

Regulatory Update

APAC, July 2025

Issued 18 August 2025



Regulatory Updates July 2025 – APAC Region

Singapore

3 and 4 July – Recent MAS Enforcement

On 4 July, The Monetary Authority of Singapore (MAS) issued details of enforcement actions taken in the first week of July 2025 concerning Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) related breaches by nine Financial Institutions (FIs) and the revocation of the licence of a CMS license holder.

AML/CFT Breaches by Multiple Firms

Recent AML/CFT breaches have resulted in the following enforcement actions

- Nine FIs were fined S\$27.45m collectively for AML/CFT related breaches
- Prohibition orders of 3-6 years were issued to the Senior Management team of Blue Ocean Invest Pte Ltd in connection with the AML/CFT breaches
- Reprimands were issued to Directors and Representatives of various firms for failure to ensure proper AML/CFT procedures were followed

These AML related enforcement actions are directly related to the Fujian Gang money laundering scandal involving assets worth up to S\$3b.

To view the enforcement actions, please click [here](#).

MAS Revokes CMS Licence of Xen Capital Asia Pte Ltd

On 3 July, the MAS revoked the licence of Xen Capital Asia Pte Ltd (XCAPL) and issued a public reprimand to its CEO for serious and repeated breaches of its licensing and business conduct obligations.

XCAPL failed to submit regulatory returns over several years, operated without the minimum number of full-time representatives and lacked a functioning compliance unit. These deficiencies remained unresolved as the Board of Directors of the Company did not take adequate action to address them.

To view the enforcement actions, please click [here](#).

9 July 2025 – Managing Risks from Third Party Arrangements

The MAS issued a circular providing further guidance on how FIs may manage the technology and cyber risks associated with services provided by Third Party Service Providers (TPSP). These measures include:

- Evaluating potential technology and cyber related risks arising from arrangements with TPSPs
- Ensure contractual agreements with TPSP facilitate effective management of risks (for e.g. specify the roles and responsibilities)

- Ensure that systems used by TPSP meet the requirements set out in MAS Notice on Cyber Hygiene
- Take steps to safeguard internal systems in the event of incidents involving TPSP
- Implement effective business continuity plans to address unforeseen disruptions from TPSPs.

Please refer to the MAS circular for further details.

16 July 2025 – FAQs on Two-Factor Authentication for Online Financial Services Platforms

On 16 July 2025, MAS updated the FAQs concerning implementation of two-factor authentication (2FA) for online financial platforms. In this update, the MAS reaffirmed that 2FA is mandatory for all customers. Exemptions apply only to users accessing systems through direct market access or broker-assisted channels like Bloomberg or FIX.

Examples of customers accessing through direct market access or broker-assisted mediums may be institutional investors, expert investors, proprietary traders, or high-frequency traders. In addition to implementing 2FA, MAS expects financial institutions to adopt complementary security measures, including but not limited to:

- Prompt notifications for execution of trades and account changes
- Strong password policies (length and complexity)
- Raise customer awareness on the importance of 2FA.

FIs are expected to ensure compliance by **12 September 2025**.

Please refer to the [FAQ](#) for further details.

Hong Kong

14 July 2025 – FRR Changes for OTC Derivatives and Market Facilitation On 14 July 2025, The Securities and Futures Commission (SFC) issued a circular on a public consultation for draft amendments to the Securities and Futures (Financial Resources) Rules (FRR) and related guidelines, implementing capital requirements for licensed corporations (LCs) engaging in over the counter (OTC) derivative activities, alongside other changes to facilitate market development. It also concludes with certain FRR changes consulted in 2017 (circular).

The OTC derivatives capital requirements are fine-tuned based on recent updates to Hong Kong's Banking (Capital) Rules and the Basel Framework, with lowered requirements for inter-dealer brokers and simplified transfer pricing treatments.

Additional FRR changes support LCs' diversification, facilitating trading in Mainland China/emerging market stocks, commodities, carbon products, and digital asset futures/options on licensed platforms. Exemptions for centrally cleared repos aim to strengthen Hong Kong's role as a regional fixed income and currency hub by promoting central clearing and inter-dealer repo market growth.

To view the circular, please click [here](#).

15 July 2025 – SFC Enhanced Measures for Itinerant Professionals

On 15 July 2025, The Securities and Futures Commission (SFC) issued a circular on enhanced facilitative measures for visiting professionals from overseas group companies of licensed corporations or licensed providers to conduct regulated activities under the SFO or provide virtual asset services under the AMLO in Hong Kong (circular).

Visiting professionals can apply for a representative license as itinerant professionals (ITPs) to provide these services for short periods, requiring chaperoning by a licensed person unless serving only professional investors.

The existing 30-day annual limit is extended to 45 days, with other application processes, requirements, features, and exemptions unchanged—refer to the relevant Licensing Handbooks for details. This applies to existing licensed ITPs, with the SFC arranging to update their license conditions separately.

To view the circular, please click [here](#).

Stay informed with our Regulatory Update

Navigate the ever-evolving regulatory landscape with our Regulatory Update. Our team of compliance experts provide a monthly review of a wide range of global regulatory compliance matters, including news, guidelines and significant regional updates. To sign-up to receive these updates, please follow the link below.

[Find out more →](#)

About Waystone

Waystone is a leading global provider of institutional governance, administration, risk, and compliance services to the asset management and financial services industry. Our global Compliance Solutions team helps clients navigate the regulatory landscape with confidence, aligning investment strategies and operational processes with compliance requirements. With over 100 compliance specialists based across Asia, the Middle East, Europe, and North America, we offer a comprehensive range of solutions, from company registration and licensing to compliance programmes and ongoing support.

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.

[Contact us →](#)

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.