

Pre-reorganization Information Disclosure and Capital Market Reactions: Evidence from *ST Jiaotou

Xinrui Xie

School of Economics and Management, Nanjing University of Science and Technology, Nanjing, China

Abstract. Pre-reorganization has become an important institutional arrangement for resolving the debt risks of listed companies, and the quality of information disclosure in this stage directly affects capital-market pricing efficiency. Taking *ST Jiaotou as the case, this paper builds a four-dimensional disclosure evaluation framework based on timeliness, completeness, accuracy, and understandability, and applies a simplified event-study method to measure cumulative abnormal returns at key disclosure nodes. The results show that the company disclosed relatively complete procedural milestones but provided insufficient detail on substantive plan information. The market responded more strongly to the initiation of the procedure and to formal judicial confirmation, whereas reactions to the draft-plan stage were more divided. This suggests that insufficient information amplifies expectation gaps among investors and weakens pricing efficiency.

Keywords: Pre-reorganization; information disclosure; capital market reaction; government-court coordination; *ST Jiaotou.

1. Introduction

1.1. Research Background and Significance

Against the backdrop of normalized delisting, the interface between debt-risk resolution and judicial reorganization for A-share listed companies has become a central issue in both capital-market regulation and academic research. Since 2024, negative net assets, doubts about going-concern capability, capital occupation, and illegal-guarantee-related risks have repeatedly triggered delisting-risk warnings, and the market demand for relieving debt distress and rescuing operations through judicial restructuring has risen markedly. Compared with formal in-court reorganization, pre-reorganization allows listed companies to complete creditor registration, asset investigation, investor selection, and preliminary plan negotiation before the formal acceptance of a reorganization petition, thereby reducing later coordination costs and procedural friction.

At the institutional level, the rule system for pre-reorganization is being refined rapidly. The 2024 Minutes of the Symposium on Handling Bankruptcy Reorganization Cases of Listed Companies issued by the Supreme People's Court standardized issues such as reorganization value identification, investor selection, insider-information management, and government-court coordination. [8] In 2025, the China Securities Regulatory Commission issued Guideline No. 11 for the Supervision of Listed Companies, further clarifying disclosure, self-inspection, investor constraints, and capital-reserve conversion arrangements. [2] At the same time, the Draft Amendment to the Enterprise Bankruptcy Law introduced dedicated provisions on pre-reorganization. [2] Even so, current practice still relies mainly on the principles of analogical disclosure under formal reorganization rules and continuous disclosure of major events, and no independent, staged, and standardized disclosure regime for pre-reorganization has yet been fully established.

Existing studies mostly focus on judicial procedure design, coordination mechanisms between governments and courts, and enterprise rescue efficiency. [3, 6, 9] Far less attention has been paid to how disclosure quality during pre-reorganization affects capital-market pricing. [2, 7] In this context, the *ST Jiaotou case offers a useful opportunity to examine the micro-level link between institutional signals, information asymmetry, disclosure quality, and market responses under the new regulatory framework. Against the backdrop of normalized delisting, the interface between debt-risk resolution

and judicial reorganization for A-share listed companies has become a central issue in both capital-market regulation and academic research [8].

1.2. Research Questions

The current rule system has not yet formed a fully independent disclosure hierarchy for pre-reorganization by listed companies. The Securities Law establishes the ongoing disclosure obligation of listed firms, and exchange rules specify more explicit announcement requirements for formal matters such as court acceptance of reorganization, draft reorganization plans, and plan implementation. Before formal acceptance, however, companies in pre-reorganization still rely primarily on major-event announcements, risk alerts, self-inspection reports, and analogical disclosure. During this period, the company's stock usually continues to trade, while debt negotiations, investor selection, capital conversion arrangements, and debt-settlement calculations remain highly sensitive.

Accordingly, this paper addresses three progressive questions. First, throughout the full pre-reorganization process of *ST Jiaotou, what announcements, textual content, and plan information were actually disclosed at each stage? Second, under a four-dimensional framework of timeliness, completeness, accuracy, and understandability, what characteristics and weaknesses can be identified in the company's disclosure practice? Third, how did the capital market react to different key disclosure nodes?

These questions follow the analytical logic of identifying the factual chain, evaluating disclosure quality, and then examining market consequences. The aim is to connect disclosure behavior with investor reception, correction, and divergence in expectations.

