

25 March 2025

## Circular on Article 5 of Regulation (EU) 596/2014 ('MAR' or 'the Regulation') – Template for Reporting Transactions Carried Out as Part of a Buy-Back Programme

This circular is being addressed to issuers whose financial instruments are admitted to trading on a trading venue, or for which a request for admission to trading has been made.

This Circular should be read in conjunction with the Regulation, Commission Delegated Regulation (EU) 2016/1052 (the 'Delegated Regulation') and the Authority's [Circular dated 23 June 2022](#).

### **Buy-Back Programmes and the 'Safe Harbour'**

When carrying out buy-back programmes, issuers may choose to avail themselves of the 'safe harbour' afforded to them by Article 5 of MAR. Specifically, the 'safe harbour' provides an exemption from the prohibitions specified within Articles 14 and 15 of MAR, in relation to insider dealing and market manipulation. Having said that, for a buy-back programme to fall within the 'safe harbour', issuers have to satisfy all the relevant criteria laid down by Article 5 of MAR and the Delegated Regulation.

However, as explained within the Authority's Circular of 23 June 2022, given the local context, issuers that face challenges in complying with Article 5 of MAR should nonetheless seek to comply (to the extent possible) with the respective provisions, as this would allow issuers to be in a better position to prove adherence to Articles 14 and 15 of MAR.

### **Reporting Obligations**

In accordance with Article 5(1)(b) of MAR, the prohibitions in Article 14 and 15 of MAR do not apply to trading in own shares in buy-back programmes where trades are reported as being part of the buy-back programme to the Competent Authority of the trading venue in accordance with Article 5(3) of MAR and subsequently disclosed to the public in an aggregated form. Specifically, according to Article 5(3) of MAR, in order to benefit from the exemption provided for in Article 5(1) of MAR, issuers shall report all transactions relating to the buy-back programme to the Competent Authority of the most relevant market in terms of liquidity, as referred in Article 26(1) of Regulation (EU) No 600/2014.

Article 2(2) of the Delegated Regulation further requires the issuer to have in place mechanisms that allow it to fulfil reporting obligations to the competent authority and to record each transaction related to a buy-back programme including the information specified in Article 5(3) of MAR. The issuer shall report to the competent authority of each trading venue on which the shares are admitted to trading or are traded no later than by the end of the seventh daily market session following the date of the execution of the transaction, all the transactions relating to the buy-back programme, in a detailed form and in aggregated form.

In accordance with Article 2(3) of the Delegated Regulation, the issuer shall ensure adequate public disclosure of the information on the transactions relating to buy-back programmes referred to in paragraph 2 of the Delegated Regulation no later than by the end of the seventh daily market session following the date of execution of such transactions. The issuer shall also post on its website the transactions disclosed and keep that information available to the public for at least a 5-year period from the date of adequate public disclosure.

## Way Forward

In an effort to assist issuers in their reporting obligations when carrying out buy-back programmes and to ensure a level of uniformity in the reporting and disclosure of such transactions, the Authority has drawn up the template which for issuers to use when reporting and disclosing transactions carried out as part of a buy-back programme, in accordance with Article 5(3) of MAR.

As a way forward, issuers opting to carry out buy-backs are strongly encouraged to make use of the template, which may be accessed through this [link](#). This template, duly completed, should be submitted to the Authority via email to [pfma@mfsa.mt](mailto:pfma@mfsa.mt).

## Contact

Should you have any queries in relation to the above, kindly contact the Authority on [pfma@mfsa.mt](mailto:pfma@mfsa.mt).