

13 October 2025

## Circular on Article 5 of Regulation (EU) 596/2014 ('MAR' or 'the Regulation') – Buy-Back Programmes: Meeting of Intent

### Introduction

This circular is addressed to issuers whose financial instruments are admitted to trading on a trading venue, or for which a request for admission to trading on a trading venue 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 [Circulars dated 23 June 2022](#) and [25 March 2025](#).

### Background

In the last few years, a number of entities having securities listed on the Malta Stock Exchange have opted to carry out buy-back programmes. Previously, such programmes had been more common in the bond market, where issuers would be seeking to reduce their outstanding indebtedness. As of late, however, buy-back programmes in the equity markets are becoming increasingly popular, as such buy-backs may be seen as a means of increasing shareholder value.

The Authority has previously issued two circulars in relation to buy-back programmes, dated [23 June 2022](#) and [25 March 2025](#), respectively. Essentially, these circulars outlined the requirements which issuers carrying out buy-back programmes had to comply with to qualify for the 'safe-harbour' laid down by Article 5 of MAR, and which is further detailed under Commission Delegated Regulation (EU) 2016/1052 (the 'Delegated Regulation').

As had been explained within the Circular of 23 June 2022, the Authority is mindful that the requirements laid down by Article 5 of MAR and the Delegated Regulation may be difficult to fully comply with. Nevertheless, the Authority has been clear regarding its view that issuers should nonetheless seek to comply with the requirements of the safe harbour to the extent possible.

Although the Circulars mentioned above should assist issuers in ensuring that buy-backs carried out outside the scope of Article 5 of MAR still comply with Articles 14 and 15 of MAR, in relation to the prohibition of insider dealing, unlawful disclosure and market manipulation, the Authority is mindful of the uncertainties which may arise.

## Way Forward

Given the importance of ensuring transparency and market integrity in the context of buy-back programmes, issuers intending to undertake such programmes are strongly encouraged to take a pro-active approach and contact the Authority to discuss, *inter alia*, the aims of the programme and the intended conditions.

Although the Authority is not in a position to approve or otherwise buy-back programmes, through such discussions, the Authority will be able to guide the issuers regarding the structure of the proposed buy-back programme raising any reservations which it may have regarding, *inter alia*, the aims and conditions with the aim of protecting market integrity.

As a way forward, issuers opting to carry out buy-backs may reach out to schedule a meeting with the Authority, by sending an 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).