.

Classification		Number of Submissions	Year-on-year Change
Information Regarding Listed Companies	Information Regarding Information Disclosure	70	-1
	Other Information Connected to Listed Companies	27	+12
Other		7	±0
Total		104	+11

5 Approaches to Preventing Inappropriate Behavior by Listed Companies

JPX-R considers the prevention of inappropriate disclosure of corporate information and inappropriate corporate behaviors an important part of its operations. To do so, as well as asking for necessary improvements at individual companies by, for example, indicating problems during consultations with companies prior to the timely disclosure of corporate information, JPX-R regularly exchanges opinions with listed companies for which there are particular concerns about their internal control system or other aspects, shares information with related organizations, and actively works on information provision such as through publications and seminars for listed companies.

As a part of these efforts, in FY2022, we held an online seminar for listed company officers and other employees who are in a position to promote the prevention of scandals in their companies. At this seminar, entitled Risk Management for Increasing Corporate Value – Creating the Foundations to Enable Confident Business Expansion (February 16, 2023), we invited a lawyer familiar with the process of establishing structures based on company scale and growth stage to give advice to the personnel in charge of establishing internal control systems at mainly small to mid-size and high-growth listed companies. The lecturer discussed risk management through bringing out the important risk management issues in recent scandals and introducing important points to note when reviewing risk management systems. A recording of the seminar was later made available on-demand*, and this in combination with the live seminar meant that many listed companies were able to hear the contents.

* Visit “Service Guide for Listed Companies” provided in the links section on the bottom right of the Target portal site for TSE listed companies. The recording of the above-mentioned seminar is available on this web page for listed company officers and employees.

3 Trading Participants Examination and Inspection

1 Overview of Trading Participants Examination and Inspection

When investors trade listed securities on an exchange market, they must place orders through trading participants. Trading participants thus play a critical role as gatekeepers to the exchange market through their access to it, hence the need for Japan Exchange Regulation (JPX-R) to ensure the propriety of trading participants' operations.

As a self-regulatory organization with close proximity to the market, JPX-R conducts inspections of trading participants following the four core principles outlined below.

a. Conducting inspections using specialized expertise as part of an exchange group

As a self-regulatory organization with close proximity to the market, to ensure the fairness and reliability of exchange markets, we conduct highly specialized inspections in cooperation with market operation departments, IT departments, and the clearing house while striving to accurately keep track of the market environment, such as trends in international regulations, and the various related issues.

b. Monitoring trading participants' business operations and financial situation

JPX-R gathers and analyzes information pertaining to trading participants (information on on-exchange trading activity, various statements and reports submitted by trading participants, disclosed information, past inspection results, results of inspections by other organizations, and information on clearing, etc.) in close collaboration with the Financial Services Agency (FSA) and the Securities and Exchange Surveillance Commission (SESC) and conducts monitoring based on the following principles.

- Prompt ascertainment of the circumstances

When JPX-R considers it necessary to use information pertaining to a trading participant to assess internal control systems, it will confirm with the trading participant information such as the circumstances, causes, and improvement plans to quickly gain an understanding of the situation.

- Regular communication

JPX-R will regularly contact the people responsible for inspections and other related people to assess issues specific to each company or internal control system that may be hard to assess through written documents such as statements and reports submitted by trading participants.

- Targeted cross-sectional monitoring

If JPX-R is concerned about the existence of similar deficiencies in multiple trading participants or considers it necessary to simultaneously check all participants' progress in adjusting to a change such as a newly amended law or regulation or an exchange system upgrade, it conducts targeted cross-sectional assessments with a narrowed focus on specific items or specific lines of business through surveys and interviews, or by requesting that internal inspections be conducted, for example.

c. Strengthening inspection using a risk-based approach

JPX-R aims to strengthen the risk-based approach of its inspections as described below, with the help of risk assessments of trading participants based on its monitoring results. In order to manage trading participants efficiently and effectively, JPX-R also aims to optimize monitoring and inspections overall.

- Selecting trading participants for inspection based on risks

JPX-R prioritizes the inspections of trading participants that are deemed to be high-risk based on risk assessment results.

Regardless of the time since the last inspection, if it is deemed necessary to promptly perform an in-depth check, JPX-R has the flexibility to conduct inspections that focus on specific items.

- Conducting in-depth inspections based on the severity of the risk

JPX-R prioritizes inspection items considered to be high-risk based on the results of the risk assessment and considering the lines of business and individual circumstances of the trading participant to be inspected. Interviews are conducted with a wide range of executives and related departments to assess the current business conditions in detail and from multiple angles for an in-depth inspection.

d. Strengthening the internal control systems of trading participants

Changes are taking place in Japan's social structure due to a declining birthrate and aging population, and we are seeing resultant changes in the business models of some trading participants, such as the development of new services. Also, trends such as the proliferation of cloud services and the increasing sophistication of cyberattacks are leading to greater risks to which trading participants will need to pay close attention.

If an inspection reveals any violations of laws and regulations or activities that are inappropriate for sound market operation, JPX-R will not only correct and follow up on the situation but also raise the trading participant's awareness of the issues through dialogues that include their management, encouraging them to take measures to strengthen their internal control system where it may be at risk in the future even if deficiencies were not presently found.

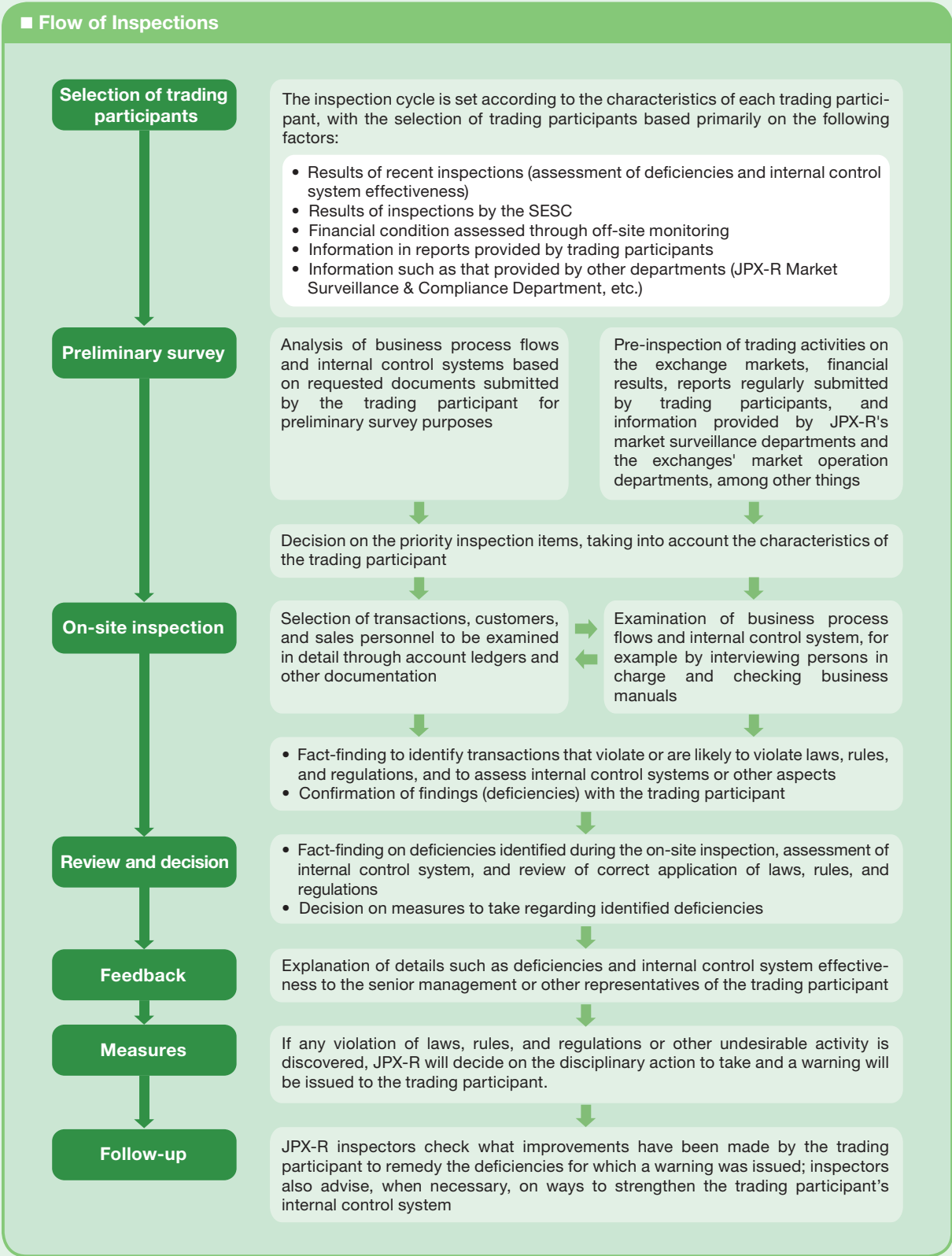
The inspections conducted are of three types—general inspection, follow-up inspection, and special inspection. The inspections are either on-site or document-based.

