



Doing Business in Hong Kong

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Hong Kong: Overview

Hong Kong is a Special Administrative Region of China. Its geographical location is one of its main advantages for its shipping industries as well as making it a hub for financial services and tourism. Nearly half of the World's population, including: Mainland China, Japan, Korea, and West Australia, is within a five hour flight away from Hong Kong. Hong Kong is also home to world-class transport and logistics infrastructure. This includes a first-class railway system, the world's busiest cargo airport as well as one of the world's busiest container ports.



GDP	\$309.9 Billion (USD)
GDP Per Capita	\$56,700 (USD)
Imports	\$524.3 Billion (USD)
Exports	\$499.4 Billion (USD)
Average Salary	\$23,294 (USD/Year)
Unemployment Rate	2.9%
Labour Force	3.883 Million

Source: CIA World Facebook, July 2016

Hong Kong Business Climate and History

In 1842, the port of Hong Kong was ceded to the British as part of the Treaty of Nanking. During this time period, Hong Kong's main industries were shipping, banking as well as merchant companies. However, industries began to diversify to meet the growing needs of the local inhabitants. These growing industries included, retail and commercial services, but also shipbuilding and maintenance due to the presence of the British Navy stationed at the port. In keeping up with the needs of the inhabitants of the port city, there was an industrial expansion that took place in the 19th century. The main industries that took place were: sugar refining, cement manufacturing, ice factories, as well as smaller-scale workshop manufacturers. Thus began the industrial and manufacturing section of Hong Kong's history. Between the fall of the dynastic system in 1911, and the effects of WWII, Hong Kong was deeply affected by the economic difficulties in Mainland China. After WWII, Hong Kong also suffered from poor foreign trade relations as well as poor trade with Mainland China. However, one positive that came from the economic troubles of the mainland is that investors began to pull their money out of Shanghai and other such hubs and move it to the relatively safer and more stable British colonial port of Hong Kong.

Beginning in 1945, an influx of refugees and entrepreneurs escaping the mainland civil uncertainty accelerated the industrialization of Hong Kong. These immigrants created many different industries within Hong Kong, for example, immigrants from Shanghai created the cotton spinning industry in Hong Kong. The main industry that was founded in Hong Kong during this time period was the textile industry due to the influence of Mainland Chinese.

In 1949, with the formation of the People's Republic of China ("PRC"), China began the process of isolation from the international economy. This was in part because of ideological reasons due to its communist nature, as well as embargos from the United States as well as the United Nations. During this time period, Hong Kong was an important connection between Mainland China and the rest of the World, in terms of its role as a financial hub. Also, by importing food and water from China, Hong Kong provided a source of international revenue to the Mainland.

Hong Kong's economic development proved unusual across various sectors in the economy. First, industries grew through collections of smaller and medium sized companies in contrast to consolidation. In 1955, 91% of manufacturing establishments employed fewer than one hundred workers and that number had only increased to 96% in 1975. Secondly, the economic development is odd, because, until the late 1960s, the government did not engage in active industrial planning. This lack of industrial planning was in part because of the government's spending on providing housing accommodations for the large influx of immigrants coming from Mainland China.



Hong Kong Business Climate and History

Another reason as to why Hong Kong might not have been actively engaged in industrial planning could be for the ideological reason that they sympathised with free market forces.

Finally, there is a belief that the Hong Kong government practiced a *laissez-faire* style of governing during its industrial expansion, which isn't entirely true. During this time period, the government was spending money on programs that built public housing, dealt with land reclamation as well as infrastructure investment. Although these were not direct investments in the planning of the industrial sector, the Hong Kong government provided somewhat of an indirect subsidy to the industry as well as provided employment. Similarly, the low cost of living allowed Hong Kong to keep its advantages for low cost manufacturing.

Hong Kong's industrial economy was founded in the 1950s with the textile sector, before gradually diversifying in the 1960s to include: clothing, electronics, plastics as well as other labour intensive production.

Hong Kong began its process of reintegration with China in 1978 with the start of Deng Xiaoping's "Open Door Policy". This policy was one where China re-opened its economy to doing business with the West, which included reintegration with Hong Kong. This allowed Hong Kong to regain its position as the main provider of commercial and financial services to China. Between the years 1978 and 1997 the average rate of growth of trade between Hong Kong and the PRC was 28% year on year.

This period of reintegration also marks an important transition in the Hong Kong economy, from a manufacturing economy to a service oriented economy. Once the Mainland re-opened its doors to foreign business, Hong Kong manufacturers began to move labour intensive activities to Mainland China, where labour was cheaper, and refocused its domestic labour force on its service industries. Manufacturing jobs continued to move out of the colony in the 80s and 90s and there was a major surge in service sector jobs. For the most part this industrial change took place without compromising growth rates or with large amounts of unemployment. The average rate of unemployment from 1982 to 1997 was 2.5%. The value of manufacturing as a sector for an economy peaked around 1992, whereas commercial and financial services still appeared prosperous after this time period, indicating that Hong Kong's change in industries came around the right time. Data from 1981 to 2000 indicates that the percentage of the people employed in the service sector of the Hong Kong increased from 52% of the labour force to 80%, while those employed in the manufacturing sector decreased simultaneously from 39% to 10%. During this time period the switch from manufacturing to service helped strengthen their economy and allowed them to become the financial and professional services hub that they are today.