1.3. Research Methods and Structure of the Paper

This study combines three methods. First, it uses case analysis to reconstruct the full process of *ST Jiaotou's pre-reorganization on the basis of CNINFO announcements, periodic reports, legal opinions, and draft restructuring documents. Second, it applies textual analysis to organize announcement titles, risk alerts, core plan clauses, debt-settlement arrangements, investment agreements, and follow-up implementation disclosures into a structured framework [1]. Third, it adopts a simplified event-study approach and selects five key disclosure nodes to calculate abnormal returns and cumulative abnormal returns (CARs) as supporting evidence of capital-market reactions [11].

The remainder of the paper is organized as follows. Section 2 reviews the institutional background, the legal framework for information disclosure in reorganization cases, and the related literature. Section 3 introduces the company profile, timeline, and core plan data of *ST Jiaotou. Section 4 evaluates the quality of pre-reorganization disclosure on the basis of factual analysis. Section 5 presents the event-study design and market reactions and discusses the relationship between disclosure quality and market feedback. Section 6 concludes the paper and summarizes its limitations.

2. Institutional Background and Literature Review

2.1. The Pre-reorganization Mechanism

Pre-reorganization refers to a procedural coordination mechanism under which the debtor, major creditors, potential investors, and intermediaries negotiate in advance on debt resolution, operating arrangements, and a restructuring plan before a formal bankruptcy reorganization application is accepted [8]. Its basic function is to move forward tasks such as claims verification, asset identification, investor selection, and plan consultation that would otherwise be scattered before formal reorganization, thereby reducing procedural costs after formal acceptance.

The Draft Amendment to the Enterprise Bankruptcy Law adds dedicated provisions on pre-reorganization, including the court's power to initiate the procedure based on the application and case circumstances, the possible appointment of a provisional administrator or related assisting institutions,

and the lawful carryover of negotiated outcomes into formal reorganization after acceptance. China's pre-reorganization system has evolved through local pilot exploration, progressive unification of judicial guidance, and supplementary securities regulation. By 2024 and 2025, the combined judicial and regulatory framework had significantly strengthened procedural coordination, investor constraints, and disclosure expectations for listed companies.

2.2. Legal Framework for Information Disclosure in Listed-company Reorganization

The fundamental legal basis for information disclosure in listed-company reorganization is the Securities Law of the People's Republic of China, which establishes the core principles of truthfulness, accuracy, completeness, and timeliness. Guideline No. 11 issued by the CSRC specifies disclosure requirements for key links such as reorganization applications, court acceptance, investor introduction, capital-reserve conversion, and risk screening. Supporting self-regulatory rules of the Shanghai and Shenzhen stock exchanges further refine operational disclosure standards at different procedural nodes [4].

Pre-reorganization disclosure nonetheless retains three distinctive institutional features. First, it has a quasi-judicial nature but does not yet enter the formal bankruptcy process, so no unified compulsory disclosure standard governs court filing, provisional administrator performance, or plan negotiation [2]. Second, the current regime mainly relies on staged analogical disclosure, with major-event announcements, risk alerts, and self-inspection reports serving as the principal forms before formal acceptance. Third, because stocks continue to trade during pre-reorganization, both the rhythm and depth of disclosure directly influence investors' expectations and pricing behavior.

2.3. Literature Review

Existing studies have discussed listed-company bankruptcy reorganization from the perspectives of institutional logic, procedural practice, and market effects. Earlier work constructed decision models and verified the efficiency-improving attributes of reorganization mechanisms [3]. More recent studies have examined disclosure-rule construction for pre-reorganization and the institutional positioning of reorganization under the normalization of delisting, highlighting the need to balance information openness with enterprise rescue. As a complementary mechanism, government-court coordination has also attracted attention, with scholars summarizing mature regional practices and discussing the legal risks and reform paths of digitally empowered coordination mechanisms.

On the information-disclosure side, some studies have pointed out that nonstandard disclosure remains a prominent problem in reorganization practice, while others have verified that disclosure quality can generate measurable capital-market effects. Research on textual analysis has also provided methodological inspiration for evaluating disclosure quality. Overall, however, fine-grained evaluation of the full-process disclosure quality of a single company's pre-reorganization, together with a node-by-node comparison of market reactions, remains limited. This paper contributes to that gap by examining the *ST Jiaotou case in detail.

