

# Regulatory Update

APAC, May 2025

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# Regulatory Updates May 2025 – APAC Region

## Singapore Updates

### 02 May 2025 – Publication of the Countering Proliferation Financing – Industry Perspectives on Best Practices Paper

The Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Industry Partnership (ACIP) Counter-Proliferation Financing (CPF) Working Group, in collaboration with the financial and non-financial sector, has published the Countering Proliferation Financing – Industry Perspectives on Best Practices Paper (BPP). It provides typologies, risk factors, and best practices to help financial institutions (FI) and non-financial institutions in Singapore assess and mitigate Proliferation Financing (PF) and sanctions evasion risks.

The Monetary Authority of Singapore (MAS) strongly encourages FIs to review the BPP and assess how the typologies, risk factors and best practices described within can be factored into their existing frameworks to better mitigate PF and sanctions evasion risks.

The following are key highlights for FIs:

#### 1. Review & Integration of the BPP

- FIs are strongly encouraged to review the BPP and integrate its recommendations into their existing AML/CFT frameworks.

#### 2. Regulatory Compliance

- Ensure compliance with:
  - Financial Services and Markets (Sanctions and Freezing of Assets of Persons – DPRK) Regulations 2023
  - Financial Services and Markets (Sanctions and Freezing of Assets of Persons – Iran) Regulations 2023

#### 3. Suspicious Transaction Reporting (STR)

- STRs should be filed promptly—no later than one business day—especially for positive matches with UNSC-designated entities.
- Frozen assets must be reported to MAS immediately, and an STR must also be filed within one business day.

#### 4. Staying Informed & Proactive

- Keep up to date with PF typologists including the following:
  - Singapore's PF National Risk Assessment (PF NRA)
  - MAS guidance papers
  - FATF publications
  - Emerging typologies and evasion methods

## 5. Understanding & Managing PF Risks

- Review Singapore's PF NRA
  - Pay attention to key PF risk factors
  - Put in place robust controls to manage PF risk

## 6. Use of Data & Risk Assessments

- Leverage data analytics to detect risks.
- Conduct sector-specific PF risk assessments based on customer base and activities.

View the BPP [here](#).

## 21 March 2025 – Six-Year Prohibition Order for a Former Financial Adviser

On 21 March 2025, the MAS issued a six-year Prohibition Order (PO) against Mr Lim Kok Tiong Danny, a former financial adviser at Professional Investment Advisory Services Pte Ltd (PIAS). This action follows his conviction for forgery and cheating.

- Forgery (Oct–Nov 2020): Mr. Lim forged the signatures of four clients to unlawfully transfer their accounts to PIAS in order to retain commissions.
- Cheating (June 2021): He used his bank account to receive and remit funds from unknown sources, misleading a remittance agency in the process.

Mr. Lim pleaded guilty to multiple charges and was sentenced to 15 weeks imprisonment. As a result of the PO, he is barred from engaging in or managing any MAS-regulated financial activities and from holding substantial shareholdings in financial institutions for six years.

View details of the enforcement [here](#).

## 06 May 2025 - MAS Consultation Paper – Proposed Revisions to Financial Advertisement Regulations

In April 2023, MAS issued a consultation covering proposals to enhance the requirements on non-product advertisements in order to align the requirements for both product and non-product advertisements. Despite these proposals, there are certain exclusions where certain classes of entities are not required to comply with for product advertisements. These exclusions cover product advertisements made to accredited investors, amongst others.

In order to promote trust and integrity in financial marketing, all investors, regardless of sophistication, should receive reliable and clear information. Therefore, the MAS is proposing to remove existing exclusions in financial advertisement regulations to enhance fairness, transparency, and consumer protection across all financial advertisements. The consultation was opened on 6 May 2025 and closed on 5 June 2025.

View the consultation [here](#).

## Hong Kong Updates

### 02 May 2025 – SFC Releases Revised Financial Return Form

On 02 May 2025, the Securities and Futures Commission's (SFC) published a revised financial return form under Section 56 of the [Securities and Futures \(Financial Resources\) Rules](#), introducing key changes for licensed corporations, especially asset managers, to enhance regulatory oversight and data collection (circular).

The revised financial return form introduces key changes, requiring semi-annual hedge fund data reporting from asset managers, with enhanced details from those headquartered in Hong Kong managing portfolios with a net asset value of at least USD\$500 million, to strengthen the SFC's monitoring of significant hedge fund activities and ensure compliance with financial resource requirements.

The electronic version of the revised financial return form, effective 1 July 2025, must be used for submitting returns for periods ending on or after 23 June 2025.

View the circular [here](#).

### 21 May 2025 – SFC Circular on Phishing Detection and Prevention

On 21 May 2025, the SFC issued a circular reminding licensed corporations (LCs) to address phishing attacks, which recently caused client financial losses, with this circular summarising the key expected standards and notification requirements (circular).

Several LCs reported clients receiving fake SMS with hyperlinks, leading to unauthorised transactions, potential market manipulation, and losses after clients entered login credentials.

LCs are reminded to avoid sending hyperlinks in messages, never request sensitive data like login credentials via links, issue regular phishing alerts, implement systems to detect unauthorised account access, and inform clients not to share login details on unverified websites.

The SFC's Code of Conduct requires LCs to promptly report material system failures under paragraph 12.5(e) and suspected market misconduct breaches under paragraph 12.5(f), with details and documents.

View the circular [here](#).

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In Singapore and Hong Kong, Waystone brings over 20 years of experience, working with clients regulated by the Monetary Authority of Singapore and the Securities and Futures Commission. Our team is well-equipped to provide bespoke, risk-focused, and cost-effective solutions. With extensive experience, we deliver the expertise you need while adding value to your corporate governance standards.

If you would like to discuss the themes raised in this guide with one of our [APAC Compliance Solutions](#) team members and learn how we can assist you, please contact us using the details below.

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This Regulatory Update provides information about the consultative documents and publications issued by various regulators which are still current, proposed changes to the Rules and Guidance set out in Handbooks, actual changes to Rules and Guidance that have occurred in the months leading up to the update and other matters of relevance to regulated firms. This Regulatory Update is intended to provide general summarised guidance only, and no action should be taken in reliance on it without specific reference to the regulators' document referred to therein.