28 July 2026

Forward Guidance (FG): Balancing Transparency, Accountability and Market Expectations

Executive Summary

SGListCos, the association of Singapore listed companies, convened a panel discussion on FG at its Members' Event on 28 May 2026 to explore the role of forward-looking disclosures in today's capital markets. As the representative body for companies listed on the Mainboard and Catalist of the Singapore Exchange (SGX), SGListCos serves as a platform for thought leadership, advocacy, and the advancement of investor relations and corporate access practices, regularly engaging listed issuers, regulators, investors and market practitioners on matters affecting Singapore's capital markets.

The event brought together **53 market participants**, including **representatives from STI constituent companies (22.6%), non-STI listed issuers, including REITs and stapled trusts (41.5%), and capital market intermediaries (including Catalist Sponsors), professional advisors and other service providers (35.8%)**. Attendees included CEOs, CFOs, capital markets and investor relations professionals, independent directors, general counsel, corporate communications leaders, sustainability executives and capital markets advisors, providing a broad cross-section of perspectives from Singapore's listed company ecosystem. The discussion was informed by a live survey conducted during the event, providing real-time insights into market views on the opportunities, challenges and evolving expectations surrounding FG.

A total of **33 attendees** participated in the survey, the results of which are set out in the **Appendix**. The survey sought views on the role of FG, organisational attitudes towards disclosure, ownership and accountability, frequency of disclosure, and the principal barriers preventing wider adoption. The panel discussion supplemented the survey findings with practical perspectives from issuers, investor relations practitioners, corporate finance advisors and independent directors with direct experience in communicating with investors and navigating disclosure obligations.

The results suggest broad recognition that FG can enhance investor understanding, support strategic signalling and strengthen market engagement. Most respondents viewed FG primarily as a **strategic signalling mechanism** rather than a compliance exercise and believed that responsibility for such communication should ultimately rest with the **CEO**. Respondents also indicated a preference for **balanced disclosures** that combine quantitative metrics with qualitative narrative rather than highly prescriptive financial forecasts.

However, significant obstacles remain. The survey identified concerns over regulatory risk, liability and investor scrutiny as the most significant barrier to greater adoption of FG. Panellists also highlighted challenges relating to organisational alignment, varying board and management risk appetites, limited forecasting visibility for certain business models, and uncertainty regarding how regulators may respond when guidance provided in good faith subsequently proves inaccurate.

The discussion underscored a broader market challenge: while investors increasingly seek greater visibility into future performance and strategic direction, many issuers remain cautious about making forward-looking commitments. Bridging this gap will require not only greater confidence among issuers, but also continued engagement between regulators, listed companies and investors to establish a disclosure environment that encourages transparency while recognising the inherent uncertainties associated with forecasting future outcomes.

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About the Survey and Discussion

- Organised by SGListCos at the Members' Event on 28 May 2026.
- Attendees included representatives from STI constituent and non-STI listed issuers (including REITs and stapled trusts), capital market intermediaries (including Catalist Sponsors), professional advisors and other service providers, comprising CEOs, CFOs, Group General Counsel, Independent Directors, and other senior capital markets practitioners.
- Live audience polling was conducted during the session.
- Majority findings:
    - FG primarily viewed as a strategic signalling mechanism.
    - Regulatory risk and liability identified as the main headwind.
    - CEO viewed as the primary owner of FG.
    - Most respondents would update guidance during the next reporting cycle.
    - Most favoured disclosure at major announcements and results briefings.

Survey Findings

Disclosure Style and Risk Appetite

Participants were presented with several approaches to forward-looking disclosures, ranging from highly quantitative guidance to avoiding FG altogether.

The discussion revealed that disclosure practices are heavily influenced by business models and earnings visibility. Organisations with stable, recurring revenue streams generally find it easier to provide quantitative guidance, while those operating in project-based or cyclical industries face greater challenges in forecasting future performance with confidence.

There was broad acknowledgement that a "one-size-fits-all" approach is impractical. Instead, disclosure practices should reflect the predictability of underlying business operations, the availability of reliable data and the organisation's risk appetite.

Headwinds in Encouraging FG

Survey participants identified several key obstacles to greater use of forward-looking disclosures:

- Concerns over regulatory scrutiny and liability exposure;
- Misalignment between management and boards regarding disclosure appetite;
- Conservative advice from legal and audit professionals;
- Lack of confidence in forecasting assumptions and internal data;

- Difficulty translating strategy into measurable disclosures.