I Types of Inspections

	Features
General inspections	Conducted sequentially, starting with those trading participants for which inspections are deemed highly necessary according to mainly the results of past inspections, the results of inspections by the SESC, and the time elapsed since the previous inspection
With the JSDA	Conducted by the Japan Securities Dealers Association (JSDA) and JPX-R simultaneously on-site in an integrated manner
With other exchanges	Conducted with the cooperation of other Japanese exchanges
Follow-up inspections	Conducted as needed to check for improvements within approximately one year after an inspection
Special inspections	Focus on specific issues based on a range of information

I Inspection Methods

	Features
On-site inspections	Conducted by visiting the headquarters and selected offices of the trading participant; most inspections are conducted in this manner
Document-based inspections	Conducted without an on-site inspection when it is determined that the materials submitted by the trading participant are sufficient, based on the items subject to inspection and other circumstances



Please check the official JPX website for details.
<https://www.jpx.co.jp/english/regulation/ensuring/maintaining/outline/index.html>

2 Number of Inspections

In FY2022, JPX-R conducted inspections of 22 trading participants, focusing on the following priority inspection items: Trading supervision systems to prevent unfair trading; system risk management systems; management systems pertaining to low-latency trading; responses to the establishment of the Comprehensive Exchange; and other matters to be observed during inspections.

The average number of days of general inspections for TSE and OSE trading participants was 11.1 days, with an average of 7.3 inspection staff per company, although the duration and number of inspectors for each inspection varied according to the type of business and trading activities of the trading participant.

In FY2022, we resumed on-site inspections in order to augment communication with trading participants, while implementing flexible measures in response to COVID-19 such as conducting some inspections remotely and reducing the number of staff sent to branches.

(Number of companies)

Types of inspections	FY2020	FY2021	FY2022
General inspections	10	23	22
(with the JSDA)	10	21	21
(with other exchanges)	3	8	4
Follow-up inspections	0	0	0
Special inspections	1	0	0
Total	11	23	22

3 Results of Inspections

If the results of an inspection reveal an infringement of laws and regulations or other undesirable activity, JPX-R will request that improvements are made in business operations such as by issuing a warning or request to the trading participant and determining the appropriate disciplinary action or recommendation for TSE or OSE to impose.

In FY2022, with respect to trading supervision systems to prevent unfair trading, JPX-R found several cases where, for example, trade surveillance was not being conducted properly or examination records were not being kept properly. With respect to system risk management systems, JPX-R found cases such as those where risk assessment and system failure management involving cybersecurity were inadequate. With respect to management systems pertaining to low-latency trading, inadequate implementation of “direct and exclusive risk management” as set out in the market access rules was found, along with deficiencies in procedures for setting restrictions on the placement of orders.

a. Cases of deficiencies found

(Cases)

Deficiency	Number of cases	
		Cases requiring disciplinary action, warnings, recommendations, or requests
1. Inadequate management of system risks	9 (13)	1 (2)
2. Inadequate controls to prevent erroneous order placement	8 (3)	1 (2)
3. Inadequate management to prevent unfair trades	5 (4)	2 (1)
4. Deficiencies related to margin trading	4 (1)	1 (1)
5. Inadequate supervision of short selling transactions	3 (2)	0 (2)
6. Deficiencies related to internal inspections and audits	2 (0)	2 (0)
7. Inadequate management of corporate information	2 (3)	0 (1)
8. Deficiencies related to regulatory measures regarding trading, etc.	1 (0)	1 (0)
9. Deficiencies related to margin for derivatives trading	1 (1)	0 (0)
10. Deficiencies related to bookkeeping and document handling	1 (0)	0 (0)
11. Deficiencies related to account creation agreement forms	0 (2)	0 (0)
12. Deficiencies related to contract correction	0 (1)	0 (0)
13. Other	2 (1)	2 (1)
Total	38 (31)	10 (10)

Note: Figures in parentheses indicate the number of cases in the previous financial year.

b. Disciplinary actions, warnings, and other actions based on the results of inspections

In FY2022, JPX-R conducted inspections of 22 trading participants, issuing warnings or requests to five companies, and a recommendation to one.

Type of action	Number of cases	No. of companies
Disciplinary action	0	0
Recommendation	1	1
Warning	6	4
Warning by the Governor in charge	2	2
Warning by the Director of Trading Participant Examination and Inspection Dept.	1	1
Warning by an inspector	3	3
Request	3	2
Total	10	5

Note: The total number of companies does not equal the calculated total, as some trading participants received more than one action.

Warnings and other actions taken in FY2022 are listed below by type of deficiency.

(Cases)

Deficiency	Disciplinary action	Warning			Recommendation	Request	Improvement Report
		Governor in Charge	Director of Trading Participant Examination and Inspection Dept.	Inspector			
1. Inadequate management of system risks						1	
2. Inadequate controls to prevent erroneous order placement		1					1
3. Inadequate management to prevent unfair trades		1	1				2
4. Deficiencies related to margin trading				1			
5. Deficiencies related to internal inspections and audits						2	
6. Deficiencies related to regulatory measures regarding trading, etc.				1			
7. Other				1	1		
Total		2	1	3	1	3	3

Note: An Improvement Report is a written document that is requested to be submitted on improvement measures and other steps taken.

4 Disciplinary Actions Taken

When JPX-R deems necessary, such as when a trading participant is found to be in violation of laws, rules, and regulations, JPX-R shall determine the type of disciplinary action to be imposed by TSE or OSE (fines, censure, suspension or restriction of trading, or cancellation of trading qualification) after consultation with its advisory body the Disciplinary Committee.

The disciplinary actions taken in FY2022 are outlined below.

Disciplinary action stemming from inspections

In FY2022, no disciplinary actions were taken stemming from inspections.

Disciplinary action based on administrative dispositions

Trading Participant	Outline of Infringement	Disciplinary Action	Initial Disposition
Okayasu Shoji Co.,Ltd.	<p>Issue: Mainly the company's manipulation of the calculation of its capital adequacy ratio (CAR) to be higher than the actual value, when in actuality, the ratio was lower than the capital adequacy ratio stipulated by law</p> <p>The company calculated its CAR to be higher than the actual value, concealing the true situation.</p> <p>In addition, the CAR submitted by the company in its application for qualification as an OSE Commodity Futures, etc. Trading Participant with the transition to the Comprehensive Exchange in July 2020 differed from the actual value, and the actual CAR was lower than the required ratio.</p>	<p>OSE: JPY 50 million fine and three-day suspension of market derivatives trading (excluding settlement transactions for customers, transactions for the account of the broker's consignee, and other transactions separately approved by OSE) (Submission of a business improvement report requested) (September 28, 2022)</p>	Regulatory disposition imposed by Financial Services Agency on June 24, 2022
SMBC Nikko Securities Inc.	<p>(1) Conduct of making illegal purchases and other activity for the purpose of stabilizing market prices of listed shares</p> <p>(2) Deficiency in the control environment for trade surveillance</p> <p>(3) Deficiency in the control environment for business operations relating to block offers</p> <p>(4) Inappropriate operations of business in cooperation with a bank</p>	<p>TSE: JPY 300 million fine and five-day suspension of securities trading on TSE for the proprietary account of the Equity Department (excluding activity specifically authorized by TSE, such as transactions associated with the fulfillment of contracts already existing before the announcement date of disciplinary actions) (Submission of a business improvement report requested) (December 20, 2022)</p> <p>OSE: Censure (Submission of a business improvement report requested) (December 20, 2022)</p>	Regulatory disposition imposed by Financial Services Agency on October 7, 2022

5 Examinations for Trading Qualifications and Reorganizations at Trading Participants

JPX-R conducts examinations of financial instruments business operators and others that have applied for a trading qualification with TSE or OSE.