3. Case Description of *ST Jiaotou's Pre-reorganization

3.1. Company Overview

*ST Jiaotou is the stock abbreviation of Yunnan Jiaotou Ecological Technology Co., Ltd. (stock code: 002200), a main-board company listed on the Shenzhen Stock Exchange. Its controlling shareholder and ultimate controller are associated with state-owned capital in Yunnan Province. The company's main businesses cover ecological landscape projects, environmental-protection engineering, green maintenance, and related construction contracting.

According to the company's 2024 Annual Report and 2024 Audit Report, operating revenue in 2024 was RMB 603,505,271.58, net profit attributable to shareholders of the listed company was RMB -87,732,513.12, and net profit after deducting non-recurring gains and losses was RMB -94,565,179.06. As of the end of 2024, owners' equity attributable to the parent company was RMB -

42.7516 million. Zhongshen Zhonghuan Certified Public Accountants issued an unqualified audit opinion with a material uncertainty related to going concern. After the disclosure of the 2024 annual report, the company's shares were placed under delisting-risk warning, and on April 18, 2025 the stock abbreviation was changed to *ST Jiaotou.

3.2. Timeline of the Full Pre-reorganization Process

Based on publicly disclosed restructuring plans and implementation documents, this pre-reorganization and subsequent reorganization received support from multiple authorities, including the People's Government of Yunnan Province, the Higher People's Court of Yunnan Province, the Department of Transport of Yunnan Province, the State-owned Assets Supervision and Administration Commission of Yunnan Province, the local financial regulator, the Yunnan office of the CSRC, and the Kunming Intermediate People's Court. The case therefore displays a relatively typical pattern of government-court coordination [6]. Table 1 summarizes the key milestones and disclosed content of *ST Jiaotou's full pre-reorganization process.

Table 1. Key timeline of *ST Jiaotou's full pre-reorganization process.

Date	Key milestone	Summary of disclosed content
2025.04.22	Creditor's application for reorganization and pre-reorganization	A creditor applied for both reorganization and pre-reorganization on the ground that the company was unable to repay due debts and its assets were insufficient to cover all debts, while still retaining restructuring value and rescue potential.
2025.06.03	Court filing for pre-reorganization	The Kunming Intermediate People's Court registered the pre-reorganization application for filing, and relevant work during the pre-reorganization stage was carried out by a provisional administrator.
2025.06.14	Recruitment of restructuring investors	The company disclosed an announcement on the public recruitment and selection of restructuring investors.
2025.07.18	Signing of the investment agreement	The semiannual report disclosed that restructuring investors had been introduced and a restructuring investment agreement had been signed by the disclosure date; on July 22 the company further confirmed the investors and the signing of the agreement.
2025.07.22	Confirmation of investors	The company announced the final restructuring investors and disclosed the signing of the investment agreement.
2025.07.30	Disclosure of the draft pre-reorganization plan	The company concentratedly disclosed the draft pre-reorganization plan, the operating plan, and the notice of the first creditors' meeting.
2025.08.14	Voting at the creditors' meeting	The company announced the convening of the first creditors' meeting in pre-reorganization and the voting results.
2025.10.24	Court acceptance of formal reorganization	The court ruled to accept the company's formal reorganization and designated an administrator. The procedure shifted from pre-reorganization to formal reorganization.
2025.11.24	Voting on the restructuring plan	The company arranged voting procedures for the contributors' group and the draft restructuring plan.
2025.11.28	Court approval of the plan	The company announced that the restructuring plan had been approved by court ruling.
2025.12	Full receipt of investment funds	Implementation announcements and supervision reports disclosed the execution status of the restructuring plan.
2025.12.25	Submission of the supervisor's report	The company disclosed a supervision report on the implementation of the restructuring plan.
2026.06.03	Removal of the risk warning and stock-name change	The company announced the removal of the delisting-risk warning and other risk warnings, together with the trading-suspension and resumption arrangements.

3.3. The Pre-reorganization Plan

According to the draft pre-reorganization plan, the capital-reserve conversion proposal, and the restructuring investment agreement, the company used its existing total share capital of 184,132,890

shares as the base and implemented a capital-reserve conversion at the ratio of 14.50 additional shares for every 10 shares, resulting in 266,992,691 new shares. After the conversion, total share capital increased to 451,125,581 shares. The converted shares were not distributed to original shareholders but were used entirely to introduce restructuring investors and settle debts.