Discussion participants noted that internal alignment often presents the most significant challenge. Boards, management teams, auditors and legal advisors may each have different perspectives on disclosure risk, resulting in varying levels of comfort with forward-looking communication. As highlighted by Su-Yen Wong, Independent Director of several SGX-listed companies, “different boards and different directors can have very different views on disclosure risk, which can create internal tension when determining how much guidance to provide,” particularly where governance expectations and risk appetites diverge.

A recurring theme was the tension between commercial objectives and legal caution. While management teams may view FG as a means of communicating strategy and differentiating the company, advisors frequently prioritise minimising regulatory and litigation risks. This divergence was reflected in comments from Mark Liew, Chief Executive Officer and Executive Director of PrimePartners Corporate Finance, who observed that “market expectations around FG have evolved faster than the legal and regulatory framework,” underscoring the growing gap between investor demand and formal governance structures. In practice, issuers must balance strategic signalling with an increasingly complex risk environment.

Participants also highlighted the role of organisational maturity and business model characteristics. Companies with recurring income streams or stable cash flows generally have greater confidence in forecasting future performance, whereas smaller issuers and companies with less predictable earnings visibility may be more reluctant to provide quantitative guidance. Reinforcing this, Su-Yen Wong noted that “the nature of the business ultimately drives disclosure behaviour,” adding that “there is no one-size-fits-all approach to FG,” emphasising that disclosure practices must be tailored to business visibility and risk profile.

Nonetheless, there was broad recognition that investors increasingly seek insight into future performance and strategic direction. Even where financial guidance is difficult to provide, organisations may consider offering qualitative indicators such as geographic expansion plans, product development initiatives, capital expenditure priorities or research and development activities. Elena Arabadjieva, Chief Capital Markets Officer and Investor Relations Officer at Stoneweg Europe Stapled Trust, noted that “As we engaged with investors, it became evident that the market was looking for a longer-term view on distributions - a key metric for a REIT – so investors wanted to know not just what the number is today, but clarity on future distributions. Forward-looking guidance was the natural answer to that ask; we then expanded with a few other metrics to give investors a more complete picture. This is a commitment to transparency and a signal of confidence in our trajectory.”, highlighting how investor pressure can shape disclosure evolution even in the absence of regulatory requirements.

<u>On the Competitive Value of FG</u>

This dynamic is particularly evident in the REIT sector, where visibility over cash flows enables more structured communication of future expectations. Guy Cawthra, Chief Executive Officer of Lendlease Global Commercial REIT Management Pte. Ltd., observed that “in a market where issuers are competing for capital and investor attention, FG can be an important differentiator.” He further noted that REITs often benefit from greater transparency due to the predictability of rental income streams, allowing for more effective signalling of future performance.

On Business Model Differences

Business model considerations remain central to disclosure decisions. Su-Yen Wong emphasised that "companies with predictable revenue streams will naturally be more comfortable providing guidance than businesses operating on a project-by-project basis," reinforcing the view that disclosure practices should reflect underlying earnings visibility rather than a uniform standard across issuers.

On Internal Alignment

Internal governance processes were repeatedly identified as a key determinant of disclosure outcomes. Beyond differing risk appetites, participants pointed to structural alignment challenges across organisations. Su-Yen Wong noted that internal debates between boards, management teams and advisors often shape disclosure outcomes, while Mark Liew highlighted that these tensions are increasingly pronounced as investor expectations for transparency continue to rise. Together, these perspectives underscore that FG is as much an organisational coordination exercise as it is a communications decision.

On Investor Expectations

Investor demand was consistently cited as a key driver of disclosure evolution. Elena Arabadjieva observed that "The shift is not happening in isolation. Guidance initiatives are increasingly a direct response to investor pressure - a recognition that market participants are no longer willing to operate without clarity on where performance and strategy is headed. The message from investors is unambiguous, and forward-looking guidance is how issuers are answering it." This reinforces the idea that FG is not solely a compliance-driven exercise, but also a strategic response to capital market expectations.

On Smaller Issuers

The challenge of disclosure is particularly acute for smaller issuers, which often operate with more limited visibility over future earnings. Mark Liew noted that "many SMEs have significantly less visibility over future earnings, which naturally makes them more hesitant to provide quantitative guidance," while also observing that issuers who do provide thoughtful guidance can improve market visibility and investor confidence. This duality highlights both the constraint and the potential strategic upside of selective forward disclosure.

On Alternative Forms of Guidance

Where quantitative forecasting is not feasible, participants emphasised the importance of qualitative disclosure as a complementary approach. Elena Arabadjieva highlighted that: "Forward-looking guidance doesn't have to mean hard numbers. Companies have powerful tools at their disposal - geographic expansion plans, growth initiatives, capital expenditure priorities - that speak to direction and ambition even in the absence of precise financial forecasts. These qualitative disclosures are just as meaningful in closing the information gap between issuers and investors, and in many ways, they tell a richer story about where a business is truly headed."

