

China Accounting Alert

October 2024



This edition of *China Accounting Alert* provides news and updates on financial reporting in Chinese Mainland, IFRS and EY publications.

Mainland news and updates

- ▶ China Securities Regulatory Commission (CSRC) issues the *Opinions on Deepening the Market Reform for M&A and Restructuring of Listed Companies*

M&A and Restructuring is an important market force driving economic transformation and high-quality development. In order to further stimulate the vitality of the M&A and restructuring market, the CSRC formulated the [*Opinions on Deepening the Market Reform for M&A and Restructuring of Listed Companies*](#). The main contents include:

- ▶ Supporting the transformation and upgrading of listed companies to develop new quality productive forces
- ▶ Encouraging listed companies to strengthen industrial consolidation
- ▶ Further enhancing regulatory tolerance
- ▶ Boosting operational efficiency of the M&A and restructuring market
- ▶ Upgrading the service of intermediaries
- ▶ Strengthening supervision in accordance with the law

- ▶ Notice of the Shanghai Stock Exchange (SSE) on issuing the *Guidelines of the Shanghai Stock Exchange on the Application of the Rules for Issuance and Listing Review No. 6 - Identification Standards for Light Assets and High R&D Investments (Trial)*

In order to refine the identification standards for enterprises with “light assets and high R&D investments” and to encourage listed companies on the STAR Market to increase R&D investments, the SSE formulated the [*Guidelines of the Shanghai Stock Exchange on the Application of the Rules for Issuance and Listing Review No. 6 - Identification Standards for Light Assets and High R&D Investments \(Trial\)*](#) (Shang Zheng Fa [2024] No.130, hereinafter referred to as the “Guidelines”), which became effective upon release on 11 October 2024.

The Guidelines include 12 articles, which clarify the scope of application, specific identification standards, verification requirements, information disclosure requirements and regulatory requirements for raised funds regarding the identification standards for enterprises with “light assets and high R&D investments” on the STAR Market.

- ▶ Notice of the Shenzhen Stock Exchange (SZSE) on issuing the *Guidelines for Review of Corporate Bond Issuance and Listing on Shenzhen Stock Exchange No. 3 - Simplified Information Disclosure*

To further improve the pertinence and effectiveness of information disclosure and to enhance financing efficiency of high-quality bond issuers, the SZSE formulated the [*Guidelines for Review of Corporate Bond Issuance and Listing on Shenzhen Stock Exchange No. 3 - Simplified Information Disclosure*](#) (Shen Zheng Shang [2024] No. 802, hereinafter referred to as the “Simplified Information Disclosure Guidelines”), which became effective upon release on 27 September 2024.

The Simplified Information Disclosure Guidelines simplifies disclosure arrangements for preparation of filing applications and disclosure of duration information of the projects prepared by eligible corporate bond issued by high-quality companies. The Disclosure Guidelines require disclosure obligators to focus on the important and relevant information that helps investors to make judgements on values.

EY publications

- ▶ *IFRS Core Tool: IFRS update of standards and interpretations in issue on 30 September 2024*

This [edition](#) provides an overview of the upcoming changes in standards and interpretations (pronouncements). It also provides an update on selected active projects. It does not attempt to provide an in-depth analysis or discussion of the topics. Rather, the objective is to highlight key aspects of these changes. Reference should be made to the text of the pronouncements before taking any decisions or actions.



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