Trading qualification acquisition date	Company	Type of approval
April 1, 2022	HSBC Securities (Japan) Co., Ltd. *	TSE General Trading Participant Qualification OSE Futures, etc. Trading Participant Qualification

*Qualifications acquired in line with incorporation as a domestic corporation

In addition, JPX-R conducts examinations for the approval of mergers and other types of reorganization above a certain size at trading participants.

Date	Company	Type of approval
July 19, 2022 (effective date)	Marusan Securities Co., Ltd.	Transfer of part of the business to another corporation through a company split

6 Implementation of Monitoring

Monitoring involves conducting regular interviews with trading participants regarding changes to their business model, internal control systems, or other things, as well as interviews conducted flexibly based on notices and reports from trading participants, information sharing within the exchange group, and media reports. We also conduct cross-sectional spot monitoring of trading participants, targeting specific items or specific lines of business in response to changes in the market environment or regulatory revisions. As best practices or other points to note for improving management systems are identified in the process of monitoring, they are shared with other trading participants as necessary.

7 Number of Information Submissions Received

JPX-R has established a page on our website with a submission form for receiving information from the public on non-compliance with laws and regulations by trading participants. The information provided is used in our inspection and audit operations.

Classification	Number of Submissions	Year-on-year Change
Information provided on trading participant	2	+1
Other	0	±0
Total	2	+1

8 Efforts to Improve the Inspection Skills of Inspection Staff

JPX-R works to improve the skills of our inspection staff in order to conduct more in-depth, effective inspections. In FY2022, we conducted training for all inspectors covering internal audit trends and communication skills, as well as the use of AI in the industry. We also actively encourage our inspection staff to acquire certifications such as Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA).

9 Efforts to Strengthen Support for Trading Participants

When JPX-R determines that an internal control system or other aspect of a trading participant may give rise to deficiencies in the future, even if such deficiencies did not require action during an inspection, we raise the trading participant's awareness of the issues and provide advice on matters where a further enhancement of internal control systems is desirable.

In FY2022, we launched an advanced inspection review team to look into advice-giving instances during inspections with regard to four areas (five items) - trading supervision, system risk, HFT and algorithmic trading, and risk management (market regulation infringement risk and financial risk) - which require a greater degree of specialized expertise.

4 Market Surveillance

1 Overview of Market Surveillance

To ensure fairness and reliability in the cash equities and derivatives markets, JPX-R monitors all transactions on a regular basis to detect unfair trading practices such as market manipulation and insider trading. These activities are referred to as “market surveillance.”

JPX-R’s market surveillance process is carried out as follows:

Step 1 Identification of Securities to Investigate

Securities to investigate are identified by the system from transactions that can be thought irregular considering share price or trading volume trends, and may also be identified from information provided by the exchanges’ market departments or external sources.

Securities to investigate can also be identified when a material fact under laws and regulations has been made public pertaining to a security, and the stock price trends before and after the disclosure seem irregular.

Step 2 Investigation and Examination

Investigations begin mostly by requesting client trading data from trading participants and reports on disclosure of material facts from listed companies. Based on these pieces of information, for a market manipulation examination, JPX-R analyzes order placement and execution patterns, while for insider trading, we examine whether company insiders or related parties have made trades coinciding with the disclosure of material facts.

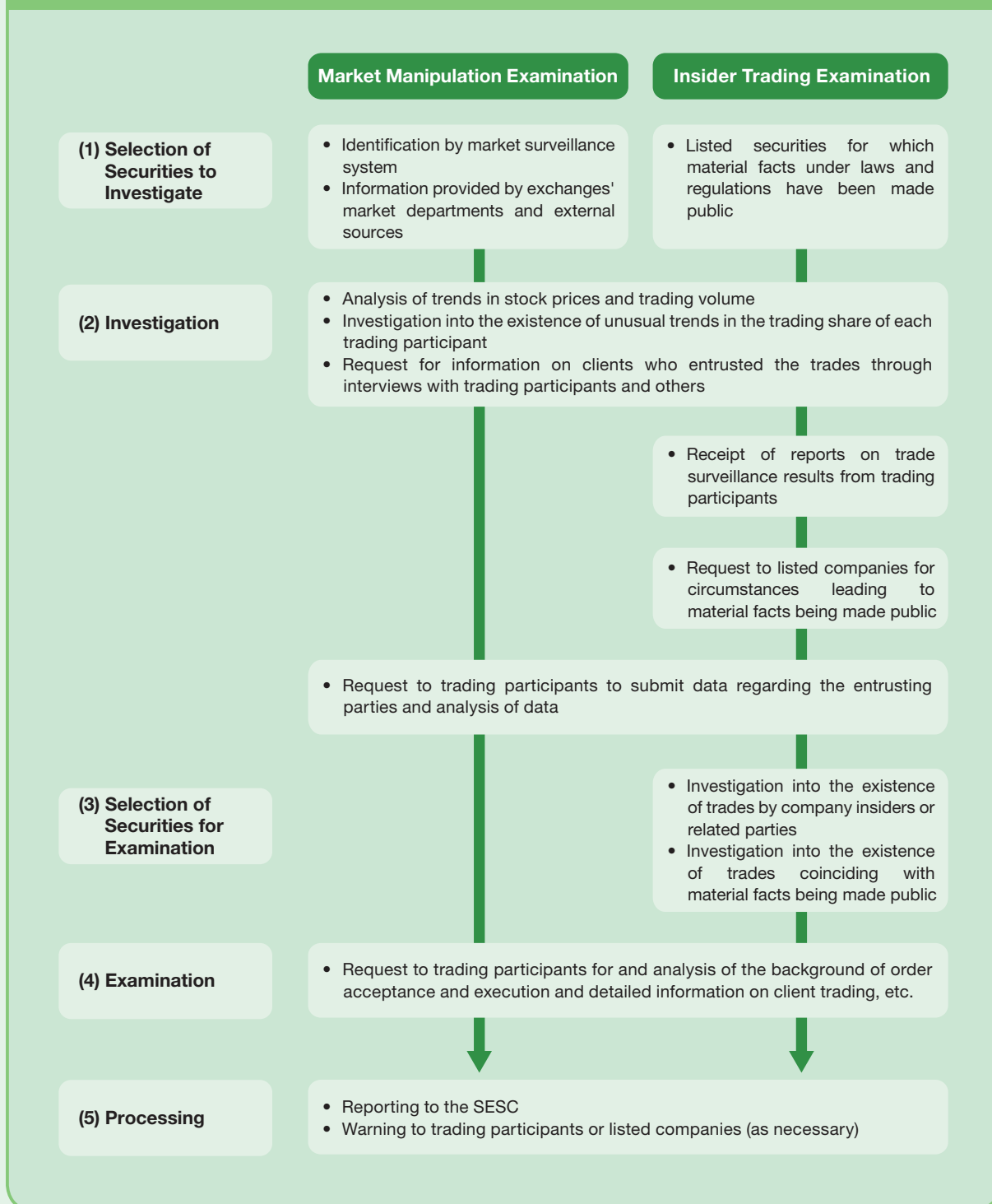
If investigation findings point to the need for more detailed analysis, the case moves to the examination stage. The trading participants are then asked for further clarification and that information is comprehensively analyzed to determine if unfair trading has or is suspected to have taken place.

Step 3 Processing

The results of all examinations are reported to the Securities and Exchange Surveillance Commission (SESC). JPX-R supports the market surveillance activities of the SESC through such collaboration.

If the results of the examination indicate that a trading participant has violated or is likely to violate laws, rules, or regulations, or that a listed company has violated or is likely to violate the law, or if its internal control system for preventing insider trading is deemed inadequate, JPX-R will issue a warning to the listed company or otherwise urge improvements.

■ Market Surveillance Flowchart



2 Implementation of Market Surveillance

Market surveillance is divided into two levels: the investigation level, at which potentially problematic cases are identified, and the examination level, at which detailed analysis is conducted on those cases deemed to be potentially problematic based on the investigation results.

Securities targeted for investigation include those for which material corporate information has been made public that significantly influences investors' investment decisions, for example on such matters as capital increases, mergers, or dissolutions, or those where irregularities are discovered through price or trading volume fluctuations. For these securities, price and trading volume trends are analyzed, along with the trading status of trading participants, and investigations are conducted as necessary, including by interviewing trading participants. In FY2022, 2,877 such investigations took place.

Furthermore, for securities deemed to require more detailed analysis, examinations are conducted as necessary, including by interviewing trading participants and getting details about their order acceptance and execution and detailed information about their clients. In FY2022, 116 such examinations took place.