On Fear of Getting It Wrong

Despite its benefits, hesitation remains widespread due to the perceived risks of inaccuracy. Guy Cawthra cautioned that "one of the biggest concerns is what happens if guidance turns out to be inaccurate," noting that issuers may feel compelled to issue updates when conditions change. He also observed that peer behaviour often influences adoption, with many companies waiting to see who will establish precedent before committing to FG practices.

On Ownership and Accountability

Effective FG requires clear internal ownership. Mark Liew emphasised that "FG ultimately requires CEO ownership, but successful implementation depends on alignment across the organisation, including the board, finance function and investor relations team," highlighting the importance of coordinated governance and accountability structures.

On Regulatory Clarity

A key area of uncertainty remains the evolving regulatory landscape. Mark Liew noted that "market expectations around FG have evolved faster than the legal and regulatory framework," while participants also discussed the differing regulatory protections available to issuers. In particular, there was interest in the proposed safe harbour protections from civil liability available to issuers listed on the Global Listing Board (GLB), contrasted with the absence of equivalent protections for non-GLB issuers. This was cited as an example of how the regulatory framework continues to evolve and highlighted a market view that greater clarity and consistency in legal protections could support broader adoption of FG. Participants broadly acknowledged uncertainty around the protections afforded to issuers when forecasts made in good faith subsequently prove inaccurate. Continued engagement between regulators, issuers and investors was seen as critical to ensuring a balanced framework that supports transparency while recognising forecasting limitations.

The Competitive Value of FG

Several participants observed that forward-looking disclosures can serve as a differentiating factor in increasingly competitive capital markets.

In an environment where issuers compete for investor attention and capital allocation, meaningful guidance can help companies distinguish themselves and improve investor understanding. This was particularly evident among issuers operating in sectors with relatively predictable cash flows, where investors often expect management to articulate future expectations.

Participants noted that smaller issuers may face an even greater need to differentiate themselves. In such cases, carefully calibrated FG can help build credibility, strengthen investor confidence and improve market visibility.

At the same time, concerns remain about being among the first movers. Many companies continue to observe peer practices closely before introducing new forms of guidance. The absence of established precedents can create hesitation, particularly where issuers are uncertain about regulatory expectations should forecasts subsequently prove inaccurate.

Updating FG

Participants considered various approaches to updating previously disclosed forward-looking information when circumstances change.

A common view emerged that updates should be driven by materiality and investor impact rather than automatic revision. However, organisations remain mindful that providing guidance may create expectations regarding ongoing maintenance and correction of previously disclosed information.

The discussion highlighted a key practical concern: once guidance is issued, management may become obligated to announce material deviations from earlier expectations. This creates a natural reluctance among some organisations to provide detailed forecasts, particularly where business conditions remain uncertain.

As a result, participants generally favoured approaches that combine meaningful disclosure with clear assumptions, qualifications and contextual explanations.

The Role of FG

Survey responses suggested that FG are increasingly viewed as tools for investor engagement and strategic signalling rather than simply compliance obligations.

Participants noted that effective forward-looking disclosures can:

- Improve investor understanding of management's priorities;
- Provide context for capital allocation decisions;
- Enhance visibility on future business direction;
- Support valuation discussions; and
- Strengthen engagement with existing and prospective investors.

The discussion also reinforced the idea that FG should be closely linked to corporate strategy. Investors are often less interested in precise forecasts than in understanding management's assumptions, priorities and strategic roadmap.

Ownership and Accountability

A significant area of discussion concerned who should ultimately take ownership of FG and related investor communications.

The prevailing view was that leadership accountability is critical. While investor relations and finance teams play important supporting roles, FG ultimately reflect strategic decisions and organisational direction.

Participants emphasised that successful adoption requires broad organisational alignment. Boards, management teams, finance functions and investor relations professionals must collectively support the disclosure approach to ensure consistency and credibility.

Readiness and willingness of senior leadership to communicate openly with investors were also identified as important success factors. Organisations that have successfully implemented forward-looking guidance often do so through a coordinated effort involving both management and board-level support.

Frequency of Disclosure

Views on disclosure frequency generally favoured a selective approach linked to significant business developments rather than rigid reporting cycles.

Participants recognised that excessive frequency may increase disclosure risk and administrative burden, while insufficient communication may leave investors without meaningful insight into the company's direction.

The preferred approach appears to be one that aligns forward-looking disclosures with major strategic developments, significant operational milestones and key reporting events.

