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STERN WARNING TO TWELVE CUPCAKES FOR UNPAID SALARIES

The Ministry of Manpower (“**MOM**”) issued a stern warning to Twelve Cupcakes Pte. Ltd. (“**Twelve Cupcakes**”) after the company failed to pay salaries to eighty (80) employees following its closure and liquidation in October 2025. Investigations found that the closure resulted from severe financial distress and cash-flow issues, rather than an attempt to evade salary obligations.

Prior to the liquidation, the Dhunseri Group (Twelve Cupcake’s parent company), continued to pay salaries in full up to September 2025 despite prolonged operating losses. Twelve Cupcakes was informed of the plans for liquidation on 28 October 2025, one (1) day before its closure on 29 October 2025. Once management became aware, the Food Drinks and Allied Workers Union (“**FDAWU**”) was notified on the same day. MOM together with FDAWU and the National Trades Union Congress’s Employment and Employability Institute (“**NTUC’s e2i**”), provided support to affected employees, including job-matching assistance and career coaching. The Tripartite Alliance for Dispute Management (“**TADM**”) also assisted forty-five (45) employees by reviewing their claims.

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This incident highlights the importance of employers fulfilling salary obligations and managing business closures responsibly, including timely communication with their employees. Where a company is unionised, the union should be notified before affected employees are notified. Employers should also submit an early alert to MOM, to allow Workforce Singapore and NTUC's e2i to provide information on government assistance schemes and employment facilitation support.

LABOR MARKET REPORT FOR THE FOURTH QUATER OF 2025

On 20 March 2026, the MOM released the Labour Market Report for the fourth quarter of 2025. The key findings are set out below:

- Employment increased by 55,500 (11,600 residents and 43,900 non-residents), up from 44,500 (8,800 residents and 35,700 non-residents) in 2024. Non-residents employment growth was driven largely by Work permit Holders in Construction;
- Unemployment rates remained low and stable in December 2025. The resident long-term unemployment rate held steady at 0.9% in December 2025;
- Labour demand stayed firm, with job vacancies continuing to exceed the number of unemployed persons;
- Retrenchments remained low and within non-recessionary levels, with slight improvement in re-employment rates; and
- Job vacancies increased from 69,900 in September 2025 to 77,700 in December 2025, raising the overall vacancy-to-unemployed ratio from 1.50 to 1.58 over the same period.

The full report may be accessed at this link:

https://stats.mom.gov.sg/iMAS_PdfLibrary/mrds-Labour-Market-Report-4Q-2025.pdf#page=7

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Should you have any queries as to how this update may affect you or your organisation or require further information, please do not hesitate to email us.



*J Sharnutha Naikar
Associate
Gateway Law Corporation*

Email: sharnutha.naikar@gateway-law.com

This newsletter is intended to discuss the Employment Law Updates, and it is not intended to be comprehensive nor should it be construed as legal advice. This newsletter is updated as of 01 April 2026.

ABOUT GATEWAY LAW CORPORATION:

Gateway Law is an Asia-Pacific regional full service legal practice with strengths in the areas of intellectual property, franchising, technology, media (and entertainment), telecommunications, data protection and cybersecurity as well as employment and immigration. In addition to our niche areas, Gateway also provides services in the general areas of litigation and dispute resolution, corporate and commercial law, real estate conveyancing and advisory, medical and family law.

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GATEWAY LAW CORPORATION

(Headquarters)
3 Anson Road
#24-02 Springleaf Tower
Singapore 079909
Tel: +65 6221 6360
Fax: +65 6221 6375
Email: sg@gateway-law.com

GATEWAY IP SERVICES

A-30-3 Level 30 Tower A
Menara UOA Bangsar
No. 5 Jalan Bangsar Utama 1
59000 Kuala Lumpur 1
Malaysia
Tel: +603 2201 5886
Fax: +603 2283 1882
Email: my@gateway-law.com

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