Among the converted shares, Yunnan Provincial Transportation Investment and Construction Group Co., Ltd., as the industrial investor, subscribed to 35,000,000 shares with a contribution of RMB 135.45 million. Twelve financial investors subscribed to 168,600,000 shares with aggregate contributions of RMB 787.362 million. The remaining 63,392,691 shares were earmarked for debt settlement. Total subscription funds from the two categories of investors reached RMB 922.812 million.

For debt settlement, secured claims were left unchanged and were to be repaid normally by the corresponding principal debtors, without occupying restructuring resources. Ordinary claims were classified for settlement: the portion up to RMB 500,000 would be paid in full in cash at one time; the portion above RMB 500,000 could choose among three schemes, namely 27% cash plus 63% debt-for-equity conversion plus 10% trust beneficiary rights, 70% cash plus 20% debt-for-equity conversion plus 10% trust beneficiary rights, or 40% cash plus 20% trust beneficiary rights plus 40% retained debt. The retained debt would have a three-year term, with repayment of principal in the proportions of 20%, 30%, and 50% during 2026-2028, and no interest would accrue during the retained-debt period.

3.4. Time-efficiency Characteristics of the Case

From the perspective of elapsed time, the company moved from court filing for pre-reorganization on June 3, 2025, to disclose the draft pre-reorganization plan on July 30, 2025, an interval of roughly two months. According to publicly disclosed materials and retrieval results, *ST Jiaotou was among the earlier state-controlled listed companies under the 2025 regulatory framework to disclose a complete draft pre-reorganization plan, operating plan, and related supporting announcements. Combined with the coordinated advancement by government, court, and regulators disclosed in the restructuring materials, the case demonstrates a strong pattern of procedural linkage under the government-court coordination framework [9], which provides an important factual basis for the later analysis of disclosure quality and market reactions.

4. Analysis of the Quality of *ST Jiaotou's Pre-reorganization Information Disclosure

4.1. Stage-based Disclosure Content

At the application stage, on April 24, 2025, the company disclosed the Prompt Announcement on a Creditor's Application for Reorganization and Pre-reorganization together with a special self-inspection report. The main contents included the reasons for the application, the fact that the court had not yet formally accepted the case, specific statements on whether capital occupation and illegal guarantees existed, related risk alerts, and the possible effects on the company's stock trading. During the advancement stage, the company disclosed a court filing announcement on June 5, a claims-registration announcement on June 6, investor-recruitment and progress announcements on June 14 and June 24, and an announcement on July 22 confirming the restructuring investors and the signing of the Restructuring Investment Agreement. The semiannual report further disclosed work such as claims registration and review, asset investigation, special audit and valuation, contract review, financial-adviser coordination, signing of investment agreements, drafting of the pre-reorganization plan, and convening of meetings of the shareholders' group and creditors' group.

At the draft-disclosure stage, the company disclosed the Equity Adjustment Plan for Contributors to the Draft Pre-reorganization Plan on July 26, 2025, and then on July 30 concentratedly disclosed the Draft Pre-reorganization Plan, the Operating Plan under the Draft Pre-reorganization Plan, and

the notice of the first creditors' meeting. On August 15 it further disclosed the holding and voting results of the creditors' meeting. Taken together, the company formed a relatively continuous announcement chain of application prompt, procedural advancement, concentrated draft disclosure, and voting-result feedback. In terms of timeliness and understandability, major procedural changes were all matched by corresponding announcements, and the titles and issue positioning were relatively clear. In terms of completeness, however, early-stage disclosures mainly emphasized procedural status and risk alerts, whereas information on claim valuation, underlying financial calculations, detailed liabilities, and investor constraints was concentrated much later in the draft stage and was still partly presented only in summarized form. This disclosure structure helped maintain procedural stability, but it also left investors in a prolonged state of information asymmetry before the formal release of the draft plan [7].

4.2. Application of the Four-dimensional Evaluation Framework

This paper builds its four-dimensional evaluation framework on Guideline No. 11 on matters related to the bankruptcy reorganization of listed companies and Self-regulatory Guideline No. 14 of the Shenzhen Stock Exchange on matters such as bankruptcy reorganization. Timeliness corresponds to the requirements of continuous disclosure of material events and updated risk alerts; completeness covers mandatory disclosure content such as application progress, investor arrangements, capital-reserve conversion, debt settlement, risk screening, and self-inspection of irregularities; accuracy concerns truthful disclosure of procedural status and plan clauses; and understandability focuses on the clarity of announcement wording and the ease with which investors can identify the substance of the event.