Hong Kong returned to Chinese rule in 1997, although it remained both monetarily and economically separate from the mainland as well as having special exchange and trade controls in place to maintain their sovereignty. Unlike many countries in the Asian region, Hong Kong and Mainland China had their currency pegged to the US dollar and therefore, their currencies were not really undervalued during the Asian Financial Crisis. Hong Kong was ceded to Mainland China under the terms of a "One Country-Two Systems" policy, which was what allowed Hong Kong to remain economically independent of Mainland China post integration. That brings us to present day Hong Kong which still operates under the same one country-two systems policy and is economically and monetarily independent from Mainland China.

Hong Kong's Key Industries

Present-day Hong Kong has four key industries that are essential to its thriving service driven economy and are as follows: financial services, trading and logistics, tourism, as well as producer and professional services. As previously mentioned in this guide, between the 1980s and 1990s Hong Kong's economy shifted from being driven by manufacturing, to being made up of a majority of service sector jobs. These four key industries make up a major part of the Hong Kong economy and they are very important to building strong international ties.

Two of Hong Kong's oldest industries that are still at the heart of its international activity is Financial Services and Banking. When Hong Kong was first ceded to the British in 1842, it quickly became a hub for international finance given its geographical location it makes it a place where the East meets the West. Financial Services is key industry and will help provide them with the advantages that are necessary to stay afloat in the international economy. Hong Kong has had a long history of being a hub for financial activities and banking, and was once the only international outlet for Mainland China. When China reopened its doors to the West in 1978, Hong Kong was able to move many of its labourious manufacturing jobs to the Mainland while simultaneously focusing its resources on building up its service industries, which included its financial sector. Its modern day financial sector includes: banking, insurance, stock brokerage and fund management. In 2013, this sector of the economy accounted for 16% of Hong Kong's GDP and for employing 12.5% of its labour force. These statistics show just how expansive and influential this particular sector is to the Hong Kong economy. In recognizing this global hub, 71 of the world's top 100 banks have an established presence there. Hong Kong has really expanded its reach from being a financial hub in Southeast Asia, to connecting the whole world and routing its finances using its many services.

The second key industry that is key to Hong Kong's economy is trading and logistics. This covers everything from import/export trade, wholesale trade, freight transport, freight forwarding, storage, as well as postal and courier services. Hong Kong's is located within a five-hour plane ride from just around half the world's population including: Mainland China, Japan, Korea as well as West Australia. This makes being able to ship and transfer goods efficiently of great importance. Effective logistics services contribute to productivity growth, as a shortened delivery time results in lower inventory levels and savings on costs. Its location at the heart of Southeast Asia makes it not only an excellent regional hub, but an international one as well. According to the World Trade report in 2013, Hong Kong was the 9th largest merchandise trading entity in the world, making it an ideal place for companies with an interest in logistics businesses as well as freight moving services to converge. Hong Kong's investment in its infrastructure is also what contributes to the efficiency of the logistics business. In addition to their world-class infrastructure, Hong Kong is also home to the world's busiest cargo airport as well as one of the world's busiest container ports. Hong Kong is able to maintain its advantage in its infrastructure and processing due to a heavy set of Intellectual Property ("IP") protections. Another advantage that helps Hong Kong maintain its efficiency in logistics and trade is that there are round the clock border crossings as well as one stop customs inspections between Hong Kong and Mainland China, which add to the efficiency of the transport of goods. The high efficiency of Hong Kong's logistics system as well as the expanding demand for the foreign consumer market of Mainland China makes Hong Kong an excellent place for companies involved in trade and logistics to invest and bring their business because it is blossoming with growth opportunities.

Hong Kong's Key Industries

The third key industry is Tourism, including both inbound and outbound tourism. Mainlanders as well as others from Southeast Asia make up the majority of the tourists entering Hong Kong, but it is drawing a more international crowd in more recent years. Hong Kong also offers visa-free entries to visitors from over 170 countries making it an incredibly easy travel destination for tourists. Hong Kong also has a unique hold of a market of tourists who travel there for: meetings, incentives, conventions and exhibitions ("MICE"). In 2014, tourism in the MICE sector accounted for a total of 1.82 million visitors, showing the opportunity for growth in this market. Hong Kong has very good relations with a majority of the world and that in part is what allows the tourism industry of Hong Kong to flourish.

Finally, the fourth key industry in the Hong Kong economy is professional and other producer services. This can include many services such as market research testing, client management as well as professional legal and consulting services. Hong Kong offers world-class testing and quality certification with the highest levels of credibility when it comes to industrial testing which is a standard that is sought after throughout the world. It is to be noted that Hong Kong industrial testing is of world-class efficiency as well as a highly credible source of information. When more manufacturing job move over to Mainland China and away from Hong Kong, the services industry began to flourish including professional services as well as financial. This has really allowed Hong Kong to develop and become a world player in the field of business as well as finance and makes it a great opportunity for investing and business ventures.