A breakdown of the number of cases investigated and examined in FY2022 is as follows:

(Number of Cases)

Classification		Investigation		Examination	
		FY2022	Year-on-year Change	FY2022	Year-on-year Change
Insider trading	Capital increase	81	-26	10	-13
	Capital reduction	19	+4	2	-2
	Share buybacks	173	+38	8	-1
	Share splits	48	-26	2	-2
	Dividend transfers	409	+11	10	+3
	Mergers	1	±0	0	±0
	Business tie-ups	80	+8	9	-8
	Losses incurred through operations	60	-32	0	-3
	Change in major shareholders	4	+2	0	±0
	Information on financial results	529	-218	11	-10
	Other material facts	241	-17	42	-18
	Subtotal	1,645	-256	94	-54
	Market manipulation (stock price fluctuations, etc.)	1,042	+138	22	-12
	Derivatives-related	190	+28	0	-1
	Other	0	±0	0	±0
	Total	2,877	-90	116	-67

Note: Investigations and examinations are counted at the point of completion. Cases that went to the examination stage are counted as examinations and not investigations.

3 Market Surveillance Results

a. Warnings to Trading Participants

As a result of market surveillance, if a trading participant's conduct is found to be in violation of or likely to violate laws, rules, or regulations, to prevent both recurrences and new occurrences of unfair trading, JPX-R takes measures as required based on the exchanges' rules and regulations by deciding on a disciplinary action or issuing a warning to the trading participant. Furthermore, if deemed necessary, considering the details of the case, we will also request a written report detailing improvement measures. In FY2022, no such warnings were issued to trading participants.

In addition, even if there is no immediate problem or suspicion of unfair trading with respect to a trading participant's conduct in order acceptance, JPX-R may provide an explanation regarding a particular transaction to a trading participant if deemed necessary to prevent unfair trading if, for example, the order placement and execution patterns of a particular client are deemed likely to lead to a future violation if left unchecked. In FY2022, such explanations were provided to trading participants for 358 transactions.

b. Warnings and Requests for Re-inspection of Internal Systems at Listed Companies

If a listed company's actions are found to be in violation of or likely to violate laws, rules, or regulations, or if the company's internal control system to prevent insider trading is considered inadequate, a warning is issued to the company to encourage the development and improvement of its internal control system. Furthermore, if deemed necessary, considering the details of the case, JPX-R will also request a written report detailing improvement measures. In FY2022, warnings were issued to listed companies in seven cases as outlined in the table below.

In addition, in the event that a recommendation is issued by a government agency for a penalty to be paid for a violation of insider trading regulations by an officer or employee of a listed company or related entity, JPX-R will request that the listed company re-examine its internal systems or take other action.

As outlined in the table below, a re-examination was requested in two cases in FY2022.

Additionally, explanations regarding particular transactions were provided to listed companies in ten cases to promote enhancement of their systems to prevent insider trading.

I Numbers of Warnings and Requests for Re-Examination Issued to Listed Companies

(Number of Warnings)	
Warnings to listed companies	7 (7)
Warning by the Governor in charge	0 (0)
Warning by the Director of the Market Surveillance & Compliance Department	0 (0)
Warning by a senior manager	7 (7)
Warning by the employee in charge of the case	0 (0)
Requests to listed companies for re-examination	2 (2)

Note: Figures in parentheses indicate the number of requests for written reports on improvement measures.

4 Number of Information Submissions Received

JPX-R has established a page on our website with a submission form for receiving information from the public on non-compliance with laws and regulations by trading participants. The information provided is used in our inspection and audit operations.

Classification	Number of Submissions	Year-on-year Change
Market manipulation	780	+3
Insider trading	8	-19
General information on securities	0	±0
Other	0	-2
Total	788	-18

5 Enhancing Our Market Surveillance System in Line with Market Changes

Major changes are starting to appear in the market structure of the financial instruments markets with the advancement of new technologies for investment and asset management, particularly among institutional investors, against a background of significant progress in data processing and information and communications technology. Most notable are the advent and proliferation of high-frequency trading (HFT) and algorithmic trading.

JPX-R is taking steps to address algorithmic trading and HFT to ensure confidence in the safety of trading in the markets established by JPX for a wide range of investors, including general investors. Specifically, thanks to a registration system for high-speed traders introduced by the FSA in April 2018, it has become easier to observe trends in which investment entities are actually placing orders, so JPX-R is making efforts to develop and introduce new market surveillance methods that utilize this data. JPX-R will continue building systems and honing expertise to analyze trading data in greater detail to increase our ability to identify forms of unfair trading.

JPX-R has also been working to expand the functionality of systems used for market surveillance. In FY2022, we initiated the use of AI for the continuous verification of calculation results and made efforts to further improve accuracy, which are helping to streamline and refine market surveillance processes.

We also launched a “grand design for market surveillance” project to build a comprehensive system that facilitates market surveillance that can rapidly respond to changes in the environment. The system will centralize the different types of data needed for surveillance and provide a mechanism for smoothly and efficiently carrying out surveillance utilizing such data. The system is under development with the aim of phasing in its use from early FY2024.

6 Enhancing Cooperation with Overseas Regulatory Authorities

JPX-R is a member of the Intermarket Surveillance Group (ISG), a global network of self-regulatory organizations, for actively exchanging information on the latest developments in the field of market surveillance. In FY2021, a case we examined on the basis of information received from the ISG led to the recommendation of an administrative monetary penalty payment order by the Securities and Exchange Surveillance Commission (SESC). In FY2022, JPX also participated in online meetings hosted by the U.S.-based Financial Industry Regulatory Authority (FINRA) in May 2022 and the Dubai Gold & Commodities Exchange (DGCX) in October 2022 to exchange information and strengthen international cooperation in market surveillance and market participant examination and inspection.

5 Compliance Support Activities for Listed Companies and Trading Participants

In order to prevent unfair trading, and maintain and enhance the soundness of trading participants, JPX-R proactively implements compliance support activities for listed companies and trading participants, for example through the establishment of the Compliance Learning Center (COMLEC).

1 COMLEC and Other Compliance Education Activities

JPX-R has established the Compliance Learning Center (COMLEC) to promote the provision of compliance support for listed companies and trading participants. The compliance support activities undertaken by COMLEC include the holding of various types of compliance seminars, the dispatching of instructors to provide training at individual companies, and the provision of training tools such as e-learning. In addition to the work of COMLEC, every year JPX-R identifies topics of particular concern to listed companies based on the environment affecting the securities market in that year, and holds seminars featuring experts in relevant fields, mainly for the representative directors of listed companies, officers responsible for compliance, and company auditors.

Going forward, JPX-R will be working to provide even higher-quality services in this area, while expanding the scope of its activities.



2 COMLEC's Activities

a. Holding of Compliance-related Seminars

COMLEC holds seminars on compliance as it relates to financial instruments transactions, mainly for the company officers and employees of listed companies and trading participants.

These seminars provide easy-to-understand explanations of the latest compliance-related topics that are directly linked to the operations of listed companies and trading participants, based on actual case studies and experience accumulated by JPX-R through its day-to-day self-regulation operations.

I Seminars Organized by COMLEC

Date	Content
February 27, 2023 (Tokyo)	Inspection Practitioner Seminar for Commodity Futures, etc. Trading Participants (18 participants from 6 companies) This seminar, intended for personnel from the compliance departments and systems departments of Commodity Futures, etc. Trading Participants, aimed to further strengthen trading participants' internal control systems by introducing the overall state of inspection implementation to date, as well as case studies of instances in which findings were presented or guidance given, and measures taken in response to effect improvements.
March 10, 2023 (online)	Inspection Practitioner Seminar and Trading Supervision Seminar (approx. 290 participants from 90 companies) These seminars, intended for personnel from the compliance departments and systems departments of trading participants, aimed to further strengthen trading participants' internal control systems through lectures on inspections in FY2022 and key points to note regarding recent changes to relevant rule frameworks by the Trading Participants Examination & Inspection Department, and on case studies of recent market surveillance activities and the collection of types of transactions which could lead to market manipulation (newly compiled in FY2022) by the Market Surveillance & Compliance Department.

b. Holding of Compliance Seminars and Dispatching of Training Instructors

With the aim of realizing thorough compliance with relevant laws and regulations, COMLEC assigns JPX-R personnel to act as instructors for internal compliance trading in response to requests from listed companies and trading participants.

