

# ***Uplisting China™***

## **Newsletter**

Volume 1, Issue 1

[www.uplisting.com.cn](http://www.uplisting.com.cn)

Spring 2012

### **SEC Approves Nasdaq Proposal for Alternatives to \$4 Minimum Bid Price Test**

Late last week, the SEC approved, on an accelerated basis, a Nasdaq proposal to adopt, as an alternative to the \$4 minimum bid price initial listing requirement for the Nasdaq Capital Market, a closing price of either \$2 or \$3, if certain other listing requirements are met. Nasdaq's stated purpose for its proposal is to compete with NYSE Amex for initial listings of companies with securities priced between \$2 and \$4. [Read more ...](#)

### **Silvercorp Sues Jon R. Carnes, His EOS Holdings and Zane Heilig as "Alfred Little"**

Silvercorp Metals Inc. (NYSE:SVM) today filed an amended lawsuit in the Supreme Court of the State of New York, County of New York, adding EOS Holdings LLC., Jon Carnes, Zane Heilig, Andrew Wong and International Financial Research & Analysis Group ("IFRA"), as defendants. [Read more ...](#)

### **China Reverse Merger Pioneer Looks at 'Go Private' route**

This weekend Tim Halter, chief executive of reverse merger specialists Halter Financial Group, will chair a gathering in the southern Chinese city of Guangzhou, which includes a conference titled: "U.S. Capital Market: Survive, Go Private and Beyond". "For companies no longer interested in remaining listed in the United

States they have the option to terminate their U.S. listing by going private," [Read more ...](#)

### **CHFY Hires Raney**

Raney & Associates reports being retained by China Forestry's new owners to provide its ProAltIR™ solutions and strategic alliance outreach strategy to commercialize its Yew tree plantation in the production of Paclitaxel. [Read more ...](#)

*"I stuck my neck out and said that China will be a great place to invest..."*

*"Obviously I haven't delivered and so I feel pressure..."*

Anthony Bolton, Fidelity China Special Situations Fund  
[Read more...](#)

Lower Bid Price US Listing

Bolton Postpones Retiring

Alfred Little Outed

Goodbye Tim Halter

CHFY Chooses ProAltIR

ONP's \$2M Settlement

### **Orient Paper in \$2 Million Reverse Merger Settlement**

The deal marks one of the first settlements of cases targeting Chinese companies that entered the U.S. markets via a reverse merger rather than initial public offering. [Read more ...](#)

# ***Uplisting China™***

## ***Newsletter***

Volume 1, Issue 2

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Summer 2012

**New SEC Enforcement Action Highlights The Unique Role Advisors Play In China-Based Reverse Takeover Companies And Due Diligence Problems They Can Create For PE Investors** [Read more...](#)

*“It would be better for us, branding-wise, to be listed in the U.S. It would expand our brand name and make us better known.”*

Yongfu Yu, CEO  
UCWeb Inc. [Read more...](#)

**Class Certification Denied in Securities Suit Against U.S.-Listed Chinese Company**

During 2010 and 2011, a number of securities class action lawsuits were filed against U.S.-listed Chinese companies. Plaintiffs' lawyers seemed eager to pursue these cases despite likely procedural and practical challenges such as likely difficulties in obtaining discovery, as well as language and cultural barriers. And if a recent decision in one of these cases is any indication, you can add to the list of potential difficulties the risk that it may not be possible to obtain class certification, at least where the plaintiffs are unable to establish that the defendant company's shares trade on an efficient market. [Read more...](#)

**Muddy Waters Stigma Means \$1 Billion Cost to Exit U.S.** [Read more...](#)

**Closing The Back Door**

US investment bank Piper Jaffray Companies announced on July 25 in its 2012 second quarter results that it would sell or close its Hong Kong business by September 30, because the unit has been making big losses. [Read more ...](#)

**CDB Helps Chinese Firms Return Home**

China Development Bank and its investment subsidiary plan to help Chinese companies listed overseas go private and relist on domestic or Hong Kong bourses. [Read more...](#)

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Busted PIPE

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U.S. Brand Equity

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Saved by Illiquidity

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All Tarred by Same Brush

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Relisting Math

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Lost Confidence?