Investing in Hong Kong

Hong Kong, the Special Administrative Region (SAR) of China, is the leading trade partner and gateway of business for Mainland China in terms of exports and as a service region. Hong Kong has long served as the link between China and the world, conveying trade and investment flow both ways. Their close proximity and strong banking and financial services have expanded over the years into China's market, thus improving the economy and attracting business from all over the world for trade and investing purposes.

Thousands of international entities have decided to make Hong Kong an investment destination in its own right for the following benefits and reasons:

Low Taxes

Hong Kong taxes are among the lowest tax rates in the world and are very simple and probable. The profits tax rate is the same for foreign and local companies, at a low 17.5%. They do not have capital gains tax, dividends tax, estate tax, withholding tax or tax on interest (VAT).

Hong Kong only imposes on three direct taxes: profits tax at 16.5%, salaries tax at a maximum 15% and property tax at 15%. Filing taxes are easy and straightforward, while submitting taxes is very simple and cost effective. Since people are able to submit them online, it not only benefits the environment but also creates a simple tax regime.

Corruption-Free Government

Hong Kong, a self-governing part of China, consists of an organized and clean government. Along with its political stability, they ensure that companies are able to freely pursue interests without a concern for corruption.

Investing in Hong Kong

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As of 1974, the Independent Commission Against Corruption (ICAC) embraced tactics toward law enforcement, prevention and community education to combat corruption in Hong Kong.

Flexible/Free Economy

The Heritage Foundation ranked Hong Kong 1st as the freest economy in the world with its highly competitive regulatory, tax and spending policies. Hong Kong has a free market economy and highly depends on trade and finance. Hong Kong's economic integration with the Mainland continues to be most evident in the banking and finance sector. Initiatives like the Hong Kong-Shanghai Stock Connect, the Mutual Recognition of Funds, and The Hong Kong Shanghai Gold Connect are all important steps towards opening up the Mainland's capital markets and has reinforced Hong Kong's leading role as China's offshore RMB market.

Skilled Workforce

Hong Kong ranks among the very best in the world in terms of management experience in international business. As of 2015, despite its small size, Hong Kong has also ranked the 8th largest trading entity in the world. During the period of 2005 to 2015, the Gross Domestic Product (GDP) grew at an average annual rate of 3.4% in real terms, to \$2,246.4 billion [in chained (2013) dollars] in 2015. Per capita GDP at current market prices reached \$328,854 (US\$42,422).

International Lifestyle

Hong Kong is a diverse and vivacious city that welcomes numerous foreigners from countries all over the world. Known as Asia's cosmopolitan city, Hong Kong is bilingual with two official languages, English and Chinese. Not only does it make it simpler for foreigners to get around, but is also a great advantage for people to conduct international and local business at ease. The national chambers of commerce in Hong Kong also help companies feel at home through advocacy, knowledge-based events, networking, and a variety of business documentation services for their benefit and contentment.



Hong Kong: An Investment Platform for Mainland China

Investment Aid

Hong Kong's government encourages foreign investments, including projects that are aimed to introduce new or improved products and services on the territory, thus they make it easier to establish a company in China, providing sufficient support and reduced time. Hong Kong invested Mainland companies are considered foreign invested companies, where the amount of time to set up a Hong Kong company in Mainland China would be quicker than to set up in the United States. Invest Hong Kong is the agency for International investment promotion and provides plenty of information regarding setting up foreign investments.

Legal Benefits

Hong Kong has a stable and accessible legal system, allowing many investors to have their contracts governed by Hong Kong law and courts to avoid disputes. The HK legal system is based on the English Common law, written in English and is supported by an independent judiciary. Legal protection is also offered to intellectual property ("IP") and is more enforced and extensive than Mainland China. Businesses that decide to use the Hong Kong courts may have more confidence that judgments will be upheld in China.

Protection

A private limited company is the most common type of entity to be registered in Hong Kong, which has limited liability and independent legal personality. These entities are governed by the Hong Kong Company Ordinance and can be set up by both foreigners and locals residents. A private limited company could be used as a parent to the Chinese foreign investment enterprise and to structure other investments into the region. As a holding company of the Chinese investment, this structure may offer foreign investors more protections than a direct shareholding in a Chinese company.

Hong Kong's Tax System

Introduction

The history of Hong Kong is rather in depth and can be complicated to understand. But in short, 1997 the sovereignty of Hong Kong was transferred from the United Kingdom to the People's Republic of China where they became a Special Administrative Region. Under Article 108 of the Basic Law of Hong Kong, the People's Republic of China tax system is not applicable in Hong Kong and under Article 106 Hong Kong owes no tax revenue to the Central Government. The Inland Revenue Department (IRD) is responsible for handling taxes and duties in Hong Kong.