Training relating to market surveillance is tailored to meet the needs of individual listed companies and trading participants, and besides covering the rules relating to insider trading and market manipulation, it may also include explanations of relevant case reports and of case studies of actual market surveillance and compliance cases identified by JPX-R.

Training relating to trading participant inspection is also tailored to meet the needs of individual trading participants, and includes presentations for the officers and employees of individual companies on actual violations that have been identified, as well as discussion of measures to resolve such issues, and of the approach for putting in place a suitable internal control system to achieve prevention of such issues in advance.

In FY2022, due to the need to prevent the spread of COVID-19, training for listed companies was conducted online to avoid close contact. Such training was provided on a total of 159 occasions. Seminars on insider trading rules for the compliance personnel of listed companies were put on hold once again in FY2022, and instead, videos were made available that covered the same content as the seminars. For trading participants, instructors were dispatched on a total of 15 occasions to provide explanations of the rules relating to insider trading and other topics.

For more information about the structure of the various types of seminars, please visit the JPX website:
<https://www.jpx.co.jp/regulation/seminar/index.html> (only in Japanese)

I List of Companies Where Instructors Have Been Deployed

Trading Participants and Related Organizations	
Marubeni Techno Rubber Corporation	Chibagin Securities Co., Ltd.
EVOLUTION JAPAN SECURITIES Co., Ltd.	SANKO SECURITIES CO., LTD.
Yamawa Securities Co., Ltd.	Japan Securities Dealers Association
CLSA Securities Japan Co., Ltd.	The Yutaka Securities Co., LTD.
AlpacaJapan Co., Ltd.	Daiichi Premiere Securities Co., Ltd.
Tokai Tokyo Securities Co., Ltd.	Mita Securities Co., Ltd.

Listed Companies and Related Organizations	
KANEMATSU ELECTRONICS LTD.	kaonavi, inc.
Oriental Shiraishi Corporation	Reiwa Accounting Holdings Co., Ltd.
T.RAD Co., Ltd.	Take Action, Inc.
TOYO KEIZAI INC.	Digital Information Technologies Corporation
QUICK CO., LTD.	GUPPY's Inc.
Frontier Management Inc.	Bengo4.com,Inc.
Alfresa Holdings Corporation	Osaka Prefectural Credit Federation of Agricultural Co-operatives
ORION BREWERIES, LTD.	IINO KAIUN KAISHA, LTD.
AJIS CO., LTD.	CAS Capital, Inc.
NISHIMATSUYA CHAIN Co., Ltd.	Japan Science and Technology Agency
e-Seikatsu Co., Ltd.	CellSource Co., Ltd.
Tokyo Kyodo Accounting Office	Japan Investment Corporation
Business Coach Inc.	Sincere Audit Corporation
Heartcore, Inc.	YAMAZAKI BAKING CO., LTD.
Nexyz.Group Corporation	Rakuten Bank, Ltd.
CYND Co., Ltd.	ANDPAD Inc.
Kobayashi Pharmaceutical Co., Ltd.	ADEKA CORPORATION
ULURU.CO., LTD	O-WELL CORPORATION
AUN CONSULTING, Inc.	NEOJAPAN Inc.
AP HOLDINGS CO., LTD.	IDEA Consultants, Inc.
Tokyo Tatemono Co., Ltd.	MetaReal Corp.
CUBE CO., LTD.	Hakuto Co., Ltd.
Modalis Therapeutics Corporation	monoAI technology Co., Ltd.
MentalHealth Technologies Co., Ltd.	Integral Corporation
L is B Corp.	Kirin Holdings Company, Limited
AGS Consulting Co., Ltd.	PLUS Logistics Corporation
Nippon Yusen Kabushiki Kaisha	T&D Asset Management Co., Ltd.
Koryojyuhan Co., Ltd.	TMS Co., Ltd.
SEIJO ISHII CO., LTD.	Densan System Co., Ltd.
VEGA corporation	ITOCHU ENEX CO., LTD.
NEC Capital Solutions Limited	Human Life CORD Japan Inc.
READYFOR Inc.	KANEMATSU CORPORATION
LANDNET Inc.	Japan Renewable Energy Corporation
Nissan Chemical Corporation	YOTAI REFRACTORIES CO., LTD.
Farmind Corporation	BASE FOOD, Inc.
QUICK Corp.	Crowe Toyo & Co.
Amazia, inc.	SME SUPPORT JAPAN
Sophia University	TOSHIBA CORPORATION
O.B.System Inc.	Osaka Prefectural Police
Marumae Co., Ltd.	WELCIA YAKKYOKU CO., LTD.
Wellplayed Rizest Inc.	Transaction Media Networks Inc.
Sportsfield Co., Ltd	Mitsubishi UFJ Research and Consulting Co., Ltd.
Marubeni-Itochu Steel Inc.	Resona Holdings, Inc.
ITOCHU Corporation	CNS Co., Ltd.
Foodison, Inc.	Japan Investment Adviser Co., Ltd.
HOUSEI Inc.	Chimney Co., Ltd.
WHITEESSENCE Co., Ltd	CHUBU-NIPPON BROADCASTING CO., LTD.
OMRON Corporation	Zip Infrastructure, Inc.
Fast Accounting Co., Ltd.	
	Other

c. Issuance of Publications and E-Learning Training Service

COMLEC issues various publications and provides compliance training services with the aim of helping the company officers and employees of listed companies, securities companies, and other market players, as well as the investing public in general, to acquire more knowledge regarding compliance as it relates to financial instruments transactions, through explanations of the laws and regulations governing financial instruments transactions, the presentation of case studies, and other methods. In FY2022, COMLEC distributed, for the use of trading participants' trading supervision personnel, an updated version of the Compliance Navigator, a publication which compiles questions on trading submitted to the Market Surveillance & Compliance Department and cases in which problems were identified during market surveillance.

In addition, as part of its securities education activities for the company officers and employees of listed companies and trading participants, and for market users in general including other types of investors, COMLEC provides e-learning training services using the internet. These services, which can be accessed using a smartphone, tablet, or other mobile device, represent a highly convenient, optimal compliance training tool for all company officers and employees, including those who may be working in remote locations or may be too busy to attend in-person training activities, and they also allow company personnel responsible for organizing training to verify the learning progress of each trainee. As such, COMLEC's e-learning training services have been widely used, and can be expected to provide a highly effective learning experience.

For more details about the services and how to apply, please visit the JPX website:

1. E-learning for rules relating to insider trading

<https://www.jpx.co.jp/equities/listed-co/seminar/e-insider/index.html> (only in Japanese)

2. E-learning for trading participants

<https://www.jpx.co.jp/regulation/preventing/activity/index.html> (only in Japanese)

Name of E-Learning Course	Intended Audience	Length	Content
Konpura-kun's ("Mr. Compliance") Introduction to Insider Trading Rules 1: Insider Trading Basics	All adults, including new employees	20 minutes	The aim of this course is to help people learn precisely what insider training is. Compiled in such a way as to be easy to understand even for people who have only a vague idea, it uses an approach that focuses on what is regulated by insider trading rules, and why it needs to be regulated. (2022 version)
Konpura-kun's Introduction to Insider Trading Rules 2: The Content of Insider Trading Rules	Mainly officers and employees of listed companies, securities companies, etc.	20 minutes	The aim of this course is to present the knowledge that company officers and employees of listed companies should possess regarding the content of insider trading rules. It explains insider trading rules and their scope by focusing on four key terms. (2022 version) (English-language version available)
Konpura-kun's Introduction to Insider Trading Rules 3: Points Where Mistakes are Easily Made, and Case Studies	Mainly officers and employees of listed companies, securities companies, etc.	20 minutes	This course, which assumes a certain degree of knowledge about insider trading rules, collates the key points that related parties need to pay particular attention to. Specific examples are used to illustrate the more practical points. (2022 version)
Key Points Relating to Insider Trading Prevention, for Practitioners	Mainly officers and compliance personnel of listed companies	15 minutes	This course collates the key points that listed companies, as opposed to individuals, need to pay attention to in order to prevent insider trading. It uses case studies to explain the approach that listed companies should adopt toward their management systems.
Konpura-kun's Guide to Insider Trading Rules : Key Points to Note for REITs	Mainly officers and employees of listed investment corporations, securities companies, etc.	15 minutes	This course enables users to learn the main content of the insider trading rules relating to real estate investment trusts (REITs). It explains not only the content of the rules relating to REITs, but also key points connected to the special characteristics of investment corporations as opposed to ordinary corporations.
Konpura-kun's Introduction to Stock Price Manipulation Rules 1	Mainly intended for the sales staff, new employees, and other related employees of securities companies	25 minutes	This course enables users to learn the main content of the rules governing stock price manipulation (market manipulation) pursuant to the Financial Instruments and Exchange Act starting from the basics. It uses concrete examples to explain what kinds of behavior are prohibited by the rules governing stock price manipulation.
Konpura-kun's Introduction to Stock Price Manipulation Rules 2	Mainly intended for the sales staff, new employees, and other similar employees of securities companies	20 minutes	This course enables users to learn the main content of the rules governing stock price manipulation (market manipulation) pursuant to the Financial Instruments and Exchange Act, starting from the basics. Following on from part 1, it explains things such as the penalties for illegal stock price manipulation, and presents numerous case studies to facilitate more in-depth understanding.

d. Issuance of Publications

The main publications that COMLEC has issued relating to compliance are as follows.

