



# MANIVEST 宏傑

Originated in Asia, Based in Asia, Serving the World

源於亞洲，基於亞洲，服務全球

FACT SHEET

## FORMATION OF HONG KONG PRIVATE COMPANIES

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### Company Categories

According to the Hong Kong Companies Ordinance, there are three different types of company. Currently, most companies are limited by shares.

- Company Limited by Shares
- Company Limited by Guarantee
- Unlimited Liabilities Company

### Introduction to Private Company Limited

- The company should have at least one shareholder of any nationality
- The number of shareholders should not be more than 50
- There is no upper limit of capital (Minimum HKD 0.01)
- The Memorandum & Articles of Association must prohibit the transfer the public issue of shares and debentures and has restrictions on the transfer of shares
- Shareholders need not to be resident of Hong Kong

There are two ways to set up a Hong Kong Private Company

#### 1. Tailor made Company

- a) Company could be established by “subscribers”. In most of the cases, a professional accountant or lawyer in Hong Kong can help the subscribers to prepare for the setting up of the company. The accountant or lawyer can also act as the subscribers for the shareholder of the company
- b) After the company is formed, the accountant or lawyer can leave the company by transferring the shares to the shareholders. The shareholder can become a director and/or company secretary. The formation of a new company takes around two weeks.

#### 2. Acquisition of Existing Shelf Company, (Change of Company’s name after Acquisition of Existing Shelf Company)

Some corporate services companies in Hong Kong maintain a list of “Shelf Company” for ready use. It will take about three working days for acquisition of a shelf company. In order to save time and cost, you can acquire a shelf company for immediate operations. The name of the shelf company can be changed afterwards. Change of company name takes around one week.

### The Procedure of Establishing a New Company

- a) **Checking of a company name** – Before registration of a new company, the name of the proposed company (in English, Chinese or both English and Chinese) should be checked against existing company names in the Companies Registry to avoid duplication.

- b) **Formation of Shareholders Meeting** –Shareholders can appoint one or more of them to be the subscriber. Alternatively, they can appoint professional accountants as their “nominee” subscriber. Subscriber should take at least one share in the company. After the formation of the company, all other shareholders can take up shares in accordance to their agreement.
- c) **Board of Directors** – one or more person or corporation, of any nationality, can be appointed as director of the company.
- d) **Registered Office** - all companies, for the purpose of company registration and business (tax) registration, should have a registered office in Hong Kong. You can consider using the “registered office” services of our firm.
- e) **Memorandum and Articles of Association.** Memorandum and Articles of Association of the company is the constitution of the company. It is not mandatory to have a shareholders agreement. We shall provide you with a standard Memorandum and Articles, in addition. In addition, the terms and conditions agreed among shareholders can also be detailed in the Memorandum and Articles of the Company, but note that this document is a public document and can be inspected by the public. To keep privacy, we recommend you to have a shareholder agreement in addition to the Memorandum and Articles.
- f) **Appointment of Company Secretary.** – A company secretary must be a Hong Kong resident or Hong Kong corporation. He acts as the bridge between the Hong Kong Government and the company. Our firm can act as nominee company secretary, and look after the statutory requirements of your company.
- g) **Approval from the Companies Registry.** – After all documents have been prepared; we shall submit these documents to the companies to the Companies Registry for approval.
- h) **Business Registration** – After approval, a certificate of incorporation will be issued by the Companies Registry. The company should apply to the Inland Revenue Department (tax department) for a Business Registration Certificate, after completion of all these procedures; the company can now be operated.

## How Manivest Can Help You

The directors and management of Manivest are professionals in the offshore industry having served the Asia markets for more than twenty years. Through our offices in Hong Kong, Shanghai and Macau as well as our associates in other Asia cities, we offer a full range of comprehensive value-added services to professional advisors and their clients.

Manivest offers the following services:

- ☞ Incorporation of Hong Kong and other onshore/offshore companies and structures
- ☞ Full corporate management services
- ☞ Registered office, business office, mail redirection and business centre (available in selected locations only)
- ☞ Accounting services and re-invoicing services
- ☞ Asset protection and preservation advisory services
- ☞ Business establishment services