Hong Kong has one of the most simple and stable tax policies. Because of this it has become a popular destination for Foreign Direct Investment enabling companies to enter the Chinese market places. There are only four direct taxes imposed, shown in the chart below, which allow for the simplicity, but also the transparency from the Hong Kong Government.

Profits Tax

In Hong Kong, all profits generated outside of its territory and any capital gains are not taxable. With this in mind the profits tax is applicable to corporations, partnerships, trustees, or sole proprietor's income made from business occurring in Hong Kong. The tax rate is 15% for individuals and 16.5% for corporations.

Hong Kong's Tax System

In order to help companies accurately determine where the profit was accrued the IRD has broken up profits into different types.

Type of Profits	Determining if Taxable or Not
Trading Profit	Where sales and purchase contracts are effected
Manufacturing Profit	If in Hong Kong then fully taxable. If Hong Kong company in mainland China then depends if it is contract processing or import processing
Rental Income / Sale of Immovable Properties	Location of properties
Service Income	Where services were performed

Salaries Tax

This tax is another income tax imposed of any office, employment, and pension operating in Hong Kong. Office refers to the director of a company's office is in Hong Kong thus making them eligible for a Director's fee as well. Employment in Hong Kong is taxable unless the person is visiting, in which the sixty-day rule applies and they become tax exempt. Pensions are taxable if managed in Hong Kong.

Again, the rule that income not made in Hong Kong is not taxable still applies. Because of this it is important for companies and individuals to be mindful of where the income is derived from and the nature of the employment contract. Below is a chart showing the Salaries Tax applicable rates.

Net Chargeable Income	Progressive Rate	Net Total Income at Standard Rate
First \$40,000	2%	15%
Next \$40,000	7%	15%
Next \$40,000	12%	15%
Remainder	12%	15%

Property Tax

These taxes are very straight forward and fairly insignificant, accounting for a few of Hong Kong's Government revenue. The tax rate is 15% and it is based off the net assessable value of the property. The net assessable value is calculated by taking the assessable value less and deductions.

Hong Kong's Government also laid out what assessable value includes beyond just the value of the property. Starting simply, the amount of rent paid to the owner during the tax year is the assessable value and subject to the 15% tax. Another area this taxable are items such as rental deposits. The amount of the deposit is spread out over the length of the persons stay up to 36 month. There are some deductions that can be claimed such as irrecoverable rental income and a 20% allowance of the assessable value for the repair expenses of the property.

Hong Kong's Tax System

Stamp Duty

A stamp duty is a tax on documents. The Hong Kong Government has broken down the stamp duty on legal binding documents into

Head 1	All sale or lease transactions of immovable property in Hong Kong. Need an agreement for the sale and purchase as well as a Deed of Conveyance.
Head 2	Buying or selling Hong Kong stock needs Contract Notes and Instrument of Transfers.
Head 3	Hong Kong bearer instruments.
Head 4	If any of the above documents have multiple parts of possible duplicates.

The tax rate on the sale of land is progressive and ranges from 1.5% to 8.5%

Taxes Not Levied

There are also some common taxes in other countries that are not levied in Hong Kong:

- Sales Tax or VAT
- Withholding Tax
- Capital Gains Tax
- Tax on Dividends
- Estate Tax



The New Hong Kong Companies Ordinance (March 2014)

The New Companies Ordinance (“NCO”) of Hong Kong seeks to reform and restructure business company law, which has not been majorly re-hauled for 20 years. This legislation has been under construction since 2006 and according to Professor K C Chan (Secretary for Financial Services and the Treasury) it will provide a “modernised framework for the operation and incorporation of companies in Hong Kong and enhance competition.”

The NCO covers all the areas regulated under the old Ordinance (Cap. 32), except the disqualification of directors, prospectus regime and the winding-up of insolvency provisions. Much of the NCO legislation concerns reform and modernisation of the legal framework. However the NCO also contains a number of measures that will radically change the business community in Hong Kong.

Out-dated and unnecessary business procedures have been addressed in the NCO, which is in part, a creation of public consultations and discussions. The main NCO procedures that will modernise and facilitate business are below:

Abolition of Memorandum of Association

Companies will no longer be required to have a memorandum of association, instead an article of association will now suffice.

Abolition of Annual General Meetings

Companies will now have the option of dispensing with AGMs, subject to unanimous shareholders’ consent.

Abolition of Par Value shares

It is now no longer a requirement for companies to have to authorise capital or give their shares a par value.

Court Free Procedures

Companies will now be able to partake in a court free system for amalgamations of wholly owned companies.

Similarly a company may now reduce its share capital without going to court, subject to members’ approval and the provision of a solvency statement.

Simplified Reporting

Certain companies, which meet new specified size criteria, are now permitted to provide simplified financial statements.

Electronic Adjustment

Companies now have the option of completing deals electronically, with no need of a seal. Furthermore companies are now permitted to hold their GMs in multiple locations with the assistance of technology.

