



CSRC Regulates the Share Repurchase via Centralized Bidding Transactions

Chinese version Beginning on October 9, 2008, the listed companies must not repurchase, via centralized bidding transactions, the stocks within 10 trading days prior to the release of regular reports or performance express.

Under the Supplementary Provisions for the Share Repurchase via Centralized Bidding Transactions by Listed Companies (Provisions) released by the China Securities Regulatory Commission (CSRC) on October 9, 2008, the listed companies must not raise funds via offering stocks when they conduct the share repurchase via centralized bidding transactions. And prices for share repurchase via centralized bidding transactions must not be the price of their stocks which is restricted by the transaction rise range of the current day.

The Provisions also stipulated the boards of directors must make their decisions in line with law for the share repurchase via centralized bidding transactions by listed companies, they must also submit their decisions to the shareholders' meeting for approval. Besides, the independent directors must express their independent opinions on the share repurchase after fully understanding the relevant information.

(Source: China Securities Regulatory Commission)

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