The four-dimensional evaluation framework and the evaluation results are summarized in Table 2. The evaluation results indicate that *ST Jiaotou performed relatively well on timeliness and accuracy, a pattern closely related to its state-controlled background, the more standardized procedural linkage under judicial supervision, and stronger compliance constraints after the new rules took effect. Yet clear weaknesses remained in completeness and understandability. Investors could follow the overall progress of the pre-reorganization through announcements, but they could not easily assess the actual effectiveness of debt resolution, the boundaries of potential risk exposure, or the core constraints on restructuring investors [5]. Although the draft plan disclosed the basic debt-settlement framework, the valuation assumptions, discount logic, contingent-liability calculation process, and disposal path for related-party guarantees were not fully expanded. From the perspective of signaling theory, milestone announcements sent positive rescue signals, but because the signals lacked sufficient granularity, the information content remained incomplete and could therefore induce divergent market interpretations [12,13].

Table 2. Four-dimensional evaluation of *ST Jiaotou's pre-reorganization disclosure quality.

Dimension	Observed items	Disclosure performance	Evaluation
Timeliness	Creditor application, court filing, investor recruitment, draft-plan disclosure, creditors' meeting, court acceptance, and completion of implementation	Each key node was matched by a corresponding announcement, and the semiannual report supplemented stage-based progress information.	Complete disclosure
Completeness	Claims registration, investment agreement, draft-plan body, operating plan, layered debt settlement, underlying valuation basis, contingent-liability details, and related-party guarantee details	Procedural nodes, investor arrangements, and the debt-settlement framework were disclosed, but valuation assumptions, contingent matters, and the basis for the disposal of related-party guarantees required by Guideline No. 11 were only summarized rather than fully unfolded.	Abbreviated disclosure
Accuracy	Consistency across announcements, periodic reports, the draft plan, and implementation	The descriptions of application timing, filing, investor introduction, plan drafting, and implementation were broadly	Complete disclosure

	announcements	consistent across documents.	
		Announcement titles were standardized and the supporting documents for the draft plan were relatively complete, but debt-settlement paths, ex-rights calculations, and lock-up arrangements were scattered across several documents, raising the reading threshold for investors.	
Understandability of risk alerts, textual structure, and investor reading threshold	Recognizability of titles, intensity		Abbreviated disclosure

4.3. The Current State of Pre-reorganization Disclosure Rules

At the institutional level, current disclosure rules for pre-reorganization still rely mainly on the continuing-disclosure obligation under the Securities Law, Guideline No. 11 of the CSRC, and the analogical application of exchange self-regulatory rules on reorganization. No independent, standardized, and stage-based checklist dedicated specifically to pre-reorganization has yet been formed. In regulatory practice, pre-reorganization is also accompanied by insider-information management challenges and abnormal-trading risks. Administrative penalty cases in recent years show that market participants have already been sanctioned for insider knowledge and trading behavior related to pre-reorganization, reorganization, and M&A transactions, indicating a high compliance risk in this area.

In the publicly disclosed texts of the *ST Jiaotou case, existing materials cover procedural progress, risk alerts, the draft-plan framework, the operating plan, and voting arrangements. However, the disclosed degree remains limited for issues such as the basis of claim valuation, the calculation process of contingent liabilities, the disposal details of related-party guarantees, and the basis for expected recovery rates across different classes of claims. Under a framework of information asymmetry, insufficient disclosure of underlying financial and legal risks directly raises outside investors' subjective estimation of residual risk. The case therefore shows that merely meeting a minimum compliance threshold does not necessarily amount to high-quality information supply in a highly sensitive pre-reorganization context.

5. Analysis of Capital Market Reactions to *ST Jiaotou's Pre-reorganization

5.1. Event-study Design

This paper selects five landmark disclosure nodes in the full pre-reorganization process as event dates: April 24, 2025, the announcement of the creditor's application for reorganization and pre-reorganization; June 3, 2025, the court's pre-reorganization filing announcement; July 30, 2025, the disclosure of the draft pre-reorganization plan; October 24, 2025, the court's ruling accepting formal reorganization; and June 3, 2026, the announcement removing the risk warning and changing the stock name. The estimation window is set as [-120, -4] trading days before each event date, while the event window is [-3, 3] trading days around each event date. The Shenzhen Component Index (399001) is used as the market benchmark, and the market model is employed to estimate expected normal returns, abnormal returns, and cumulative abnormal returns.