The NCO does not only concern reform, but contains landmark legislation that will directly challenge the current balance of power in companies in HK. Greater accountability and expectations are bestowed on directors, while shareholders are bequeathed more control and influence. The rights of the auditors are also strengthened by the NCO.

The New Hong Kong Companies Ordinance (March 2014)

For Directors the main changes are:

The requirement that every private company have at least one director who is a natural person.

Clarification in the statute of directors' duty of care, skill and diligence so as to provide clearer guidance for directors.

Public companies and the larger private companies (that do not qualify for simplified reporting) now need to prepare a more comprehensive directors' report, which includes an analytical and forward-looking "business review," although private companies are allowed to opt out by special resolution.

The NCO also has created more effective rules to deal with directors' conflicts of interests.

For Shareholders the main changes are:

Reduced threshold requirement for members to demand a poll from 10% to 5% of total voting rights.

Requiring disinterested shareholders' approval in cases where shareholders' approval is required for transactions of public companies and their subsidiaries.

Extending the scope of unfair prejudice for shareholders.

Auditors are now empowered to obtain information and explanations from:

Any person holding or accountable for any accounting records of a company.

Any past or present officer of the company at a time to which the relevant case relates.

Any such person in a company's Hong Kong and subsidiary undertakings.

Better regulation will also be ensured by means of the accuracy of information on the public register which will now be more stringently policed. Furthermore the NCO has a reformed registration of charges scheme.

NCO In Summary

On the whole, the introduction of the NCO has been seen as a positive step for Hong Kong and its economy, which will retain its no 1 world position for trade freedom. However, although most of the new legislation is simple to understand, some of the new laws are more open to interpretation and so it will be interesting to see how different businesses apply these new laws.

The NCO came into effect on 3rd March, but a 6 month grace period for businesses to meet the new requirements has been given. A dedicated thematic section on the NCO has been set up on the Registry's website for more specific information.

Furthermore, for enquiries, a dedicated hotline has been set up (31422822) which is open from Monday to Saturday 9:00 a.m. to 8:00 p.m.

Email enquiries can be sent to cr.nco@cr.gov.hk.

General Tips for Business Travellers to Hong Kong

Doing Business:

Greetings: A typical greeting in Hong Kong is a firm handshake followed by the exchanging business cards. Business cards are an important part of business culture in Hong Kong. You will often see them exchanged at alarmingly fast rates as well as between everyone. Tips regarding business cards in Hong Kong include the following:

- When handing your business card to someone, make sure to use two hands and have the side you want them to read facing them, so when they receive it, they just have to hold it up and examine it.
- When receiving a business card, make sure you take the time to look it over, rather than immediately putting it away, that is considered rude.
- Make sure you come prepared with plenty of business cards, they are exchanged quickly, and failing to give one to a person you are meeting could mean a number of things: that you don't think very highly of your status and are therefore unwilling to give your card to them, you don't care to make their acquaintance or you don't care about their status and which to not introduce yourself to them.

Cultural and Business Norms

Complying with proper business and cultural etiquette in Hong Kong is important, as it builds relationships and makes communication easier and effective. The handshake is commonly used when meeting and greeting people in Hong Kong. During greetings, the Hong Kong Chinese tend to lower their eyes as a sign of respect. At large functions, you may introduce yourself to guests, but at smaller functions, it is polite for the host or hostess to introduce you to others. It is appropriate to address the person by their honorific title and their surname. However, some Chinese adopt more western names and may prefer for you to call them by that name instead.

It is essential that you maintain relationships with business people in Hong Kong. Hong Kong Chinese take a long-term view on business relationships and are very much interested in people from other countries. Your colleagues want to know you well enough to sustain the relationship and to also feel comfortable working with you. Communication is key and Hong Kong Chinese are direct communicators, but sometimes make use of non-verbal communication. Standing up and giving direct attention as key people enter the room, even if there are communication or language barriers, are considered respectable in Hong Kong business culture.

The exchange of business cards with Chinese are usually made after the initial introduction or handshake. It is important to have one side of your business card translated into Chinese for easy interpretation. You should always hand your business card using both hands and face upward to the recipient. Once you receive a business card you should always examine it first before immediately putting it away. Treating someone else's business card with respect is very important, as they should always be maintained in an immaculate condition, as well as your own.

Essential Cantonese Phrases

While English is commonly spoken both in Hong Kong society and business contexts, the following are some useful phrases to help you navigate your trip to Hong Kong and make a positive impression:

