

ASIC releases report on regulation of corporate finance

Today, ASIC published Report 589: ASIC regulation of corporate finance, which discusses ASIC's key observations for the period 1 January 2018 to 30 June 2018 and their areas of focus for the following 6 months.

Activity

ASIC reported a number of activities relating to their regulation of fundraising transactions, experts, M&A and corporate governance issues over the last 6 months. This included:

- Fundraising
 - o 24 interim stop orders issued
 - o \$68bil in offers (total sought to be raised)
 - o 72% of fundraising relief applications granted
- Mergers and acquisitions
 - o 16 transactions launched via takeover bid
 - o \$27.5bil total implied value of targets subject to control transactions
 - o 17 approvals under item 7, s611
- Other corporate governance transactions
 - o 116 notices of meeting with related party benefits
 - o 87 applications for financial reporting relief
 - o \$3.4bil in share buy-backs undertaken by 110 companies

The report explains the approach ASIC takes in these areas, including the conduct that has caused them to intervene and their response to novel issues seen in transactions during the period.

The report also provides some practical guidance on electronic lodgment of corporate finance documents and the new fee for service regime.

ASIC's focus over the next 6 months

Over the next 6 months ASIC will continue to focus on:

- information about IPOs that appears outside formal disclosure documents. ASIC's research showed retail investors can be heavily influenced by this kind of information
- the independence of experts, including geologists and technical specialists, due to recent problems in this area, and
- 'last and final' or 'truth in takeovers' statements by market participants.

[Read the full report here](#)