DREW & NAPIER

SGX RegCo sets limit to cure period for suspended companies

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LEGAL UPDATE

In this Guide

The Singapore Exchange Regulation ("**SGX Regco**") recently announced it will require suspended issuers to resolve substantive underlying concerns within three years as it works towards keeping trading suspension to the minimum necessary and giving more certainty to the timeline for delisting. This update provides more information on SGX Regco's new directive.

SGX Regco's New Directive

On 22 May 2026, SGX Regco announced it will require suspended issuers to resolve substantive underlying concerns within three years. This is in line with SGX Regco's move towards keeping trading suspensions to the minimum necessary and to provide greater certainty to delisting timelines.

This new directive follows SGX Regco's announcement dated 29 October 2025, where it announced a change to its trading suspension approach, following a move to advance Singapore towards a more disclosure-based regulatory regime aligned with other major developed markets. As part of its change in trading suspension approach, trading suspensions will only be considered if there is clear concern of going concern issues. Securities which are suspended only on the basis that their ability to continue as a going concern is in doubt, issuers may apply to resume trading, provided they are not undergoing formal insolvency or restructuring proceedings and their board of directors confirm, with basis provided, that they can continue as going concerns.

Additionally, this new directive comes after SGX Regco's latest report titled "Report on Long-Suspended Companies" published on 22 May 2026 ("**Report**"), on companies whose shares have been suspended for 12 months or more ("**Long-suspended**"). According to the Report, the were 39 Long-suspended issuers, of which:

(i) 16 are exploring trading resumption;

(ii) 5 are undergoing court-supervised restructuring processes or schemes of arrangement;

(iii) 10 are in the process of liquidation or winding up; and

(iv) 8 have been served with delisting notices.

SGX Regco notes that data on Long-suspended issuers show that the three-year time limit is reasonable, as companies with high likelihood of positive outcomes were often able to reach substantive resolutions, such as reaching settlement agreement with creditors and restructuring operations, within three years. This three-year time frame is also intended to allow restructurings that may unlock shareholder value to take place.

SGX Regco will continue to scrutinise trading resumption proposals submitted by Long-suspended issuers and will consider the efforts and progress made towards meeting milestones, certainty of plans and interests of shareholders. For issuers who have already been suspended for longer than three years (as of 31 December 2025), SGX Regco will require them to show substantive progress and concrete plans on restructuring and resolution of existing issues. Where SGX Regco is not satisfied on such progress, it will take steps to delist such issuers.

Reference

For more information, please refer to (a) the announcement titled “SGX RegCo sets limit to cure period for suspended companies” made on 22 May 2026, which may be accessed here; (b) SGX’s “Report on Long-Suspended Companies” published on 22 May 2026, which may be accessed here; and (c) the announcement titled “SGX RegCo advances disclosure-based regime; proposes rule changes on MAS’ proposal to consolidate listing review functions under SGX RegCo” made on 29 October 2025, which may be accessed here.

Drew & Napier LLC Corporate M&A Team

As SGX RegCo's new three-year resolution framework takes effect, suspended issuers and their stakeholders will need to act decisively and with urgency to navigate a new set of regulatory considerations and timelines. Our Corporate M&A team has extensive experience advising SGX-listed companies across the full spectrum of issues that arise in a suspension scenario — including trading resumption, corporate restructuring, schemes of arrangement, voluntary and compulsory delisting processes, and continuous regulatory engagement with SGX RegCo. We work closely with boards, management, major shareholders and other advisers to develop and execute strategies that best preserve value for all stakeholders.

If you have any queries or require legal assistance in navigating these developments, please do not hesitate to reach out to any of the contact persons listed below:

Steven Lo, PBM
Managing Director, Corporate & Finance
Head, Mergers & Acquisitions
Co-Head, Capital Markets
T: +65 6531 2798
E: steven.lo@drewnapier.com

Priscilla Wang
Director, Mergers & Acquisitions
T: +65 6531 2267
E: priscilla.wang@drewnapier.com