Items (i) and (ii) are available for sale via the JPX website, at <https://www.jpx.co.jp/learning/tour/books-brochures/index.html> (only in Japanese)

Items (iii) to (iv) can be found on the JPX website, at <https://www.jpx.co.jp/regulation/public/index.html> (only in Japanese)

Name of Publication	Summary
(i) Compliance Case Study Handbook	This booklet brings together, in Q&A format, items of particular concern from among the inquiries received from trading participants (revised in June 2019).
(ii) Konpura-kun's Guide to Insider Trading Rules Q&A (reflecting the revisions made to the Financial Instruments and Exchange Act in 2013)	This "bible" of insider trading rules brings together the fundamental content of the insider trading rules in Q&A format.
(iii) Collection of Internal Insider Trading Prevention Rules	This collection of case studies analyses internal insider trading prevention rules provided voluntarily by 348 companies listed on the Tokyo Stock Exchange at the time of implementation of the Second Nationwide Listed Company Insider Trading Management Survey.
(iv) Report on the Fourth Nationwide Listed Company Insider Trading Management Survey	A survey relating to insider trading management was administered to listed companies throughout Japan, and a survey report was compiled based on analysis of the responses received from 1,990 listed companies that assisted with the survey. The report was published on each exchange website in October 2016. (This project was implemented in collaboration with stock exchanges throughout Japan.)

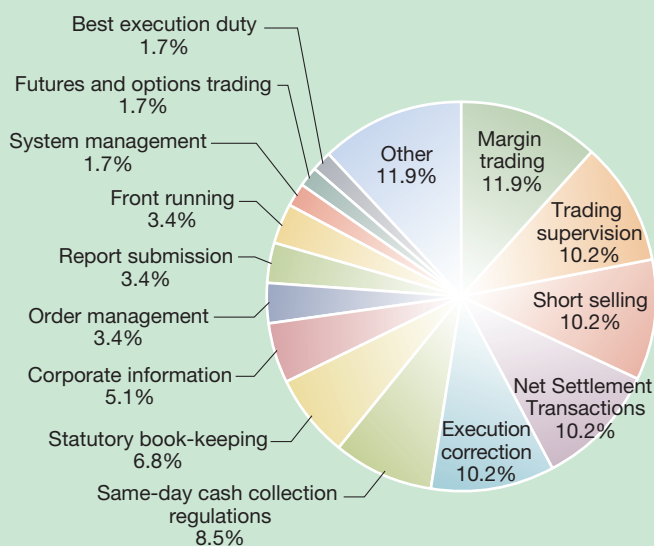
3 Handling Requests for Consultation from Listed Companies, Trading Participants, and Related Organizations

The Trading Participants Examination & Inspection Department and the Market Surveillance & Compliance Department take and answer inquiries from, respectively, trading participants and related parties regarding the laws and regulations relating to securities trading, and listed companies, trading participants, and other related parties regarding the rules governing insider trading and market manipulation.

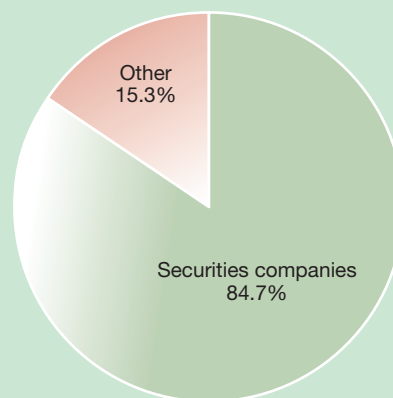
In FY2022, the Trading Participants Examination & Inspection Department handled 59 inquiries, and the Market Surveillance & Compliance Department handled 502 inquiries. An overview of the inquiries received is shown in the table below.

Trading Participant Examination and Inspection-Related

Breakdown of inquiry content

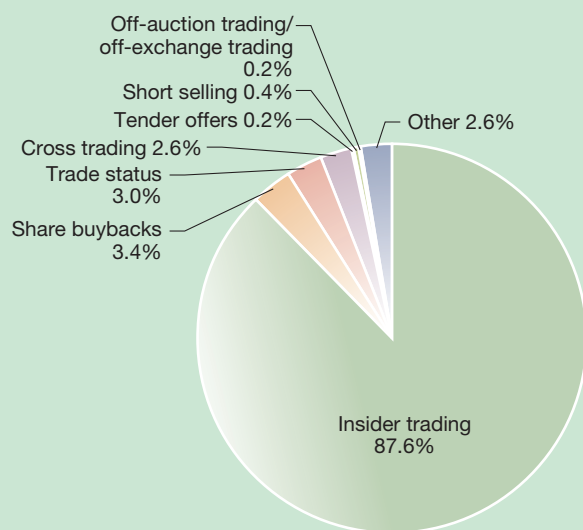


Breakdown of parties submitting inquiries

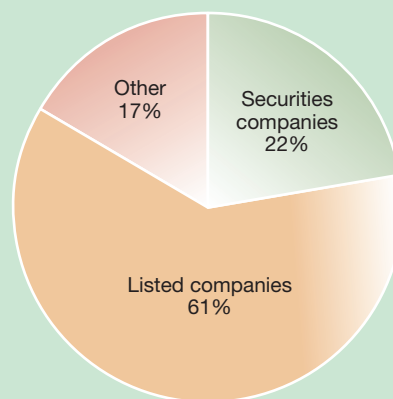


Market Surveillance-Related

Breakdown of inquiry content



Breakdown of parties submitting inquiries



4 J-IRISS Registration Promotion Activities

The Japan-Insider Registration & Identification Support System (J-IRISS) was established by the Japan Securities Dealers Association to help prevent insider trading through registering the data of officers and other insiders at listed companies, thereby enhancing the efficacy of insider registration and similar operations at securities companies. JPX-R is striving to promote the registration of listed companies by encouraging registration when companies newly list or transfer market segment, and by continuing to implement PR activities such as seminars for listed companies. As of the end of March 2023, the registration rate for companies listed on the Tokyo Stock Exchange had reached 89.8%.

6 Lists of Securities

1 Securities That Carried Out Initial Listings or Segment Transfers

New Listings

<Stocks> 126

(First Section) 1

Apr. 01, 2022 Procrea Holdings, Inc. *

(Prime Market) 9

Sep. 01, 2022 PICKLES HOLDINGS CO., LTD. *

Oct. 03 WOW WORLD GROUP Inc. *

Oct. 03 Iyogin Holdings, Inc. *

Oct. 03 Shizuoka Financial Group, Inc. *

Oct. 03 Chugin Financial Group, Inc. *

Oct. 03 Aichi Financial Group, Inc. *

Oct. 12 Socionext Inc.

Dec. 14 Daiei Kankyo Co., Ltd.

Dec. 28 Chubu Steel Plate Co., Ltd.

(Standard Market) 20

Apr. 07, 2022 FB CARE SERVICE CO., LTD

Apr. 21 FULUHASHI EPO CORPORATION

Jun. 20 Yamaichi Uniheim Real Estate Co., Ltd.

Jun. 23 Home Position Co., Ltd.

Aug. 02 Japan Business Systems, Inc.

Sep. 28 Gifu landscape architect Co., Ltd.

Oct. 01 KYORITSU CO., LTD. *

Oct. 03 INEST, Inc. *

Oct. 27 FCE Holdings Inc.

Nov. 01 Terilogy Holdings Corporation *

Nov. 21 CANOX CORPORATION

Dec. 22 COACH A Co., Ltd.

Dec. 23 HouseFreedom Co., Ltd.

Dec. 23 ASO INTERNATIONAL, INC.

Dec. 26 Alpha Purchase Co., Ltd.