The market model can be written as:

$$R_{it} = \alpha_i + \beta_i R_{mt} + \epsilon_{it} \tag{1}$$

The calculation proceeds in four steps. First, the daily stock return of *ST Jiaotou and the daily market return of the Shenzhen Component Index are calculated from adjusted closing prices and index levels. Second, trading data in each estimation window is used to estimate the parameters of the market model. Third, market returns in the event window are substituted into the model to calculate expected returns, and daily abnormal returns are obtained by subtracting expected returns from actual returns. Fourth, daily abnormal returns are accumulated over the event window to obtain CAR values.

To preserve the independence of event parameters and avoid interference among overlapping estimation windows and information shocks, each of the five events is matched with an independent estimation-window sample and estimated separately. The resulting parameters are as follows: for Event 1, $\alpha = 0.0008$ and $\beta = 0.6220$; for Event 2, $\alpha = 0.0026$ and $\beta = 0.6879$; for Event 3, $\alpha = 0.0027$ and $\beta = 0.5282$; for Event 4, $\alpha = 0.0011$ and $\beta = 0.1303$; and for Event 5, $\alpha = -0.0006$ and $\beta = 0.4937$. As shown in Table 3, the results show clear differences in market responses across the five event windows.

Table 3. CAR results for the five major event windows [-3, 3].

Event No.	Event date	Event content	Event window	CAR
Event 1	2025.04.24	Announcement of the creditor's application for pre-reorganization	[-3, 3]	25.04%
Event 2	2025.06.03	Announcement of court filing for pre-reorganization	[-3, 3]	-6.10%
Event 3	2025.07.30	Announcement disclosing the draft pre-reorganization plan	[-3, 3]	-2.97%
Event 4	2025.10.24	Announcement of the court ruling accepting formal reorganization	[-3, 3]	1.92%
Event 5	2026.06.03	Announcement removing the risk warning and changing the stock name	[-3, 3]	-4.36%

5.2. Market-data Patterns and Interpretation across Event Windows

The results show clear differences in market responses across the five event windows. First, the CAR of 25.04% around April 24, 2025, announcement of the creditor's application for pre-reorganization is the highest among the five events. The main information disclosed at this node concerned the creditor's application, the fact that the court had not yet accepted the case, and general risk alerts. Although the information level was still basic, the incremental signal that the company had entered a distress-resolution procedure was clear, and the market initially priced the procedural start positively.

Second, the CAR around June 3, 2025, court-filing announcement is -6.10%, indicating that once the procedure formally moved forward the market no longer maintained the same level of optimism and instead began to question investor arrangements, debt-reduction paths, and the executability of the plan. Third, the CAR around July 30, 2025, disclosure of the draft pre-reorganization plan is -2.97%. Although the disclosure concentrated more information about the plan framework, contributor-rights adjustments, and debt-settlement paths, the parameters of claim valuation, contingent liabilities, related-party guarantee boundaries, and calculation details were still not fully explained, so the market did not form a unified optimistic expectation.

Fourth, the CAR around October 24, 2025, court ruling accepting formal reorganization is 1.92%, a small positive value suggesting a limited confirmation effect. At this stage procedural certainty increased, but much of the core plan information had already been released earlier, so the market response was closer to confirmation than fresh discovery. Fifth, the CAR around the June 3, 2026, announcement removing the risk warning and changing the stock name is -4.36%, showing that at the stage of risk-warning removal the market did not simply move in one direction; instead, a noticeable short-term adjustment emerged, probably reflecting expectation fulfillment and short-term trading behavior.

5.3. Mechanism Linking Disclosure Quality and Market Reactions

By combining information-asymmetry theory, signaling theory, and the efficient market hypothesis [10], the *ST Jiaotou case can be understood as follows. Pre-reorganization announcements first transmit a positive institutional signal that the company still has rescue value and that courts and investors have begun to intervene. When the signal lacks sufficient detail, however, investors must form their own estimates of claim recovery, debt reduction, operational recovery, and the degree of state-capital support, which enlarges interpretive divergence. In Event 1, the procedural-start signal was clear, and the market had not yet entered the stage of detailed verification, so CAR was significantly positive. In Event 2, filing confirmation improved procedural certainty, but

disclosure remained focused on procedural progress, so CAR turned negative. In Event 3, the draft plan disclosed the framework but still did not fully unfold valuation assumptions and contingent-liability or guarantee-disposal details, so CAR remained negative.

