SWITZERLAND GLOBAL ENTERPRISE
enabling new business

HONG KONG
Basic Guide to Setting up a Company

Compiled by:

Consulate General of Switzerland

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1. GENERAL REMARKS

Hong Kong is one of the top global cities to set up a business. Getting started is relatively quick and easy, setup costs are low and the overall environment encourages businesses to thrive. The Consulate General of Switzerland in Hong Kong is always available to assist Swiss businesses and SMEs who want to set up shop in Hong Kong. Please get in touch with hongkong@eda.admin.ch should you need assistance.

2. STEP 1: DECIDING ON A COMPANY TYPE & NAME

Company Types

Different company types are available for different business requirements

A Limited Company:

- This is the most common company type and is incorporated in Hong Kong
- The company could be limited by shares or by guarantee.
- Owners can take advantage of all the tax benefits and concessions available to any fully incorporated business
- They can enjoy preferential access to the mainland Chinese market through free trade agreements with China such as the Closer Economic Partnership Arrangement (CEPA).

A Branch Office of a Parent Company:

- This is for companies that are incorporated outside of Hong Kong and establish a place of business in Hong Kong

- They must register with the Companies Registry as a 'Registered Non-Hong Kong Company' within one month of establishment
- Unlike a subsidiary limited company, a branch office is not a separate legal entity from the parent and can leverage funds off the credit rating of its owner

Representative Office:

- They cannot engage in profit-making activities and can only fulfil limited functions
- They are useful for companies looking to explore the Hong Kong market before making a larger investment
- If a decision is made to enter into a transaction which creates a legal obligation, it must change the business to a limited company or brand office

Company Names

Limited companies incorporated in Hong Kong cannot have the same company name as those in the index of company names kept by the Registrar of Companies. You may conduct a company name search free of charge through the Companies Registry's Cyber Search Centre online. Use the "Exact Name Search" mode and input the full and exact company name that you propose to register (use traditional Chinese characters for Chinese name).

https://www.icris.cr.gov.hk/csci/

A company name that may infringe the intellectual property rights ("IPR") of a third party should not be adopted. http://ipsearch.ipd.gov.hk

Company Structure

Most limited companies incorporated in Hong Kong are private companies limited by shares. A private limited company in Hong Kong requires at least one director who is a natural person and one company secretary. If the company has one director only, the sole director cannot also be the company secretary at the same time. If the company secretary is a natural person, he/she should ordinarily reside in Hong Kong. If the company secretary is a body corporate, its registered office or place of business should be in Hong Kong. A non-Hong Kong resident can be appointed as a director. The registered office of the company must be situated in Hong Kong.

There is no requirement for shareholders to be Hong Kong residents. The sole shareholder can be a director of the company.

Significant Controllers Register

To enhance transparency of corporate beneficial ownership in order to fulfil Hong Kong's international obligations, the Companies Ordinance requires a company incorporated in Hong Kong to obtain and maintain up-to-date beneficial ownership information by way of keeping a 'Significant Controllers Register". The Register should be open for inspection by law enforcement officers upon demand.

3. STEP 2: INCORPORATING YOUR COMPANY

Easy Application

Any application for company incorporation will include a simultaneous application for business registration.

How to Apply

There are three ways to submit your application – either online via the 24-hour portal e-Registry, via the "CR eFiling" mobile application which can be downloaded free of charge from App Store or Google Play, or by delivering the documents in hard copy to the CR with the correct fees.

Required documents:

- Incorporation Form (Form NNC1 for company limited by shares) or Form NNC1G (for company not limited by shares)
- A copy of the company's Articles of Association
- A Notice to Business Registration Office (IRBR1)

Fees

The fees for incorporating a company limited by shares are:

- Company Registration fee – **HK$1,720** (If unsuccessful, an application for a refund of HK$1,425 may be made)
- Business registration fee – **HK$2,000** for a one-year certificate *(fee waived during COVID-19*); HK$5,200 for a three-year certificate *(reduced to HK$3,200 during COVID-19)*
- Levy to the Protection of Wages on Insolvency Fund – HK$250 for a one-year certificate; HK$750 for a three-year certificate

Processing Time

Online applications for company incorporation and business registration are normally processed within one hour. Hard copy applications will typically see the Certificate of Incorporation and Business Registration Certificate issued within four working days.

4. STEP 3: REGISTERING YOUR BUSINESS

Businesses must be registered with the Business Registration Office of the Inland Revenue Department within one month of starting business operations.

Once you have registered your business, you must display your Business Registration Certificate at your physical place of business.

Easy Registration

Applications for company incorporations includes a simultaneous application for business registrations. Apart from the incorporation documents, you must also deliver the following to the Company Registry (CR) when you make your application for company incorporation:

- A Notice to Business Registration Office (IRBR1)
- Business registration fee: **HK$2,000** for a one-year certificate *(fee waived during COVID-19);* **HK$5,200** for a three-year certificate *(reduced to HK$3,200 during COVID-19)*
- Levy to the Protection of Wages on Insolvency Fund: **HK$250** for a one-year certificate; HK$750 for a three-year certificate

Processing Times

Applications for business registration made in paper form will have their business registration certificates issued in 30 minutes over the counter, or in two working days by post.

Business registration certificates applied under the one-stop company incorporation and business registration service will be issued together with the Certificate of Incorporation by CR, normally within one hour for online applications or four working days for hard copy applications.

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