English Phrase	Cantonese Phrase
Hello	你好 (néih hóu)
Goodbye	再見 (joigin)
Good Morning	早晨 (jóusàhn)
Service Income	早抖 (jótáu)
How are you?	你好嗎? (néih hóu ma)
I'm fine, and you?	我幾好, 你呢? (ngóh géi hóu, néih nē)
Nice to meet you!	好開心認識你 (hóu hòisám yihngsīk néih) 好開心見到你 (hóu hòisám gindóu néih) 好高興認識你 (hóu gòuhing yihngsīk néih)
What is your name?	你叫(做)乜野名呀? (néih giu(jouh) mātýéh méng a)
My name is...	我叫做... (ngóh giujouh ...)
I don't understand.	我唔明白 (ngóh m̀h m̀hngbaahk)
Please say that again.	唔該你講多一次㗎? (m̀hgòì néih góng dō yātchi a)
Excuse me.	請問 (chéngmahn) - to get attention 唔該 (m̀hgòì) - to get past 失陪 (sàtpùih) - used when leaving for a while
How much is this?	呢個幾多錢呀? (Nìgo géidō chín a?)
Sorry.	對唔住 (deuim̀hjyuh)
Please.	唔該 (m̀hgòì)
Thank you	多謝 (dòjeh) - for a gift 唔該 (m̀hgòì) - for a service
You're welcome	唔駛 (m̀hsái) 唔駛客氣 (m̀hsái haakhei) 冇問題 (móuh mahntàih)
Do you have an English menu?	你地有冇英文餐牌呀? (néihdeih yáuhmóuh yìngmán chāanpái a?)
Please call a taxi for me?	唔該幫我叫架的士㗎 (m̀hgòì b̀ng ngóh giuga dīksí a)
May I see the bill please?	我可唔可以睇吓賬單呀? (ngóh hóm̀hhóyíh táihá jeungdàan a)
I'll meet you there.	我地喺個度見 (ngóhdeih hái gódouh gin)
Where's the toilet?	廁所喺邊度呀? (chisó hái bīndouh a?) 洗手間喺邊度呀? (sáisáugāan hái bīndouh a?)
Where are you from?	你係邊度人呀? (néih haih bīndouh yàhn a) 你由邊度嚟架? (néih yàuh bīndouh lèih ga) 你係邊國人呀? (néih haih bīngwok yàhn a)
I'm from...	我係...人 (ngóh haih ... yàhn)

Essential Cantonese Phrases

Emergency Numbers:

Emergency (Police, Ambulance, Fire etc.)	999
Police Hotline	+852 2527 7177
Hong Kong Tourism Board Visitor Hotline	+852 2508 1234
Hong Kong International Airport	+852 2181 8888
Hong Kong Immigration Department	+852 2824 6111
Consumer Council	+852 2929 2222
Department of Health	+852 2961 8989
Customs and Excise Department 24 Hour Hotline	+852 2815 7711
Hong Kong Post	+852 2921 2222
Telephone Directory Enquiries	1081

Transportation

Hong Kong's travel and logistics industry is one of the most advanced and efficient in the World. They are known for their train schedule that is so efficient it's like clockwork. However, it is not only their metro system that makes travel in Hong Kong so efficient; they have many other modes of transportation that are of the same caliber.

- Octopus Card: stored-value, multi-use card
 - Used for transportation as well as to pay for things in restaurants, shops, etc.
 - Stored value on card that can be re loaded and used for many aspects of life in Hong Kong
 - Sold Tourist Octopus Card: HKD \$39
 - On-Loan Octopus Card: HKD \$50 deposit
- * Note: a refund handling fee will be charged if the card is returned in less than 90 days
- Mass Transit Railway (MTR)
 - 10 rail lines
 - Operates throughout the whole of Hong Kong
 - Clockwork efficiency

Taxis

Types of Taxis:

Red: Operate throughout most of HK (excludes Tung Chung Road and South Lantau Island)

Green: Only operate in the New Territories

Blue: Only operate on Lantau Island

Tip: the easiest way to hail a cab is to have your hotel call one for you, or wait in a queue at another hotel

Buses

Many buses in HK have air conditioning and are generally comfortable

Fares are based on the distance travelled

Payment methods include exact change when using cash, or an Octopus Card

Trams

One of the more nostalgic methods of transportation in Hong Kong

Each tram ride is a flat \$2.30 charge, no matter the distance travelled

Tip: You enter at the back of the tram and pay at the front when you exit

Transportation

Shopping

Shopping in Hong Kong is a shopaholic's dream, any high end brand in the world you can think of, will be there, while simultaneously enjoying a zero percent sales tax. It is important to be aware of a couple details while shopping in Hong Kong, including the following:

- Quality Tourism Services (QTS) Accredited Merchants
 - Provide clearly labeled prices
 - Display clear product information
 - Ensure superb customer service
- Plastic Bag Charge
 - As of April 1st, 2015, all retail businesses in Hong Kong are required to charge a minimum of \$0.50 for each plastic bag issued to a customer
- Zero Sales Tax

Cantonese Cuisine

Cantonese cuisines, also known as Yue cuisines, are the type of foods that Westerners usually speak of when they refer to Chinese food. It forms the backbone of Hong Kong's home-cooked and takeaway meals. Cantonese foods usually consist of Guangzhou, Chaozhou, and Hakka cuisines. Chaozhou food is normally sweet and mild, with distinct bold flavors. Hakka food is categorized as vegetarian with coarse ingredients. Authentic Cantonese food in Hong Kong, especially Guangzhou food, comprises of several different seafood dishes.

