HONG KONG FACT SHEET

GENERAL INFORMATION

Company type	Limited Company
Timeframe for company formation	1 to 2 days
Governing corporate legislation	The Hong Kong Company registry is the governing authority and companies are regulated under the Hong Kong Companies Ordinance 1984.
Legislation	Modern offshore legislation
Legal system	Common Law
Corporate taxation	No taxes on foreign profits. While the company may not be liable to pay taxes, please consult with a tax/legal advisor in your country of residence, to determine your own tax liability.
Accessibility of records	Upon registration, names of company's officers will appear in the public registry.
Time zone	GMT +8
Currency	Hong Kong Dollar (HKD)

SHARE CAPITAL

Standard currency	HKD
Standard authorised capital	Not applicable
Minimum paid up	HKD 1

 © 2026 All Rights Reserved SFM Corporate Services

HONG KONG FACT SHEET

SHAREHOLDERS, DIRECTORS AND COMPANY OFFICERS

Minimum number of Shareholders	1
Minimum number of Directors	1
Locally-based requirement	No
Requirement to appoint Company Secretary	Yes

ACCOUNTING REQUIREMENTS

Requirement to prepare accounts
Preparation of accounts required.

Requirement to appoint auditor	Yes
Requirement to file accounts	Yes
Accessibility of accounts	No
Requirement to file annual return	Yes

DOCUMENT REQUIREMENTS

Certified copy of valid passport (or national identity card), Proof of address (issued within the last 3 months) in English or translated into English, Personal bank account statement for the last month or recent bank reference letter.

INCORPORATION FEES

Initial set-up and first year	USD 2,300
Per year from second year	USD 1,840

GOOD TO KNOW

Taxation on Hong Kong Limited Companies is unique in that it's based on source and not on residence. As long as a Hong Kong company does not conduct any business in Hong Kong and does not generate any income from Hong Kong-based sources, the company will not be taxable in Hong Kong.

 © 2026 All Rights Reserved SFM Corporate Services

HONG KONG FACT SHEET

COUNTRY INFORMATION

Hong Kong is an autonomous territory on the southern coast of China at the Pearl River Estuary and the South China Sea. It has an area of 1104 km2 and shares its northern border with the Guangdong Province of mainland China. Home to around 7.2 million people, Hong Kong is one of the world's most densely populated metropolises. Until 1997, Hong Kong was under British administration, however, as a result of negotiations between China and Britain, Hong Kong was transferred to the People's Republic of China to become a special administrative region of China with a high degree of autonomy under the principle of one country, two systems. The territory has developed into a major global trade hub and financial centre and is regarded as a world city. The 45th-largest economy in the world, Hong Kong ranks top 10 in GDP (PPP) per capita.

POLITICAL STRUCTURE

As a special administrative region, Hong Kong enjoys a high degree of autonomy, as its political and judicial systems operate independently from those of mainland China. Enshrined in the Hong Kong Basic Law, the territory's constitutional document, which outlines the system of governance of the Hong Kong Special Administrative Region, the region maintains its capitalist economic system and guarantees the rights and freedoms of its people. The primary pillars of government are the Executive Council, the civil service, the Legislative Council, and the Judiciary.

ECONOMY

Characterised by free trade and low taxation, Hong Kong's service economy is regarded as one of the world's most laissez-faire economic policies. It has been named the freest market economy by the Heritage Foundation Index of Economic Freedom. Hong Kong is also one of the world's largest banking centres with solid external net assets held by banks and deposit-taking institutions.

POPULATION

The territory's population in 2014 was 7.2 million, making it one of the most densely populated areas in the world with an overall density of some 6,300 people per square kilometre. About 93.6% of the people of Hong Kong are of Chinese descent, while the remaining 6.4% is composed of non-ethnic Chinese, including South and East Asians, as well as Europeans, and North Americans.

LANGUAGE

Hong Kong's de facto official language is Cantonese, a variety of Chinese originating from Guangdong province to the north of Hong Kong. English is also an official language and signs displaying both Chinese and English are common throughout the territory.

