

# Alibaba shares extend losses on US delisting fear

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Alibaba's shares have tumbled about 70 percent since China started a crackdown on the technology sector in late 2020.

Chinese e-commerce giant Alibaba led technology stocks lower in Hong Kong on Monday after US authorities put it on a watchlist that could see it delisted in New York if it does not comply with disclosure orders.

The market heavyweight sank more than five percent in early trade, pushing it to its lowest level since May and dragging the Hang Seng Tech Index with it.

The US securities watchdog on Friday said it added the Chinese firm to a list of more than 250 others that could be booted from Wall Street—where it listed in 2014—if strict auditing requirements were not met for three consecutive years.

The announcement comes as tensions between Washington and Beijing are dragged lower by a range of issues including technology, [human rights](#) and Taiwan.

It also follows a report last week that founder Jack Ma plans to give up control of Ant Group as part of a strategy to appease Chinese regulators and revive the digital payments unit's [initial public offering](#).

The firm has come under intense pressure from a crackdown on the tech sector by Chinese authorities for more than a year, sending its [share price](#) plunging about 70 percent from its record high in late 2020.

It was hit with a record \$2.75 billion fine in April 2021 for anti-competitive practices.

Earlier this year, Alibaba removed all executives linked to Ant from Alibaba Partnership, a group that can nominate the majority of Alibaba's board.

Reports about Ma's decision wiped out Alibaba's gains from earlier in the week, when the firm announced it would seek a primary listing in Hong Kong to better access China's vast pool of investors.

The selling—it sank more than 10 percent in New York—was made

worse by concerns about Alibaba's upcoming earnings report, which many fear will show its first ever drop in quarterly revenue.

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