

March 31, 2022 Edited by: **Martin Wennerström**



Evergrande discloses USD 2.1 billion cash seizure

China Evergrande Group has established an independent committee to investigate a USD 2 billion hole in the accounts of its primary operating subsidiary, Evergrande Property Services. While preparing its FY2021 accounts, the subsidiary discovered that a group of undisclosed banks had seized RMB 13.4 billion (USD 2.1 billion) of its deposits, approximately equivalent to its cash holdings as of June 2021, as security for third-party pledge guarantees. The announcement prompted a suspension of trading in the China Evergrande share on the Hong Kong Stock Exchange. Additionally, the parent company has announced it would delay the publication of the financial results for the year, as it will not be able to complete the audit work on time. Evergrande, once China's second-largest property developer, has liabilities of over USD 300 billion and saw its market cap drop by 88% over the course of 2021.

[Evergrande \(1\)](#) | [Evergrande \(2\)](#) | [Evergrande \(3\)](#) | [Yahoo](#) | [Bloomberg](#) | [Channel News Asia](#) | [CNBC](#)

Credit Suisse Vice Chair steps down over workload concerns

Credit Suisse board Vice Chair and lead independent director Severin Schwan is not standing for re-election at the coming AGM. Schwan, who is also the CEO of Roche, has faced shareholder criticism over the dual mandate as it reportedly did not allow him sufficient time to fulfill his responsibilities at the Swiss bank. In 2021, Credit Suisse suffered significant loss from the collapse of hedge fund Archegos Capital Management and supply chain finance company Greensill Capital, while in 2022 its former Chairman resigned after repeated violations of COVID-19 quarantine rules.

[Credit Suisse](#) | [Euronews](#) | [swissinfo](#)

Activist investor pressures RWE to spin off lignite business

Activist investor Enkraft has requested that RWE prepare a spinoff of its brown coal business. Enkraft argues in its motion, which will be put to vote at the April 28 AGM, that the move would add EUR 16 billion in market capitalization. RWE's supervisory board has recommended opposition to the proposal, arguing that its approval "would not save a single tonne of carbon dioxide" while creating "substantial uncertainty" for the affected employees. If the proposal attains its 75% requisite majority, RWE's management board would be compelled to prepare a spinoff plan and to submit this plan to shareholder vote by the next AGM.

[RWE \(1\)](#) | [RWE \(2\)](#) | [Bloomberg](#) | [Nasdaq](#)

Toshiba shareholders reject both reorganization proposals

Toshiba's shareholders rejected both the management's plan to break up the firm into two parts and an opposing shareholder proposal requesting the company consider alternatives such as a going-private transaction. Toshiba's restructuring plan, which included the separation of the company's core devices business into a new listed company, was supported by only 39.5% of votes. The proposal had faced opposition from top shareholders, including Effissimo Capital Management and 3D Investment Partners. 3D's proposal to reconsider alternative options also failed to attain its requisite majority, being backed by only 44.6% of votes.

[Toshiba \(1\)](#) | [Toshiba \(2\)](#) | [Yahoo](#) | [MW](#) | [BB](#)

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