 © 2026 All Rights Reserved SFM Corporate Services

HONG KONG FACT SHEET

POPULATION

7.2 million (2014)

LANGUAGE

Chinese and English

TAXATION

Companies registered in Hong Kong are not taxable provided that no transaction is carried out in Hong Kong. If this is not the case, the tax rate rises to 16.5% on profits made during the year. The Hong Kong tax authorities will send out a form entitled "Profits Tax Return" 18 months after the registration of the company. This is the moment to ask for "offshore" status, if applicable. Prior to the annual renewal of your company, SFM will contact you to collect the company's bank statements and other supporting documents and prepare the account and audit works in order to deal with the tax declaration and to file the PTR (Profits Tax Return) and ER (Employer Return) with the Hong Kong authorities. Profits Tax Returns must, as a general rule, be submitted within one month from the date that they are issued. If the tax return is not submitted by the due date, it is considered as an offence, and will be subject to government penalty. If the company does not carry out any transaction, then the "Nil" profit tax return status will be submitted.

"OFFSHORE" STATUS

A Hong Kong Limited Company will be liable for tax if:

- it has its own premises in Hong Kong and employs staff;
- the company is partly or wholly managed on Hong Kong territory;
- its client base is in Hong Kong;
- its suppliers are in Hong Kong; or
- material destined for sale is stocked in Hong Kong.

If none of these conditions apply, at the customer's request, SFM will file an application to the Hong Kong authorities with supporting documentary evidence for "offshore" status. Once the tax department agrees to the claim, it will be valid for three to four years. It should be noted that as Hong Kong is a special administrative area, it is entirely permissible to conduct business with China without being subject to tax.

DOUBLE TAX TREATY

Hong Kong has comprehensive double tax agreements with Austria, Bangladesh, Belgium, Brunei, Canada, Croatia, Czech Republic, Denmark, Estonia, Ethiopia, Faroes, Fiji, Finland, France, Germany, Greenland, Guernsey, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Japan, Jersey, Jordan, Kenya, Korea, Kuwait, Laos, Liechtenstein, Luxembourg, Macao SAR, Mainland China, Malaysia, Maldives, Malta, Mauritius, Mexico, Netherlands, New Zealand, Norway, Portugal, Qatar, Russia, Seychelles, Singapore, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Thailand, United Arab Emirates, United Kingdom, United States, and Vietnam respectively to relieve taxation on income, such as, dividends, interest income, and royalties. The Hong Kong Inland Revenue Department allows a deduction for foreign tax paid on a turnover basis in respect of income which is also subject to tax in Hong Kong.

 © 2026 All Rights Reserved SFM Corporate Services

HONG KONG FACT SHEET

COMPANY FORMATION INFORMATION

Incorporation Procedure	Upon receipt of the client's KYC documents (passport copy and proof of address issued within the last 3 months) and description of the intended business activity, and after our legal department's due diligence checks, SFM will incorporate the Limited Company via our Hong Kong-based agent as it is necessary for the registered office of the company to be maintained in Hong Kong at the address of a licensed management company.
Incorporation Timeframe	One to two days.
Trading Restrictions	Hong Kong Limited Companies cannot undertake the business of banking or insurance activities or solicit funds from or sell its shares to the Public.
Name Restrictions	It is not possible to reserve a name for a Hong Kong Limited Company. It is essential to check that there is no similar or identical name on the register, which would prevent the company being incorporated. A Hong Kong Limited Company's name must end with "Limited". Restricted names include any name that is the same as an existing companies, any name that would constitute a criminal offence or is offensive or otherwise contrary to the public interest, or any name would be likely to give the impression that the company is connected in any way with the Central People's Government or the Government of the HKSAR or any department of either government, thus restrictions are placed on such words as, "Department", "Government", "Commission", "Bureau", "Federation", "Council", and "Authority".
Corporate Documents Language	Chinese and English

NOTES

* Subject to the constraints of the due diligence procedure.

** Documents must be provided for every person related to the company.

Disclaimer: The fact sheet is provided for convenience only. Nothing on this fact sheet shall be construed as a contractual commitment or as a warranty. Services conditions are governed by the applicable terms and conditions.

 © 2026 All Rights Reserved SFM Corporate Services