

17 April 2020

ESMA Public Statement - Actions to mitigate the impact of COVID-19 on the EU financial markets regarding publication deadlines under the Transparency Directive – Part 2

This Circular is being addressed to listed entities whose financial instruments are admitted to trading on the Malta Stock Exchange as the Regulated Market in Malta and should be read in conjunction with preceding Circulars issued by the MFSA in reaction to the COVID-19 pandemic, particularly the [Circular issued on 27 March 2020](#).

Listing Authority Policy regarding automatic suspension of securities

With reference to the Listing Authority policy dated 13 July 2012, securities listed on the Malta Stock Exchange are automatically suspended once an issuer fails to publish the audited financial statements or the interim financial statements within the timeframes stipulated in the Listing Rules.

In view of the exceptional times resulting from COVID-19 pandemic and in line with the Authority's position published in the Circular dated 27 March 2020, the Authority has considered the extent of enforcing the automatic suspension as stipulated in the Listing Authority policy dated 13 July 2012.

Based on a number of considerations, including the importance of liquidity in the market during these challenging times, the Listing Authority has decided to temporarily suspend the policy to automatically suspend trading of the issuer's securities when failing to publish the audited financial statements and half-yearly reports within the stipulated deadline until further notice.

Nonetheless, where the Listing Authority is of the view that suspension of securities is necessitated in order to safeguard investors interests, the Listing Authority may still exercise its powers to impose immediate suspension.

The Authority continued engaging with different issuers to discuss the status as well as the expected timing of the publication of the Annual Financial Statements falling due for publication by not later than 30 April 2020. In this regard, and as also specified in the Circular dated 27 March 2020, where issuers reasonably anticipate that the publication of their financial reports will be delayed beyond the deadline set out in the Listing Rules, they are expected to inform both the Authority as well as inform the market of the delay. The Company Announcement would also need to specify the reasons contributing to this delay as well as the estimated publication date.

Where the publication of Annual Financial Reports of 2019 are expected to be delayed, said issuers are encouraged to explore alternative publications, including the publication of preliminary financial statements. It is important that such preliminary financial statements should only be published once clearance from the auditor on the audit opinion is obtained. In this regard, reference should also be made to the Circular issued on 17 April 2020, titled [Circular on the Market Abuse Regulation \(EU\) 596/2014 \('MAR' or the 'Regulation'\) – Preventing Insider Offences in light of the COVID-19 Pandemic](#), which outlines the obligations under MAR, in the case of close periods.

Contacts

Should you have any queries relating to the above, kindly contact the Authority on transparency@mfsa.mt.