

Share

What is a share?

A share refers to a share in a company's capital. It is, therefore, a deed of ownership.

How does it work?

Shares are generally acquired through the stock market. The price of the share of a listed company on the stock market fluctuates depending on the sales and purchases by investors. In other words, the price of a share depends on the supply of and demand for the share.

Shares are a risky investment. The shareholder is dependent on the rise or fall of the market price. The investors may make capital gains, but they may also lose all or part of the capital invested.

What rules apply?

Companies whose shares are admitted to trading on a regulated market are subject to the information requirements laid down in the Transparency Directive.

What does the FSMA do?

The FSMA is responsible for supervising the financial information disseminated by companies and for the surveillance of the financial markets. It performs these tasks in different ways:

- It verifies that the information disseminated by listed companies is complete, gives a faithful image of the company in question, and is made available to the public in a timely manner.
- The FSMA supervises the information disclosed by unlisted companies if the latter issue shares to the public.
- It also sees to the smooth functioning of the financial markets while also supervising the market infrastructures such as [Euronext Brussels](#).
- If a takeover bid is launched, the FSMA verifies compliance with the rules that guarantee equal treatment of shareholders.
- Where shares are offered to the public in Belgium, the FSMA gives prior approval to the prospectus and related advertisements, or determines whether the prospectus has been approved in another country.
- The FSMA can intervene in various ways if a company fails to comply with the rules (e.g. by publishing a warning, suspending the listing of a share, imposing a fine, etc.).
- The FSMA can investigate possible cases of insider dealing or market manipulation, and may impose sanctions.

Where can I get more information?

More information is available on [this website](#) and on [Wikifin.be](#).

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