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Amendments to the Prospectus Regulation published in the Official Journal of the European Union

On 26 February 2021, [Regulation \(EU\) 2021/337](#) of the European Parliament and of the Council of 16 February 2021 amending Regulation (EU) 2017/1129 as regards the EU Recovery prospectus and targeted adjustments for financial intermediaries and Directive 2004/109/EC as regards the use of the single electronic reporting format for annual financial reports, to support the recovery from the COVID-19 crisis (the "EU Recovery Prospectus Regulation"), was published in the Official Journal of the European Union.

The EU Recovery Prospectus Regulation comes into force on the twentieth day following that of its publication in the Official Journal of the European Union, with the EU Recovery Prospectus regime expiring on 31 December 2022.

Primarily, the EU Recovery Prospectus Regulation introduces the "*EU Recovery Prospectus*", a new short-form prospectus aimed at allowing the rapid recapitalisation of companies in the Union following the impact of the COVID-19 pandemic and enabling issuers to tap into public markets at an early stage in the recovery process. Whilst addressing the economic and financial issues specifically raised by the COVID-19 pandemic, the EU Recovery Prospectus is intended to be easy to produce for issuers, easy to understand for investors (specifically retail investors) who want to finance issuers, and easy to scrutinise and approve for competent authorities.

Further amendments to the Prospectus Regulation introduced by way of the EU Recovery Prospectus Regulation are:

- The extension of the requirement for financial intermediaries to contact investors once a supplementary prospectus is published, from the same day as publication to the end of the first working day following publication;
- The deadline for investors to exercise their withdrawal rights in the event of a supplementary prospectus is also extended from two to three days;
- The temporary increase (for a period of 18 months) of the exemption threshold for non-equity securities issued by a credit institution in a continuous or repeated manner from €75 million to €150 million.

Contacts

Should you have any queries regarding the above, please do not hesitate to contact us on listings@mfsa.mt.