Dec. 26 DAIWA TSUSHIN Co., Ltd.

Feb. 22, 2023 PRIME STRATEGY CO., LTD.

Mar. 22 SHINKO Inc.

Mar. 29 SBI Sumishin Net Bank, Ltd.

Mar. 30 NOVA SYSTEM CO., LTD.

(Growth Market) 74

Apr. 04, 2022 SecondXight Analytica, Inc.

Apr. 12 circlace Inc

Apr. 27 STORAGE-OH Co., Ltd.

Apr. 27, 2022 moi Corporation

Apr. 28 CREAL Inc.

Apr. 28 Petgo Corporation

May 31 TRIPLEIZE CO., LTD.

Jun. 08 ANYCOLOR Inc.

Jun. 23 Tsubota Laborator Incorporated

Jun. 23 Japan Warrantry Support Co., Ltd.

Jun. 24 Microwave Chemical Co., Ltd.

Jun. 27 EDP Corporation

Jun. 27 SUNWELS Co., Ltd.

Jun. 28 Nulab Inc.

Jun. 28 M&A Research Institute Inc.

Jun. 29 MicroAd, Inc.

Jun. 30 AViC Co., Ltd.

Jul. 08 INTLOOP Inc.

Jul. 25 Nissou Co., Ltd.

Jul. 28 unerry, Inc.

Jul. 28 HOUSEI Inc.

Jul. 29 airCloset, Inc.

Aug. 5 Kurashicom Inc.

Sep. 13 Japaniace Co., Ltd.

Sep. 16 eWeLL Co., Ltd.

Sep. 22 FP Partner Inc.

Sep. 28 Fines inc.

Sep. 28 GLAD CUBE Inc.

Sep. 29 PORTERS CORPORATION

Sep. 29 PROGRIT Inc.

Sep. 30 GUPPY's Inc.

Oct. 06 PBsystems, Inc.

Oct. 06 FIXER Inc.

Oct. 07 CUBE CO., LTD.

Oct. 19 SBI Leasing Services Co., Ltd.

Oct. 20 Business Coach Inc.

Oct. 26 Linkers Corporation

Oct. 26 Atlas Technologies Corporation

Oct. 28 pluszero, Inc.

Nov. 15 BASE FOOD, Inc.

Nov. 15 POPER Co., Ltd.

Nov. 22 TMS Co., Ltd.

Nov. 25 tripla Co., Ltd.

Nov. 30 Wellplayed Rizest Inc.

Dec. 01 Cyfuse Biomedical K.K.

Dec. 13, 2022	property technologies Inc.	Jan. 26, 2023	Mimona Co.,Ltd
Dec. 14	Skymark Airlines Inc.	Jan. 26	Shinwa-holdings Co.,Ltd.
Dec. 15	SmartDrive inc.	Jan. 26	Otomo Logistics Service Co.,Ltd.
Dec. 16	Rebase,Inc.	Feb. 01	No.1 Urban Development Co.,Ltd.
Dec. 16	OpenWork Inc.	Mar. 16	WISS1 Co.,Ltd.
Dec. 16	Foodison,Inc.	Mar. 31	Sun Feste Corporation
Dec. 19	toridor Inc.		“*” denotes a technical listing.
Dec. 20	monoAI technology Co.,Ltd.		
Dec. 20	INFORICH INC.	<Bonds>	N/A
Dec. 21	St.Cousair CO.,LTD.		
Dec. 21	EYEZ,INC.	<ETFs/ETNs>	29
Dec. 21	note inc.	Apr. 08, 2022	NEXT FUNDS Solactive Japan ESG Core Index Exchange Traded Fund
Dec. 22	jig.jp co.,Ltd.	May 25	iShares Japan Green REIT ETF
Dec. 23	GENOVA,Inc.	May 25	iShares Climate Risk-Adjusted Global ex Japan Government Bond JPY Hedged ETF
Dec. 27	ELEMENTS,Inc.	Jun. 08	iShares MSCI Japan SRI ETF
Dec. 27	BTM,Inc.	Jun. 24	Global X Japan Tech Top 20 ETF
Dec. 29	Sumasapo Inc.	Jun. 24	Global X Green J-REIT ETF
Jan. 26, 2023	TECHNOLOGIES,Inc.	Jul. 27	iShares 3-7 Year US Treasury Bond JPY Hedged ETF
Mar. 23	Nihon Knowledge Co.,Ltd.	Jul. 27	iShares Germany Government Bond JPY Hedged ETF
Mar. 23	halmek holdings Co.,Ltd.	Jul. 29	Global X Nikkei 225 Covered Call ETF (option premium reinvestment type)
Mar. 23	ibis inc.	Aug. 17	Listed Index Fund France Government Bond (No Currency Hedge)
Mar. 27	COVER Corporation	Aug. 17	Listed Index Fund France Government Bond (Currency Hedge)
Mar. 28	Arent Inc.	Sep. 02	NEXT FUNDS EURO STOXX 50 (Yen-Hedged) Exchange Traded Fund
Mar. 28	Monstarlab Holdings Inc.	Sep. 02	NEXT FUNDS German Equity DAX (Yen-Hedged) Exchange Traded Fund
Mar. 28	Axis Consulting Corporation	Sep. 16	NEXT FUNDS S&P US Equity and Bond Balance Conservative Index (Yen-Hedged) Exchange Traded Fund
Mar. 29	AnyMind Group Inc.	Sep. 30	Global X Logistics REIT ETF
Mar. 30	Bizmates,Inc.	Sep. 30	Global X Nasdaq 100 Covered Call ETF
Mar. 31	Fusic Co.,Ltd.	Sep. 30	Global X U.S. Preferred Security ETF
Mar. 31	Cocorport,Inc.	Nov. 08	Global X Autonomous & EV ETF
		Nov. 08	Global X S&P 500 Covered Call ETF
(TOKYO PRO Market)	22	Nov. 16	iFreeETF NASDAQ100 Leveraged (2x)
Apr. 19, 2022	TOKYO KOATSU Co.,Ltd.	Nov. 16	iFreeETF NASDAQ100 Double Inverse (-2x)
Apr. 21	manaby Co.,Ltd.	Dec. 16	Listed Index Fund US Equity (Dow Average) No Currency Hedge
May 30	KANKYOU NO MIKATA Inc.	Jan. 13, 2023	Global X S&P 500 Dividend Aristocrats ETF
May 30	Bridge Consulting Group Inc.		
Jun. 22	IGER Inc.		
Aug. 26	Fitworks Co.,Ltd.		
Sep. 12	Pear Capital,inc.		
Sep. 14	Frontier Holdings Co.,Ltd.		
Sep. 28	HiroHoldings Co.,Ltd.		
Oct. 04	LUMBER ONE INC.		
Nov. 04	AIR-U LTD.		
Nov. 18	techno-creative CO.,LTD.		
Dec. 06	MANABE INTERIOR HEARTS Co.,Ltd.		
Dec. 21	Nihon Office Automation Research Co.,Ltd.		
Dec. 28	Frontier House Co.,Ltd.		
Jan. 26, 2023	Asakawa Systems Co.,Ltd.		

Feb. 01, 2023 iFreeETF S&P500 Leveraged (2x)
 Feb. 01 iFreeETF S&P500 Inverse
 Mar. 10 MAXIS NY Dow Industrial Average ETF
 Mar. 10 MAXIS NY Dow Industrial Average ETF
 (JPY Hedged)
 Mar. 17 Listed Index Fund S&P500 Futures
 Leveraged Two Times
 Mar. 17 Listed Index Fund S&P500 Futures Inverse

<REITs/Infrastructure Funds> N/A

<TOKYO PRO-BOND Market> 9

(Program Listings) N/A

(Individual Listings Based on Program Information) 9

Jun. 17, 2022 The Metropolis of Tokyo U.S.\$500,000,000
 3.375 per cent. Bonds due 2025
 Jul. 25 Japan International Cooperation Agency
 JPY 11,000,000,000 0.374 per cent FILP
 Agency Bonds #66
 Jul. 25 Japan International Cooperation Agency
 JPY 13,000,000,000 0.910 per cent FILP
 Agency Bonds #67
 Sep. 09 Japan Finance Organization for Municipalities
 Series 96 EUR1,250,000,000 2.375 per
 cent. Notes due 2027
 Oct. 03 Japan International Cooperation Agency
 JPY 7,500,000,000 0.399 per cent FILP
 Agency Bonds #68
 Oct. 03 Japan International Cooperation Agency
 JPY 13,000,000,000 1.032 per cent FILP
 Agency Bonds #69
 Dec. 26 Japan International Cooperation Agency
 JPY 10,000,000,000 0.559 per cent FILP
 Agency Bonds #70
 Feb. 24, 2023 Japan Finance Organization for Municipalities
 Series 101 EUR500,000,000 3.375 per cent.
 Notes due 2028
 Mar. 13 Japan International Cooperation Agency
 JPY 20,500,000,000 0.090 per cent FILP
 Agency Bonds #72

<Segment Transfers>

(Growth to Prime) 6

Jun. 07, 2022 Mercari, Inc.
 Nov. 28 MEDLEY, INC.
 Dec. 15 Appier Group, Inc.
 Dec. 16, 2022 Sun* Inc.