Regulatory Considerations

A recurring theme throughout the discussion was the importance of regulatory clarity.

Participants observed that market expectations regarding forward-looking disclosures have evolved more rapidly than the legal and regulatory frameworks governing them. While some issuers have become more comfortable providing guidance, uncertainty remains regarding the extent of protection available when forecasts are made in good faith but subsequently prove inaccurate.

There were also concerns regarding perceived inconsistencies in market messaging and interpretation. Participants suggested that greater clarity around regulatory expectations could encourage broader adoption of meaningful forward-looking disclosures.

The discussion highlighted the need for continued engagement between regulators, issuers and investors to establish a disclosure environment that encourages transparency while recognising the inherent uncertainties associated with forecasting future outcomes.

Key Takeaways: Obstacles and Enablers to Greater Adoption of FG

The survey and panel discussion highlighted several recurring obstacles that continue to influence the adoption and design of FG among listed issuers.

1. CEO Ownership is Near-Universal, Reinforcing Accountability at the Highest Level

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The strongest consensus outcome of the survey was that **almost all respondents said the CEO should ultimately front and take ownership of FG, including investor-facing communication**.

This underscores that FG are widely viewed as a matter of top-level executive accountability, requiring clear leadership responsibility rather than delegation to functional teams.

2. FG is Primarily Viewed as a Strategic Signalling Tool

A clear majority of respondents identified the **primary role of FG as a strategic signalling mechanism**.

This indicates that issuers increasingly see FG not merely as disclosure compliance, but as a way to communicate strategic direction, priorities, and long-term positioning to the market.

3. A Balanced Disclosure Approach is the Dominant Positioning Strategy

When asked how companies position their FG, the majority said they adopt a **balanced approach**.

This reflects the ongoing need to reconcile two competing objectives: effective investor communication on one hand, and regulatory, legal, and reputational risk management on the other.

4. Regulatory, Liability and Investor Scrutiny Concerns Remain the Primary Headwind

The most cited barrier to encouraging FG was **concern over regulatory risk, liability, and potential investor scrutiny**.

Participants highlighted continued uncertainty around the degree of protection afforded when forecasts are made in good faith but subsequently prove inaccurate. This concern can lead to conservative disclosure practices, particularly in environments where future outcomes are highly variable or externally driven.

5. Internal Alignment is a Critical Implementation Challenge

The discussion highlighted that **internal alignment between management, boards, auditors, and legal advisors is often more challenging than meeting external investor expectations**.

While management teams generally view FG as a strategic communication tool, boards and professional advisors tend to adopt a more cautious stance focused on downside risk and liability exposure.

This dynamic reinforces the importance of structured internal alignment processes, particularly around assumptions, risk framing, and disclosure boundaries.

6. Business Model Predictability Strongly Shapes Disclosure Confidence

Survey responses reinforced that **forecasting confidence varies significantly by business model**.

Companies with recurring revenue streams, contracted cash flows, or stable operating environments are more comfortable providing FG. In contrast, firms operating in cyclical, project-based, or rapidly changing industries face materially greater uncertainty, limiting their willingness to provide quantitative forecasts.

7. Disclosure Frequency Preferences are Broadly Active but Not Uniform

Most respondents indicated that FG should be disclosed **at every major announcement and results briefing**, suggesting a preference for integrating forward-looking commentary into regular investor communications.

However, alternative views remain: some prefer selective disclosure tied to key developments, while others favour limiting FG to periodic reporting cycles. This reflects an ongoing lack of standardisation in practice.

8. When Guidance Becomes Outdated, the Preferred Approach is Structured Rather Than Ad Hoc Updating

In cases where previously disclosed FG becomes outdated or inaccurate, most respondents indicated they would **update during the next scheduled reporting cycle**.

This suggests a preference for structured disclosure discipline over immediate market updates, balancing transparency with administrative and communication considerations.

9. Smaller Issuers Face a Dual Dynamic of Opportunity and Constraint

Participants recognised that **smaller issuers may benefit disproportionately from FG**, as it can enhance visibility and investor engagement.

However, these same issuers often face structural constraints, including lower earnings visibility, fewer forecasting resources, and greater earnings volatility, which limit their ability to provide reliable quantitative guidance.

10. Investors Value Strategic Direction Over Precision Forecasting

The discussion confirmed that investors are not solely focused on numerical forecasts. Instead, there is increasing demand for **visibility into strategy, growth drivers, capital allocation, and underlying assumptions**.

Where quantitative guidance is difficult, issuers can still add value through qualitative disclosures that provide meaningful context on business direction and execution priorities.

