

China's Didi denies report of plan to buy back shares

30 July 2021



The Didi logo is seen at the top of its headquarters building in Beijing on July 16, 2021. Didi Global Inc. on Friday, July 30, 2021 denied a report by The Wall Street Journal that the ride-hailing service was considering buying back its U.S.-traded shares after its June market debut was disrupted by Chinese government orders to overhaul data security. Credit: AP Photo/Ng Han Guan

Didi Global Inc. on Friday denied a report by The Wall Street Journal that the ride-hailing service was considering buying back its U.S.-traded shares after its June market debut was disrupted by Chinese government orders to overhaul data security.

The Journal, citing unidentified sources, said buying back the shares was one option being considered by Didi and its bankers to resolve investor complaints. Didi's [share price](#) has fallen about 25% since its June 30 debut after the company was blocked from adding new customers while it overhauled how it handled their data and regulators announced a review of company-wide network security.

"The company affirms that the above information is not true," Didi said on its website. "The company is

fully cooperating with the relevant government authorities in China in the cybersecurity review of the company."

The three-sentence statement gave no information about the security review, when normal operation might resume or possible options being considered in response to investors' complaints.

Didi, headquartered in Beijing, raised about \$4.4 billion in its stock offering.

It is one of a series of Chinese companies hit by stepped-up enforcement of anti-monopoly, [data security](#) and other regulations.

Share prices of games and social media operator Tencent Holding Ltd. and e-commerce platforms Alibaba Group and JD.com Inc. in New York and Hong Kong also have fallen.



Workers pass by the Didi headquarters in Beijing Friday, July 16, 2021. Didi Global Inc. on Friday, July 30, 2021 denied a report by The Wall Street Journal that the ride-hailing service was considering buying back its U.S.-traded shares after its June market debut was disrupted by Chinese government orders to overhaul data security. Credit: AP Photo/Ng Han Guan

China's cyberspace regulator said it found "serious violations" in how Didi collected and stored personal information. It said the [company](#) was to "rectify problems" but gave no details. Didi was later ordered to remove 25 of its apps from online stores.

Chinese authorities said this month they will step up supervision of companies with shares traded on foreign stock exchanges. It said that will include oversight of cross-border data flows and management of confidential information.

© 2021 The Associated Press. All rights reserved.

This material may not be published, broadcast, rewritten or redistributed without permission.

APA citation: China's Didi denies report of plan to buy back shares (2021, July 30) retrieved 20 October 2021 from <https://techxplore.com/news/2021-07-china-didi-denies.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.