Feb. 17, 2023 AXXZIA Inc.
 Mar. 15 Sosei Group Corporation
 (Growth to Standard) 2
 Sep. 02, 2022 AXIS CO., LTD.
 Sep. 22 PKSHA Technology Inc.
 (Standard to Prime) 1
 Mar. 14, 2023 Amvis Holdings, Inc.

2 Securities That Were Delisted, Ceased to be a Substantial Surviving Company, or Were Brought Under Other Regulatory Measures

Delistings

<Stocks> 70

(Prime Market) 21

Apr. 25, 2022	Hinokiya Group Co.,Ltd.
May 9	SoldOut,Inc.
Aug. 26	Kintetsu World Express,inc.
Aug. 30	PICKLES CORPORATION
Sep. 29	WOW WORLD Inc.
Sep. 29	THE SHIZUOKA BANK,LTD.
Sep. 29	The Chugoku Bank,Limited
Sep. 29	The Iyo Bank,Ltd.
Sep. 29	The Aichi Bank,Ltd.
Sep. 29	The Chukyo Bank,Limited
Nov. 11	Nissui Pharmaceutical Co.,Ltd.
Nov. 29	UNIDEN HOLDINGS CORPORATION
Dec. 20	HONDA TSUSHIN KOGYO CO.,LTD.
Dec. 29,	Hitachi Metals,Ltd.
Jan. 20, 2023	DAIOHS CORPORATION
Jan. 26	KITO CORPORATION
Feb. 24	Hitachi Transport System,Ltd.
Feb. 24	PLENUS Co.,Ltd.
Mar. 17	CONEXIO Corporation
Mar. 29	Nichi-Iko Pharmaceutical Co.,Ltd.
Mar. 30	NIPPON KANZAI Co.,Ltd.

(Standard Market) 41

Apr. 19, 2022	TSUKUI STAFF CORPORATION
Apr. 26	GOO CHEMICAL CO.,LTD.
Apr. 26	DAIBIRU CORPORATION
Apr. 28	CONTEC CO.,LTD.
May 6	Sado Steam Ship Co.,Ltd.
May 19	HOHSUI CORPORATION
May 27	UCHIDA ESCO CO.,Ltd.
May 30	KAWASAKI KINKAI KISEN KAISHA,LTD.
Jun. 02	JALUX Inc.
Jun. 07	Arte Salon Holdings,Inc.
Jun. 16	I-O DATA DEVICE,INC.
Jul. 13	NFC Holdings,Inc.
Jul. 15	SACOS CORPORATION
Jul. 21	OK Food Industry Co.,Ltd.
Jul. 27	CHIYODA UTE CO.,LTD.
Jul. 28	COMANY INC.
Jul. 28	CEMEDINE CO.,LTD.
Jul. 28	JFE Container Co.,Ltd.
Aug. 17	Ina Research Inc.

Aug. 22, 2022	TOYO KNIFE CO.,LTD.
Aug. 23	tella,Inc.
Aug. 29	Mutual Corporation
Aug. 30	Shin-Keisei Electric Railway Co.,Ltd.
Sep. 01	Full Speed Inc.
Sep. 29	INEST,Inc. (The company name changed to INT,Inc. on Oct. 03, 2022)
Sep. 29	KYORITSU PRINTING CO.,LTD.
Oct. 28	Terilogy Co.,Ltd.
Oct. 31	PIPEDO HD,Inc.
Dec. 13	TOA OIL COMPANY,LIMITED
Dec. 16	Net Marketing Co.Ltd.
Dec. 21	SOKO SEIREN CO.,LTD.
Dec. 22	Shinoken Group Co.,Ltd.
Dec. 29	TOKYU RECREATION CO.,LTD.
Jan. 25, 2023	ITEC CORPORATION
Jan. 25	TOTOKU ELECTRIC CO.,LTD.
Jan. 30	Mirainovate Co.,Ltd.
Feb. 07	Sasakura Engineering Co.,Ltd.
Feb. 27	NIDEC OKK CORPORATION
Mar. 06	Toshin Group co.,ltd.
Mar. 16	CHUO KAGAKU CO.,LTD.
Mar. 22	Sumitomo Precision Products Co.,Ltd.

(Growth Market) 8

Apr. 12, 2022	CHIC Holdings INC.
May 30	VALUEDESIGN INC.
Aug. 22	Tri-Stage Inc.
Nov. 09	SI Holdings plc
Dec. 26	ALBERT Inc.
Feb. 07, 2023	Uzabase,Inc.
Mar. 01	ipet Holdings,Inc.
Mar. 30	KnowledgeSuite Inc.

(TOKYO PRO Market) N/A

<Securities Options> N/A

<Bonds> 3

Aug. 16, 2022	DAIHO CORPORATION, 3rd Series Unsecured Convertible Bond (with conversion price downward revision clause, claim for redemption before maturity and limited inter-CB pari passu clause)
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Sep. 12, 2022 OSAKA SODA CO.,LTD., 6th Series Unsecured Convertible Bond (with claim for redemption before maturity and limited inter-CB pari passu clause)

Sep. 26 SONY GROUP CORPORATION, 130% Call Option Attached 6th Series Unsecured Convertible Bond(with limited inter-bond pari passu clause)

<ETFs/ETNs> 3

Jul. 25, 2022 NEXT FUNDS FTSE/JSE Africa Top 40 Linked Exchange Traded Fund

Nov. 14 ChinaAMC CSI 300 Index ETF-JDR

Mar. 8, 2023 NEXT FUNDS Russell/Nomura Small Cap Core Index Exchange Traded Fund

<REITs> 1

Feb. 27, 2023 MORI TRUST Hotel Reit,Inc.

<Infrastructure Funds> 2

Aug. 22, 2022 Renewable Japan Energy Infrastructure Fund, Inc.

Feb. 01, 2023 Takara Leben Infrastructure Fund, Inc.

<TOKYO PRO-BOND Market> 6

Apr. 15, 2022 Japan Finance Organization for Municipalities Series 57 U.S.\$1,000,000,000 2.625 per cent. Notes due 2022

Jun. 03 The Metropolis of Tokyo U.S.\$500,000,000 2.500 per cent. Bonds due 2022

Jun. 21 ¥20,000,000,000 0.21 per cent. Notes due 2022 by China Construction Bank Corporation, Tokyo Branch under the U.S.\$15,000,000,000 Medium Term Note Programme

Sep. 21 Santander Consumer Finance, S.A. JPY 9,400,000,000 0.680 per cent. Notes due 27 September 2022

Oct. 24 Credit Suisse Group AG Issue of JPY 38.7 Billion 0.553% Fixed Rate/Floating Rate Senior Callable Notes due 2023

Feb. 24, 2023 Intesa Sanpaolo S.p.A. 5-year JPY Fixed-Rate Senior Unsecured Pro-bond

Securities that Ceased to Be a Substantial Surviving Company N/A

<<Securities Brought Under Other Regulatory Measures>>

Designation of Securities on Alert 4

Jun. 15, 2022 Agile Media Network Inc.

Sep. 28 DDS,Inc.

Jan. 27, 2023 RUDEN HOLDINGS CO.,Ltd.

Mar. 29 TOKYO KOKI CO.LTD.

Requests for Improvement Reports 1

May 12, 2022 SAKAI Holdings CO.,LTD

Public Announcement Measures 1

May 12, 2022 SAKAI Holdings CO.,LTD

Impositions of Listing Agreement Violation Penalties 4

Jun. 15, 2022 Agile Media Network Inc.

Sep. 28 DDS,Inc.

Jan. 27, 2023 RUDEN HOLDINGS CO.,Ltd.

Mar. 29 TOKYO KOKI CO.LTD.

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JPX-R Annual Report 2023

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