What distinguishes Cantonese cuisines are the lightly cooked vegetables, sweet sauces, and meats. The goal of authentic Cantonese chefs is to preserve the food's original flavor by using many spices and oils to seal in the taste and boldness of the vegetables or meats and ensure that the flavors incorporated are well balanced and not greasy. Besides chicken, pork, and beef, Cantonese cuisines incorporate other meats such as offal (organ meats), chicken feet, duck's tongue, snakes, and snails.

The techniques of cooking Cantonese cuisine include shallow frying, double steaming, braising and deep-frying. Some of the most common ingredients used in Cantonese cuisines include shiitake mushrooms, Chinese cabbage, salted duck eggs, kai-lan, red beans, dried shrimp, hoisin sauce, dried scallops, jujube, and lotus seeds.

Dim Sum, an original Cantonese custom food, consists of popular small-sized food portions that are either pan-fried, deep-fried, baked or steamed and are served in small bamboo steamer baskets or small plates. It is traditional for families to eat dim sum on the weekends. Other famous dishes that you should try in Hong Kong include Sweet and Sour Pork, Wontons, Roast Goose, Wind Sand Chicken, Shrimp and Chicken Balls, Phoenix Talons (Chicken Feet), Steamed Shrimp Dumplings, Fish Balls, Rickshaw Noodles, Fake Shark Fin Soup and Eggplant with Minced Pork. These dishes can be found all over Hong Kong and amongst its islands.

Transportation

Being a world class city, Hong Kong can be regarded as a culinary delight featuring world renowned chefs and adventurous cuisine that blends East and West. There are some tips that could be necessary to know when doing business and dining in Hong Kong.

- Dine at QTS approved restaurants
 - Provide quality food in clean and hygienic premises
 - Provide clear and precise menus with accurate prices
 - Ensure superb customer service
- Tip: Make reservations, especially at popular restaurants
- Beware of Additional Charges
 - In some restaurants, it is common for wait staff to bring things you didn't order (tea, snacks, etc.) to the table and then have them charged to the bill. Make sure you sort this out beforehand with the wait staff to avoid additional charges.
- Seafood
 - Seafood can sometimes be charged by the weight, and the prices charged may vary depending on the season.
 - Check with the wait staff prior to ordering so you know what the charges will be because they do vary so much.
- Service Charge
 - Most restaurants add a 10% service charge to your bill
- Credit Card Payments
 - Most restaurants in Hong Kong accept foreign credit cards and it will generally be marked at the entrance of the establishment, especially if it is QTS accredited
 - Note: check with your home bank or credit card company to see if you will encounter any foreign transaction fees

Other General Information about Hong Kong:

Health and Safety

Smoking:

Smoking is prohibited inside all indoor public places in Hong Kong
Smoking is also not allowed on public transport carriers, or stations
Any person carrying a lit cigarette in a non-designated smoking area is subject to a fine of \$1500

Safety:

Although Hong Kong has police patrolling day and night and boasts itself in its ability to provide safe streets, it would be wise to leave valuables locked in a safe in your hotel room, as well as watch your belongings when in public areas, especially those with a lot of people around.

Electricity and Voltage

Standard: 220 Volts AC, 50Hz
Three-pronged, UK-style plug
Adapters can be bought in convenience stores upon arrival as well

Other General Information about Hong Kong:

Money

Legal tender is the Hong Kong Dollar (HKD) and it is pegged to the US dollar at a rate of around 7.80 HKD to 1 USD

Banknotes: ranges from \$10 - \$1,000

Coins: ranges from 10cent piece - \$10

International cards are generally welcome at many hotels, restaurants, etc.

Tip: HSBC ATMs provide 24-hour cash withdrawal and typically accept international cards (e.g. VISA, Mastercard)

LehmanBrown's Hong Kong Services

At LehmanBrown International Accountants, we offer a variety of services to fit our client's business needs. Within our range of specialist departments across China and Hong Kong, our staff can share their expertise and professional knowledge to help support and guide your business. Below are our core business units and service areas.

Professional Services	Audit & Assurance Valuation Services Corporate Finance Mergers & Acquisitions
Business Services	Company Registration & Maintenance HR Support Services
Outsourcing Services	Financial Management Treasure Management Payroll Services Accounting & Bookkeeping
Taxation Services	Individual Tax Planning (IIT) Company Taxation (CIT)
Special Risk Accounting Management	Internal Controls GAAP, SEC, IFRS Compliance

Any enquiries, please contact LehmanBrown by enquiries@lehmanbrown.com

LehmanBrown International Accountants is a licensed China-focused accounting, taxation and business advisory firm, operating dedicated offices in Beijing, Tianjin, Shanghai, Shenzhen, Guangzhou, Hong Kong and Macau, and with an extensive affiliate network throughout China and in over 100 countries worldwide.



About Us

Founded in 2001, LehmanBrown is a China-focused accounting, taxation and business advisory firm, operating in Beijing, Shanghai, Hong Kong, Macau, Shenzhen, Guangzhou and Tianjin. Our firm also manages an extensive affiliate network, providing service throughout China and reach across the globe.

