



Private Limited Company in Hong Kong

Being a financial services hub in Asia and a major gateway to China, Hong Kong maintains its competitiveness by its geographical advantage, simple tax system with low tax rate, political and economic stability, free trade and no exchange control. As one of the leading international financial centres with sound legal system and high-quality professionals, Hong Kong is one of the greatest concentrations of corporate headquarters in the Asia-Pacific.

Corporate Requirements

- At least one director and one shareholder are required.
- At least one natural director is required, sole corporate directorship will be prohibited.
- Details of all the directors and shareholders should be filed with the Companies Registry and are on public record.
- Corporate Directors are permitted for companies that are not subsidiaries of public listed corporations and directors can be resident anywhere.
- Beneficial Owners need not be disclosed and bearer shares are not permitted.
- One resident Company Secretary is required.
- Company must maintain a local Registered Office in Hong Kong.
- Company is required to prepare Audited Accounts, Annual Return and to renew Business Registration License every year as well as to hold an Annual General Meeting annually.
- No minimum capital requirement and no par value on the shares for Hong Kong Companies, the share capital can be at a minimal of HKD1.00.
- Either English Name or Chinese Name or both English and Chinese Name are permitted but the name reservation is not available.
- The taxation policy is territorial-based, therefore, only those profits which are arise in or derived from the HKSAR are liable for Hong Kong tax.

Significant Controllers Register

Starting from 1 March 2018, every company incorporated in Hong Kong, except for companies listed on the Hong Kong Stock Exchange, will be required to keep and maintain an up-to-date Significant Controllers Register (“SCR”).

A person has significant control over a company if one or more of the following 5 conditions are met:

1. The person holds, directly or indirectly, more than 25% of the issued shares in the company or, if the company does not have a share capital, the person holds, directly or indirectly, a right to share in more than 25% of the capital or profits of the company;



2. The person holds, directly or indirectly, more than 25% of the voting rights of the company;
3. The person holds, directly or indirectly, the right to appoint or remove a majority of the board of directors of the company;
4. The person has the right to exercise, or actually exercises, significant influence or control over the company;
5. The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust or a firm that is not a legal person, but whose trustees or members satisfy any of the first four conditions (in their capacity as such) in relation to the company

A company must designate at least one person as its representative to provide assistance relating to the company's SCR to a law enforcement officer. A company's designated representative must be one of the following: -

- A member, director or an employee of the company who is a natural person resident in Hong Kong
- An accounting professional, a legal professional or a licensed trust or a company service provider

SCR is not available for inspection by the public. Only the law enforcement officers of the specified authorities will have access to the SCR.

Information provided by Client

- Brief description of proposed company, such as source of funds, products / services, suppliers, customers and etc. In addition, please provide business plan, brochure or leaflet of products / services of the proposed Company, if any.
- **Due Diligence documents*** like HKID Card / Passport copies, residential address proof (within 3 months) for all individual director(s), shareholder(s), beneficial owner(s), secretary and authorized signatories of the bank accounts (to be opened).
- In case of corporate director(s), shareholder(s), beneficial owner(s) and secretary, a copy of Memorandum and Articles of Association, Certificate of Incorporation, Register of Directors and Register of Shareholders of each corporate entity is required.
- Any additional information may be required.

Note:

- ※ For preparing incorporation documents for client's signature, clients can give us Copies of the due diligence documents, however, upon submission of application of incorporation at the government department, *Certified True Copy(ies)* must be given. Certification by lawyer or notary public or certified public accountants are acceptable.