11. Perspective Shift: Increasing Comfort with Guided Transparency

Post-discussion responses showed a **moderate shift toward greater comfort with FG**, particularly where disclosures are supported by clear assumptions and embedded disclaimers.

However, a meaningful minority continue to prefer cautious, high-level qualitative disclosure, and some respondents reported no material change in their stance.

12. Greater Regulatory Clarity Could Support Broader Adoption

Participants broadly agreed that **greater clarity around regulatory expectations would help encourage broader adoption of FG**.

In particular, issuers would benefit from clearer guidance on how regulators assess forward-looking disclosures that are made in good faith but later require revision due to changing conditions.

Improved clarity and continued engagement between regulators, issuers, and investors may help reduce perceived risk and support more confident communication of forward-looking information.

Appendix

Panel Composition

The discussion was moderated by **Ng Shi Qing**, Director and Head of Continuing Sponsorship at PrimePartners Corporate Finance.

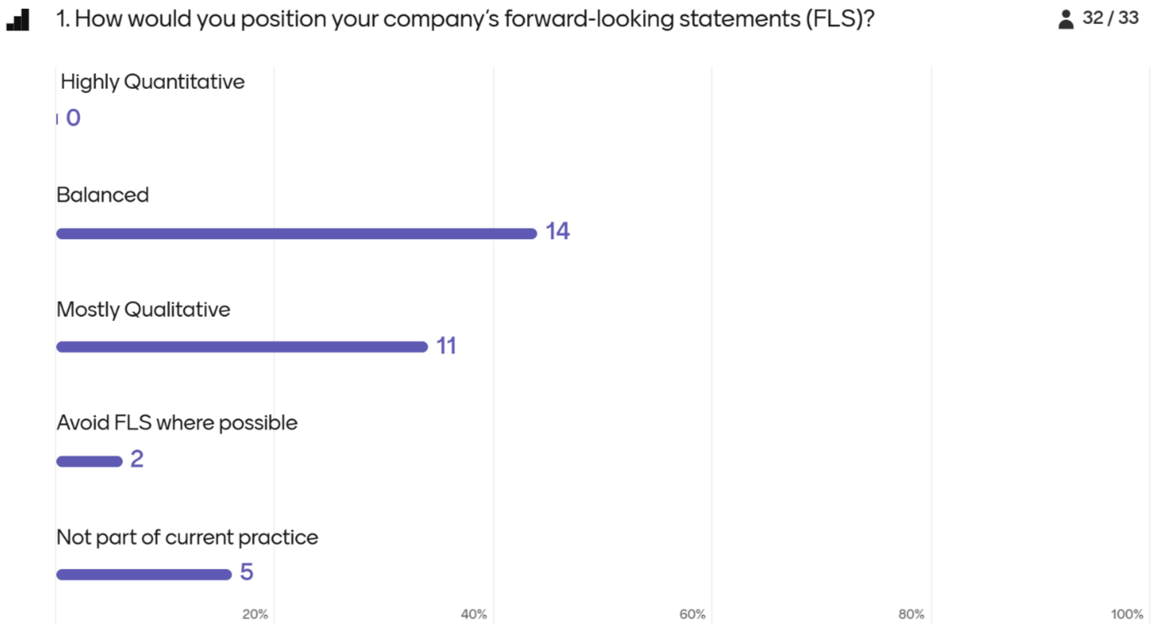
The panel comprised:

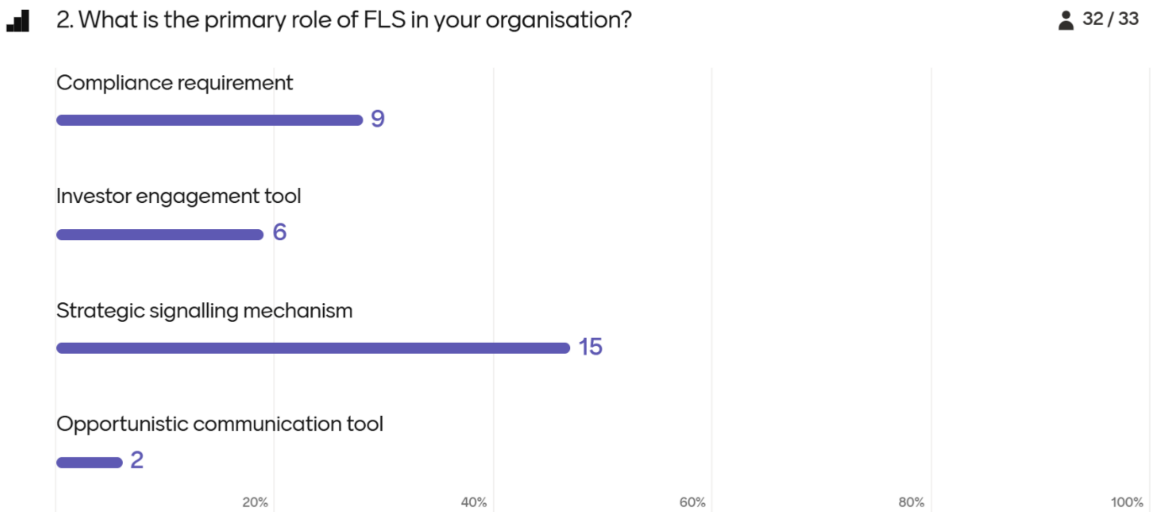
- **Guy Cawthra**, Chief Executive Officer, Lendlease Global Commercial REIT Management Pte. Ltd.
- **Elena Arabadjieva**, Chief Capital Markets Officer and Investor Relations Officer, Stoneweg Europe Stapled Trust
- **Mark Liew**, Chief Executive Officer and Executive Director, PrimePartners Corporate Finance
- **Su-Yen Wong**, Independent Director of several SGX-listed companies including CDL, CSE Global, First Resources

