



FOR IMMEDIATE RELEASE

**MAS issues Prohibition Orders against
Three Arrows Capital's Zhu Su and Kyle Livingston Davies**

Singapore, 14 September 2023... The Monetary Authority of Singapore (MAS) has issued nine-year prohibition orders (POs) against Mr Zhu Su and Mr Kyle Livingston Davies for contraventions of the Securities and Futures Act 2001 (SFA) and Securities and Futures (Licensing and Conduct of Business) Regulations (SFR). Mr Zhu was the Chief Executive Officer and Director of Three Arrows Capital Pte Ltd (TACPL), while Mr Davies was the Chairman and Director.

2. Under the POs, which took effect from 13 September 2023, Mr Zhu and Mr Davies will be prohibited from performing any regulated activity and from taking part in the management of, acting as a director of or becoming a substantial shareholder, of any capital market services firm under the SFA.

3. Following MAS' [reprimand of TACPL](#) in June 2022 for (i) providing false information to MAS; (ii) failing to notify MAS about changes to Mr Zhu's and Mr Davies' directorship and shareholdings; and (iii) exceeding the assets under management threshold allowed for a registered fund management company, MAS has conducted further investigations into TACPL, Mr Zhu and Mr Davies. MAS uncovered the following additional SFA and SFR contraventions committed by TACPL between August 2020 and January 2022:

- **Failure to notify MAS of employment of representative:** Between August 2020 and September 2021, TACPL employed Mr Cheong Jun Yoong Arthur to be a portfolio manager, to perform fund management activities on behalf of TACPL. In breach of the SFR, TACPL failed to inform MAS within the required timeframe of Mr Cheong's employment.
- **Provision of false information to MAS:** In January 2022, TACPL falsely represented to MAS that TACPL had not notified MAS about Mr Cheong's employment because he did not carry out any regulated activity. In fact, Mr Cheong had performed fund management activity on TACPL's behalf between August 2020 and September 2021.
- **Failure to have in place appropriate risk management framework:** TACPL did not have in place a risk management framework to identify, monitor, and address risks associated with the cryptocurrency and digital asset investments under its management.



4. As directors of TACPL, Mr Zhu and Mr Davies were primarily responsible for ensuring that TACPL complied with regulatory requirements under the SFA and SFR. MAS' investigation showed that they had failed to discharge their duties and were responsible for TACPL's breaches.

5. Ms Loo Siew Yee, Assistant Managing Director (Policy, Payments & Financial Crime), MAS, said, "Senior management of fund managers are required to implement robust risk management measures to protect the interest of investors. MAS takes a serious view of Mr Zhu's and Mr Davies' flagrant disregard of MAS' regulatory requirements and dereliction of their directors' duties. MAS will take action to weed out senior managers who commit such misconduct."

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