

Shenzhen Office, China
Room 2508, Shenhua Comm.
Bldg., 2018 Jiabin Road,
Luohu District, Shenzhen
Tel: +86 755 8268 4480
Fax: +86 755 8268 4481

Shanghai Office, China
Room 603, Tower B, Guangqi
Culture Plaza, 2899A Xietu Road,
Xuhui District, Shanghai
Tel: +86 21 6439 4114
Fax: +86 21 6439 4414

Beijing Office, China
Room 408A, Interchina Commercial
Building, No.33 Dengshikou Street,
Dongcheng District, Beijing
Tel: +86 10 6210 1890
Fax: +86 10 6210 1882

Singapore Office
9 Penang Road
#07-15 Park Mall
Singapore 238459
Tel: +65 6883 1061
Fax: +65 68831024

Hong Kong Private Company Incorporation Guide

Part 12 - Incorporation Costs

1. Introduction

The registration of a private company is a straight and fast process. The laws in Hong Kong does not require the engagement of professional agent to handle the registration itself. In other words, the founder (the investor or shareholder) can prepare the registration documents and handle the registration process by himself.

Normally, the costs incurred for the registration of a private company will be lower should the founder decides to handle it by himself. In this case, the founder is only required to pay the official registration filing fee, business registration fee and costs for making the company chop. If professional agent is appointed, professional service fees will need to be incurred in addition to the official filing fees.

2. Registration Costs (Founder Handles the Registration)

As mentioned above, the founder of a company can choose to handle the registration of a company in Hong Kong by himself. Assuming that the founder does decide to handle the registration process by himself, and he will have someone to act as the company secretary and also has an address to be used as registered office of the company, then the costs need to be incurred for the registration of a private company in Hong Kong will be around HKD5,000. A detailed breakdown is provided below:

- (1) Registration official filing fee: HKD1,720
- (2) Business registration fee: HKD2,250
- (3) Company kit: HKD800 - HKD1,000

Total: Around HKD5,000.

3. Registration Costs (Handled by Agent)

Most of the corporate service agents, law firms and accounting can provide company secretary and registered office services. If the founder cannot provide or do not want to use their own company secretary and/or registered office, they can utilize the services offered by professional service provider.

(1) Incorporation Only

If the founder can provide his own company secretary and registered office and engage a service agent to handle only paperwork and registration, then he should expect to pay around HKD5,000 to HKD15,000 to the professional agent. The fees would normally include the official filing fee and first year business registration fee and a company kit.

(2) Incorporation with Company Secretary and Registered Office

If the found is resided outside Hong Kong and does not plan to set up a physical office in Hong Kong, or for whatever reasons does not want to provide his own company secretary and registered office, he can engage the services of a professional agent for those services. In this case, he should expect to pay around HKD10,000 to HKD25,000 for the registration, together with the company secretary and registered office services. Again, the fees would normally include the official filing fee and first year business registration fee and a company kit. It should be noted that bigger professional firm would normally charge a high amount of fees.

The table below illustrates the amount of fees charged by Kaizen for the registration of a private company in Hong Kong:

Item	Description	Amount (HKD)
1	Service fee	7,100
2	First year nominee company secretary	2,800
3	First year registered office	1,870
	Total:	11,770

Note: The fees charged above are only applicable to registration of a private company with standard Articles of Association. In any case that the client wishes to alter the terms of the Articles of Association, extra fees will be charged.

For a more detailed quotation of fees charged by Kaizen, [please download our incorporation packages from our website.](#)

4. A Final Word

There are many professional agents in Hong Kong, including corporate services agents, public accounting firms and law firms, offering company registration services. Normally, those agents will charge a service fee from HKD3,000 to HKD15,000 for their services. It should be noted, however, that some bigger professional firms could charge as high as HKD30,000 or even higher for their registration services.

Of course, the amount of costs for registration should not be the only consideration. It is advised that the founder should take into consideration the quality of services into consideration when he is choosing a professional agent for the registration.

If the first shareholder appoints anyone other than himself to act as director of the intended company, he should obtain a written consent from that person and at the same time obtain from that person a copy of his passport or identification card and a copy of residential address proof.