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Universal Traveler Vanishes

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**China brokerage firm makes a run for it, literally**

China US Bridge Capital Co was a brokerage firm which helped dozens of Chinese companies in listing their shares in the US. That is, until its employees walked into the office one day in June and found it completely deserted. [Read more...](#)

# ***Uplisting China™***

## **Newsletter**

Volume 1, Issue 3

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Fall 2012

### **Chinese Business Leaders Condemn Citron**

To Whom It May Concern:

For the past few years, a number of “China Short Sellers” have been publishing negative reports on Chinese companies (typically listed in the US). When these reports were accurate and discovered problems in the Chinese companies, they have helped cleanse the environment.

However, recently some of these “China Short Sellers” started targeting legitimate companies with either no problems or minimal problems. [Read more ...](#)

### **China's SMEs Access The Bond Market**

As financings go, the \$7.8 million of three-year bonds that Tri-Tech Holding, Inc. (NASDAQ CM: TRIT) issued last month will not set any records for size. The significance of the financing, however, lies in the fact that it foreshadows a promising new source of capital for China’s small and medium-sized private companies.

[Read more ...](#)

### **Hony Capital Wants to Help Chinese Firms Go Global**

JOHN ZHAO, the boss of China’s Honky Capital, doesn’t do understated. At the annual general meeting (AGM) of the private-equity firm, held this week in Wuhan, he arranged for a bedecked circular conference table so enormous that even a Chinese guest whispered that it was “worthy of the central committee”. The firm’s AGM last year is remembered for a projection on a building in huge

outdoor projection on a building in Shanghai’s Bund district, showing a gold-laden ship called “Hony” sailing homeward past foreign landmarks. [Read more ...](#)

### **Is It The Twilight Of An Era For Chinese Listings In The U.S.?**

IPOs in the U.S. by Chinese companies have helped to give rise to some of the country’s best entrepreneurial success stories of the past decade. Several members of the new

*“I do think it’s a wake-up call to really realise that going public in the US is not just about sourcing your money from a different group of investors, it’s about a commitment to communicating.”*

Kai-Fu Lee, CEO, Innovation Works  
[Read more...](#)

citronfraud.com

Transparency and Short Sellers

New PRC SME Capital

Value Added PRC Capital

Sentiment Trend Factors

Roth Retreat

Forbes China Rich List 400 have U.S.-listed businesses, including No. 2 Robin Li of Baidu and No. 15 William Ding of Netease.

[Read more ...](#)

**Reversing Course on China, Roth Capital Retrenches** [Read more ...](#)

# ***Uplisting China™***

## ***Newsletter***

Volume 1, Issue 4

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Winter 2012

### **Not So Fast**

The numbers are staggering for any Chinese CEO hoping to take his company public: More than 800 companies are on waitlists to secure initial public offerings in the nation's stock markets. Last year, there was a 43.5 percent decline (from the previous year) in the number of Chinese companies that went public and a 57.2 percent drop in the amount of funds raised. Those are not very promising prospects. That is, unless you're a CEO looking abroad.

As of Jan 1, the China Securities Regulatory Commission enacted new guidelines to lower the barrier on companies interested in an overseas listing. [Read more ...](#)

### **Short-Seller Attacks Highlight Chinese Companies Social Media Shortcomings**

A credibility crisis grips U.S.-listed Chinese companies. Hit by a series of scandals and highly-publicized attacks by opportunistic short-sellers like Citron Research and Muddy Waters, investor sentiment has weakened and doubt has become the default position. Chinese companies have compounded the damage by being overly conservative in their public communications. [Read more ...](#)

### **China's SME Development Index Rebounds**

An index measuring the growth of small and medium-sized enterprises (SME) in China rebounded in the fourth quarter of 2012, the first increase in eight quarters, an industry association said Monday.

[Read more ...](#)

### **U.S.-China Audit Clash Could Have Broad Reach**

Some major multinational companies are concerned that they could be drawn into a potential accounting crisis amid a continuing dispute between U.S. and Chinese financial regulators over access to corporate audit documents.

[Read more ...](#)

*“The negative sentiment surrounding Chinese listings is overdone at this point.”*

Charles Lee, Professor of Accounting, Stanford's Graduate School of Business

[Read more...](#)

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New PRC Overseas Listing Rules

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A Decade of PRC RTOs

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US Listings and Social Media

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China's SMEs Recovering

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PRC Market for US GAAP

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PRC Equities Rallying

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### **China ETF Hits 6-Month high**

The iShares FTSE China 25 Index Fund, the biggest Chinese exchange-traded fund in the U.S., climbed to a six-month high as expanding factory output added to signs the economy is awakening from a seven-quarter slowdown.

[Read more ...](#)