In a turn of events, Beijing is reportedly nearing a deal to resolve its ongoing audit dispute with the US and potentially prevent mass delistings.

Beijing is nearing an agreement to allow the Public Company Accounting Oversight Board (PCAOB) to inspect audit records of US-listed Chinese firms, according to a «Wall Street Journal» report citing unnamed sources. Arrangements are being made for the US-listed Chinese companies and their accounting firms to transfer audit working papers and other data from mainland China to Hong Kong before PCAOB officials make the visit to perform on-site inspections.

The China Securities Regulatory Commission recently informed some accounting firms and companies about the plan with the possibility of US inspectors arriving in Hong Kong as early as next month.
Beijing Nears Deal to Allow US Audit Inspection
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More than 200 US-listed Chinese firms risk being booted from American stock exchanges in early 2024 over the audit dispute with around 160 thus far being identified as not complying with the Holding Foreign Companies Accountable Act. Earlier this month, five major state-owned companies announced that they would voluntarily delist from the New York Stock Exchange.