The pattern implies that the more complete the disclosure, the clearer the risk boundaries, and the more transparent the calculation logic, the easier it is for the market to converge toward relatively consistent expectations. Conversely, milestone announcements can still trigger price reactions, but they also magnify volatility and trading divergence when substantive details remain insufficient. In this sense, the *ST Jiaotou case shows that information disclosure during pre-reorganization is not merely a compliance obligation; it also directly shapes how the capital market prices both the credibility of the rescue plan and the firm's residual risks.

6. Conclusion and Limitations

6.1. Main Conclusions

Using the full pre-reorganization process of *ST Jiaotou as a single-case sample, this paper finds that the company's announcement chain during the pre-reorganization stage was relatively continuous and covered essentially all core procedural nodes, including the creditor's application, court filing, investor recruitment and confirmation, draft-plan disclosure, creditors' meeting, formal court acceptance, plan implementation, and the later removal of the risk warning. Procedural disclosure was therefore relatively complete, and the case also reflected strong linkage efficiency under the government-court coordination mechanism.

In terms of disclosure quality, timeliness and accuracy were generally satisfactory, but the disclosure of the logic of claim valuation, details of contingent liabilities, the disposal scheme for related-party guarantees, and the underlying calculation basis remained too summarized. From the perspective of market feedback, the capital market reacted very differently to disclosure nodes at different stages. Signals with stronger certainty, such as procedural initiation and formal court acceptance, were more likely to trigger positive reactions, whereas insufficiently detailed disclosure during the draft-plan stage intensified investor disagreement and restrained market performance within the event window.

6.2. Limitations of the Study

This paper selects only one state-controlled listed company, *ST Jiaotou, as its case, so the conclusions remain case-dependent. The study also uses a simplified event-study design and treats CAR mainly as supporting evidence, without conducting significance tests or large-sample quantitative analysis. Although abnormal returns and CARs have been calculated for five key event windows, the event-study component still mainly serves as auxiliary evidence within a single-case setting and has not yet been extended to cross-case or cross-industry quantitative comparison.

References

- [1] Chen Y Y. Predicting financial distress of listed companies based on information disclosure text: A study using MD&A of Chinese annual reports as samples. *Chinese Journal of Management Science*, 2019, 27(7): 23-34.
- [2] He D. Construction of information disclosure rules for pre-reorganization of listed companies. *Securities Law Review*, 2022, 36(2): 22-35.
- [3] Li G, Wan W, Zeng Y. Efficiency characteristics of bankruptcy proceedings, reorganization conditions, and the bankruptcy of Delong Group enterprises. *Management World*, 2010, (6): 143-152, 188.
- [4] Lin Y C, Su L L. Evaluation of bankruptcy reorganization effects of Shenzhen-listed companies and regulatory suggestions. *Securities Market Herald*, 2021, (11): 60-67.
- [5] Liu Y J. Research on matters needing attention for investors in introducing bankruptcy reorganization procedures. *Legal Expo*, 2021, (26): 77-78.

- [6] Lu Y X, Kong X X. Learning from Zhejiang's government-court linkage experience to help Liaoning's bankruptcy reorganization projects. *Legal Expo*, 2020, (35): 40-42.
- [7] Sun J K, Zhu X P. Market reaction to carbon information disclosure of listed companies: Evidence from heavily polluting industries. *Accounting Research*, 2024, (2): 53-73.
- [8] Song H L, Sun J B, Tian Y, et al. Discussion on the institutional logic of reorganization of listed companies under the background of normalized delisting. *Securities Law Review*, 2022, 36(2): 70-86.
- [9] Tian J T, Zhou Z W, Zhang J R. Legal risks and reform paths of government-court linkage mechanism under digital intelligence empowerment. *Journal of Shaanxi Normal University (Philosophy and Social Sciences Edition)*, 2025, 54(6): 144-153.
- [10] Fama E F. Efficient capital markets: A review of theory and empirical work. *Journal of Finance*, 1970, 25(2): 383-417.
- [11] Fama E F, Fisher L, Jensen M C, Roll R. The adjustment of stock prices to new information. *International Economic Review*, 1969, 10(1): 1-21.
- [12] Ross S A. The determination of financial structure: The incentive-signalling approach. *Bell Journal of Economics*, 1977, 8(1): 23-40.
- [13] Spence M. Job market signaling. *Quarterly Journal of Economics*, 1973, 87(3): 355-374.