Combining years of international expertise with practical Chinese experience and knowledge, LehmanBrown offers expert advice and support to both local and international clients. Within the mid - tier, we are regarded as a market leader and our clients enjoy access to a combination of senior and experienced counsellors from both China and abroad.

At LehmanBrown we recognise that you are unique, that you have unique requirements and we are committed to providing individually tailored financial solutions. LehmanBrown is dedicated to providing personalised service by working closely with our clients to understand your individual business needs. This enables us to offer the most up-to-date and expert advice.

关于我们

雷博国际会计成立于 2001 年, 是一家获得许可, 主要从事有关中国范围内会计、税务和财务咨询服务的公司, 在北京、上海、香港、澳门、深圳、广州和天津设有专门办事机构, 正积极在全国范围内建立广泛的联合专业服务网络。

综合多年的国际经验和对中国市场的深刻理解和实践体验, 我们向广大国内外的客户提供高质量的专业服务和意见帮助。在雷博国际会计的服务过程中, 我们作为市场中的佼佼者, 您将得到来自中国本土以及其它国家的高级资深专家热忱的咨询帮助。

我们深刻认识到每一位客户都是独一无二的, 并都有其独特的业务需求。雷博国际会计承诺将根据客户的不同业务需求, 为客户提供个性化的财务解决方案。我们的专业人员将密切与您合作, 以充分了解您独特的业务需求, 从而提供满足您所需要的高时效、高质量的专业服务。

Professional Services

Audit & Assurance External Audit

[China Statutory Audit](#)

US GAAP Audit

IFRS Audit

Hong Kong Statutory Audit

[Internal Audit](#)

Fraud Investigation

Forensic Accounting

[Special Purpose Audit](#)

Foreign Currency Audit

Royalty Audit

Capital Verification Audit

Valuation Services

[Corporate Valuation](#)

Damage Assessment Valuation Intellectual

Property Valuation Asset Valuation

Special Purposes Valuation

Corporate Finance

Debt Restructuring

Acquisition, Disposal & Financing

Mergers & Acquisitions

Transaction Advisory

M&A Divesture

M&A Integration

Financial Due Diligence

Business Services

Company Registration & Maintenance

Cash Flow Management

Chop Custodian Services

Market Entry Advisory

Updating Company Certificates

Annual Inspection & Reporting

Company Secretarial Services

Company Ownership Transferring/Corporate

Restructuring Background/Credit Checking

Company Deregistration & Bankruptcy

HR Support Services

China Visa Services for Expatriates

Social Welfare Structures

Outsourcing Services

Accounting & Bookkeeping

Budgeting & Forecasting Financial Statement

Preparation Head Office Reporting

Financial Management

Interim Financial Management Finance

Manager Function

CFO Function

Treasury Management

Set-up of Bank Account

Payroll Services

Payroll Processing Setup

Expatriate Employees

Local Employees

Secondment & Temping Service

Taxation Services

Individual Tax Planning (IIT)

Tax Immigration & Investment Review

US & Overseas Personal Income Tax Planning
& Filing IIT Tax Payment Facilitation

Application for Individual Income Tax Refund

Expatriate Staff Individual Income Tax Staff

Filing Local Staff Individual Income Tax

Company Taxation (CIT)

[Tax Consulting](#)

Corporate Tax Planning

Business Restructuring

Value Chain Review

Onshore / Offshore Investment

Transfer Pricing

[Tax Compliance](#)

Tax Due Diligence

Tax Deregistration

Negotiation of Tax Penalties

Tax Refund Application

Tax Representatives for Tax Audit

VAT & Customs Duty Clearance

PRC Tax Receipt Verification

VAT Application

VAT & Sales Tax Filing

Corporate Income Tax Reporting

Specialist Accounting & Risk Management

Internal Controls

Systems

Risk Management

Sarbanes - Oxley (SOX 404)

GAAP, SEC & IFRS Compliance

[US GAAP](#)

US GAAP Financial Statement Preparation

US GAAP Conversion

[Other GAAP](#)

GAAP Conversion

Public Company Compliance

Financial Statement Preparation

[IFRS](#)

IFRS Accounting Repackaging

IFRS Financial Statement Preparation

IFRS Public Company Compliance

[SEC](#)

SEC Public Company Compliance

Legal Services

Legal Advisory

[Labour Legal Advisory](#)

Workforce Downsizing Advisory

Labour Tribunal Assistance & Advisory

Labour Law Review & Audits

Review & Preparation of Employment Contracts

[Corporate Legal Advisory](#)

Legal Due Diligence

Corporate Restructuring Advisory

Review & Preparation of Articles of Association (AoA)

Review & Preparation of JV Contracts

Review & Preparation of Repatriation Agreements

[Other Legal Services](#)

Dispute Mediation & Advisory

Trademark & Intellectual Property Advisory

Debt Collection Assistance

Litigation Support

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For further information about how we can add value and support your individual or business needs, please contact us.

如需为个人或企业获取更多的增值服务及业务协助信息，请与我们联系。

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