

Government welcomes passage of Companies (Amendment) Bill 2024

The Government welcomes the Legislative Council's passage of the Companies (Amendment) Bill 2024 today (January 8) to enable listed companies incorporated in Hong Kong to hold shares bought back in the treasury and dispose of them under certain restrictions, and promote paperless corporate communication for both listed and unlisted Hong Kong companies.

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, said, "The two measures will help enhance the competitiveness of Hong Kong as an international business and financial centre. Establishing a treasury share regime that is in line with international practice would allow listed companies, including Hong Kong incorporated companies, to hold bought-back shares and sell or transfer treasury shares, providing more flexibility to listed companies to manage their capital. On the other hand, the proposed implied consent mechanism serves to promote paperless corporate communication, thereby enhancing the cost-effectiveness and operational efficiency of companies."

The Amendment Ordinance will be published in the Gazette on January 17, 2025. To allow sufficient time for companies to make preparations, the new arrangements will come into effect three months after the Amendment Ordinance is published in the Gazette.