It should be noted that since 3 March 2014, all companies registered in Hong Kong should appoint at least one natural person to act as its director. However, there is no restrictions on the nationality of the director.

(3) Amount of Capital

At the same time, the founder should determine the amount of capital and the number of shares to be issued to the first shareholder. Since 3 March 2014, there will not par value attached to shares. The Articles of Association (AA) should only state the number of shares and the amount of capital. The founder should contribute whatever amount stated in the AA immediately after the company is registered.

The Companies Ordinance does not impose any restrictions on the minimum and maximum amounts of capital. It is the sole discretion of the founder to determine the amount of capital for the company. When determining the amount of capital, however, the founder should take into consideration the need of the operation of the company and also if extra licence is required for the intended business activity. Some business activities are regulated and laws and regulations regulating that particular business activity may have special requirements in respect of the amount of capital.

(4) Company Secretary and Registered Office Address

The founder should also decide the company secretary and address of the registered office before registration.

If there be two or more directors, one of the director could also act as company secretary. However, if the founder will be the sole director of the intended company, the founder should appoint another person to act as company secretary. A written consent to act as secretary should be obtained. If the founder could not find an appropriate person to act as company secretary, he can engage the service of a professional firm, like Kaizen. Most professional firms offer nominee company secretary service with a fixed annual fee. For example, Kaizen can provide a local Hong Kong resident or a local Hong Kong company to act as company secretary for a fee of USD360 per annum.

In respect of the address of the registered office, it should be located in Hong Kong. There is no particular limitation on the registered office except that postal box number cannot be used as registered office of a Hong Kong company. If the founder does not plan to lease a physical office, he can utilize the service of a professional firm. For example, Kaizen can provide the registered office for a fixed fee of USD240 per annum.

(5) Name Availability Search

After steps (1) to (4) stated above are taken, the founder can then proceed to perform the name search to see if the proposed name is available for registration. If the proposed name is not available, the founder will need to create another and perform the search again. Should the proposed name is available for registration, founder then proceed to prepare the registration documents.

(6) Preparation of Registration Documents

This step involves the preparation of registration documents, including mainly the Articles of Association and Company Registration Form.

(7) Submission of Registration Documents

Now the founder submits the registration documents to the Companies Registry for registration. At the same time, the founder should pay the company registration official filing fee and business registration fee.

(8) Issue of Certificate of Incorporation and Business Registration Certificate

Upon receipt of the registration documents, the Companies Registry (CR) will review those documents and make sure the documents are prepared in accordance with the prevailing laws and regulations. If the CR finds the documents in good order, it will issue the Certificate of Incorporation. At this point of time, the company is considered to be officially in legal existence. At the same time, the business registration office will also issue the Business Registration Certificate.

(9) Company Chop and Printing of Articles of Association

Now that the company is officially incorporated, the founder should move to engage a service provider to make the company chop and print the Articles of Association.

(10) Holding of First Board Meeting

Finally, the board holds its first meeting and carry out certain regulatory businesses, such as issue of share certificate, authorizing the updating of statutory registered and etc.

3. Registration Time

In any case that the shareholder and director of the intended company are natural person, the whole registration process could be completed in one day. In other words, the founder can receive the Certificate of Incorporation and Business Registration Certificate in the same day of submission and commences its business.

If either the shareholder or director or both is a corporation, then it normally takes up to 5 days to complete the registration process.

4. Business Licence and Permits

The Certificate of Incorporation and Business Registration Certificate merely indicates that the company is officially registered in Hong Kong. It does not indicate that the company can engage in all types of business activities. Some of the business activities, such as restaurant, insurance or insurance broker or financial services, require extra business licence or permits from their respective regulatory bodies. When a company intends to engage in those regulated business activities, it should apply for and obtain relevant licence or permit before it can commence its business.

5. How Kaizen Can Help

Kaizen is a group of companies with its headquarter situated in Hong Kong and offices in Shenzhen, Shanghai, Beijing and Singapore. Its member companies consist of public accounting firm licenced in Hong Kong, corporate services company and intellectual property service company.

Kaizen's member companies in Hong Kong offer company incorporation, accounting and book-keeping, auditing and taxation services. In respect of company incorporation, Kaizen can provide company secretary and registered office address as required by the Companies Ordinance and can handle the whole registration process.