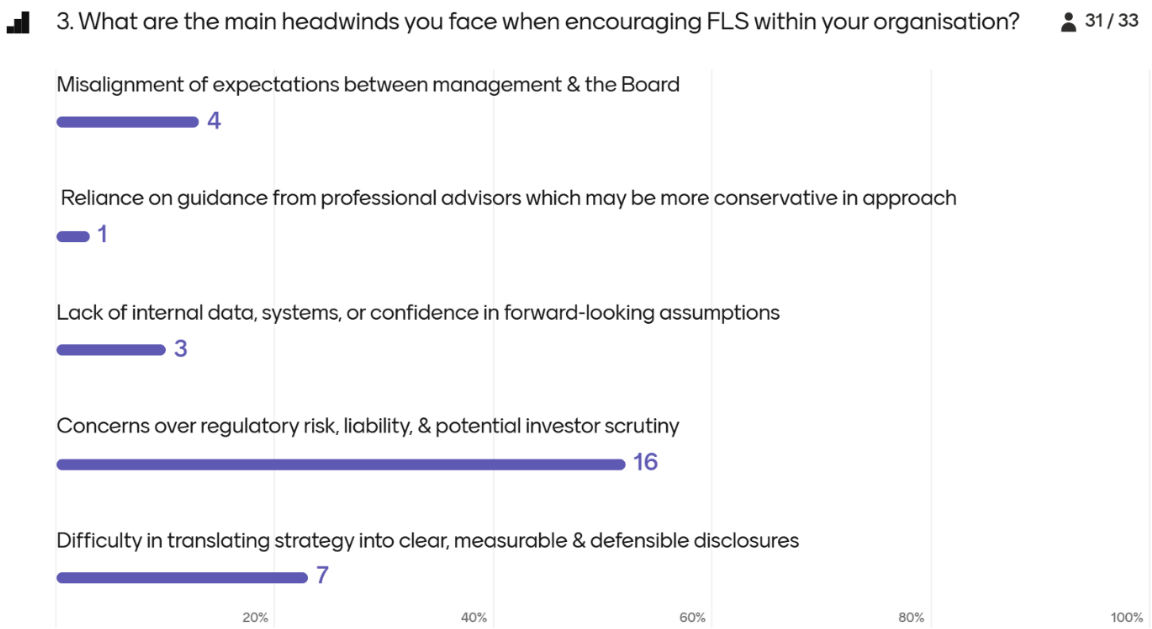
The panel was intentionally constituted to provide perspectives from issuers, investor relations practitioners, corporate finance advisors and independent directors, reflecting the diverse stakeholder groups involved in FG decisions and investor communications.

