

Listed Firms Obligated to Timely Disclose their Major Asset Reorganization Plans

Chinese version All listed firms that plan to conduct major asset reorganization, beginning on May 18, must disclose in a timely manner their plans for the reorganization, particularly the information that are sensitive to investors to ensure the fairness and honesty of information disclosure.

The China Securities Regulatory Commission (CSRC) also required that the reorganization of listed firms must not lead to the disqualification of the firms for stock listing, and the assets involved must have a clear ownership structure and be fairly priced, according to the Administrative Measures for the Import Asset Reorganization of Listed Companies (Measures).

After the implementation of the Measures, if listed firms plan to implement the items for the reorganization as outlined in the Measures, they are not required to report to the CSRC's related authorities, and may decide their trading plans in line with the Measures, related information disclosure rules and the related provisions of the listing rules of the stock exchanges and undergo related decision-making and information disclosure procedures.

The CSRC also released on the same day the Provisions on the Regulation of Several Issues Concerning the Major Asset Reorganization of Listed Companies to improve the accuracy of information disclosure.

(Source: China Securities Regulatory Commission)

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