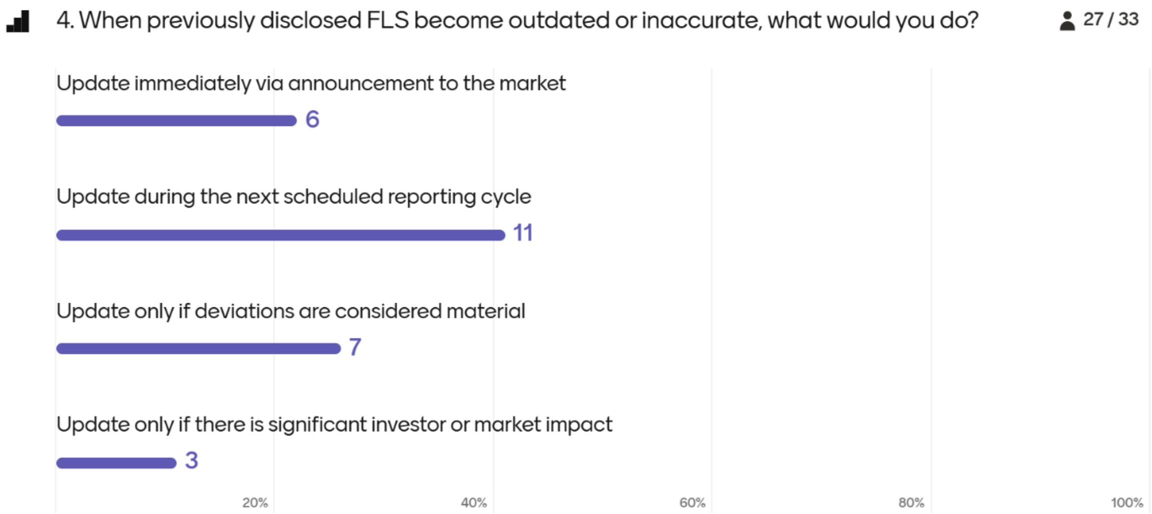
28 July 2026

Panel Discussion on FG: Survey Poll Results

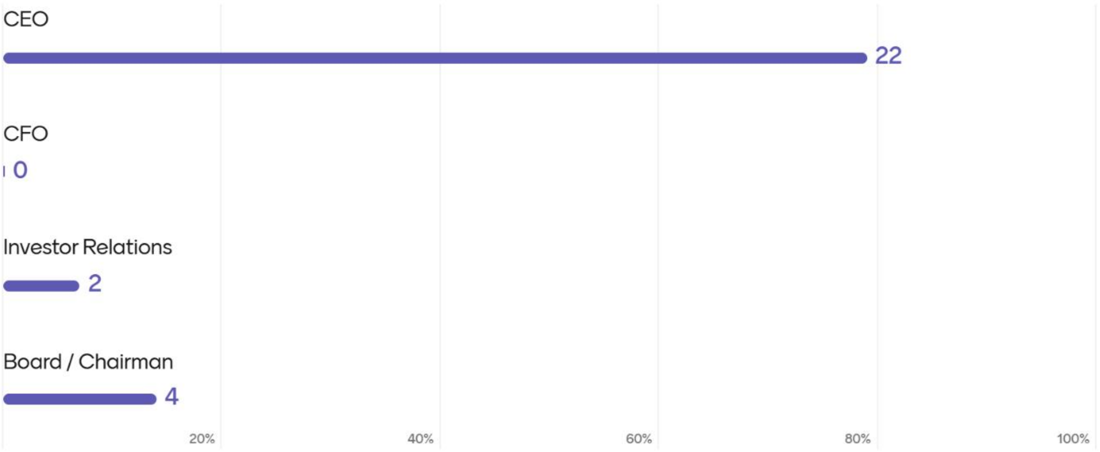




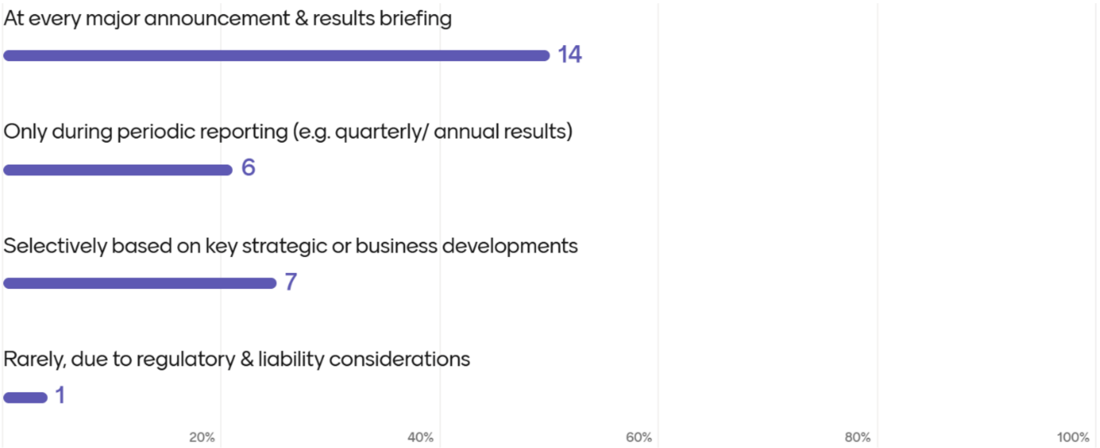

3. What are the main headwinds you face when encouraging FLS within your organisation?
31 / 33
Misalignment of expectations between management & the Board
4
Reliance on guidance from professional advisors which may be more conservative in approach
1
Lack of internal data, systems, or confidence in forward-looking assumptions
3
Concerns over regulatory risk, liability, & potential investor scrutiny
16
Difficulty in translating strategy into clear, measurable & defensible disclosures
7
20%
40%
60%
80%
100%


4. When previously disclosed FLS become outdated or inaccurate, what would you do?
27 / 33
Update immediately via announcement to the market
6
Update during the next scheduled reporting cycle
11
Update only if deviations are considered material
7
Update only if there is significant investor or market impact
3
20%
40%
60%
80%
100%

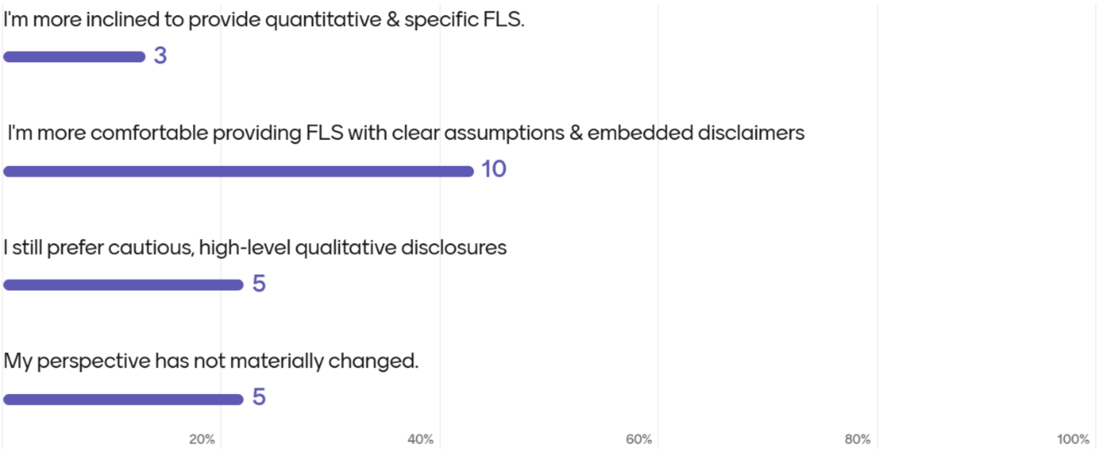
5. Who should ultimately front and take ownership of FLS, including investor-facing communication? 28 / 33



6. How often should FLS be disclosed? 28 / 33



7. Following today's discussion, how has your perspective on FLS changed? 23 / 33



Proposed Interventions

The survey findings and panel discussion indicate that greater adoption of FG will require continued collaboration across the capital markets ecosystem. As a follow-up to this paper, SGListCos intends to work with regulators, listed issuers, professional advisors and other industry stakeholders to develop practical initiatives that address the key barriers identified. These proposals are intended as a starting point for discussion, and SGListCos welcomes the opportunity to collaborate with partners in refining and delivering these initiatives to strengthen FG practices across Singapore's listed company community.

- Closed-door Regulatory Dialogue on FG

The survey identified regulatory uncertainty and liability exposure as the most significant obstacle to greater adoption of FG. SGListCos proposes convening a closed-door dialogue involving MAS, SGX RegCo, securities lawyers and experienced market practitioners to discuss the evolving legal and regulatory framework for FG, including the interaction between MAS' regulatory regime and SGX RegCo's disclosure expectations, the use of assumptions and disclaimers, updating obligations, and disclosures made in good faith. Key takeaways could subsequently be distilled into practical guidance or FAQs for listed issuers.

- Capability-building Workshops and Roundtables

Beyond regulatory clarity, the findings highlight the need to strengthen organisational capabilities and internal alignment. SGListCos proposes a series of practical workshops and roundtables covering board-management alignment on disclosure risk appetite and governance, legal and audit perspectives on balanced disclosure, forecasting and scenario planning techniques, and translating corporate strategy into meaningful qualitative and quantitative FG. These sessions could be developed in collaboration with partners such as SID, ISCA, leading audit and legal firms, strategy consultants and experienced market practitioners.

- SGListCos FG Playbook

To provide practical and enduring guidance, SGListCos proposes developing a *FG Playbook* in collaboration with listed issuers, investors, advisers and other industry stakeholders. The playbook could consolidate leading practices, disclosure templates, governance checklists, illustrative case studies and sample wording to provide companies with a practical reference when considering and implementing FG. It would also serve as a living resource that can be updated as market practices and regulatory expectations evolve.