Closing Down a Solvent Private Company (Hong Kong)

by Hannah C. L. Ha, Johnson Stokes & Master

Status: **Law stated as of 01-Feb-2026** | Jurisdiction: **Asia, Hong Kong - PRC**

This document is published by Practical Law and can be found at: **uk.practicallaw.thomsonreuters.com/w-048-9271**
Request a free trial and demonstration at: **uk.practicallaw.thomsonreuters.com/about/freetrial**

A Practice Note explaining the processes to voluntarily close down a solvent private company limited by shares in Hong Kong. This Note outlines the two main voluntary procedures: deregistration and voluntary winding-up. It provides detailed guidance on the requirements and steps for each option, including the simpler deregistration process under the Companies Ordinance (Cap 622) (CO) for defunct companies, and the more formal voluntary winding-up procedures governed by the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (C(WUMP)O). The resource explores the distinctions between members', creditors', and directors' voluntary winding-up, covering key aspects such as the appointment and powers of a liquidator, statutory filing obligations, and post-dissolution issues like reinstatement. This Practice Note also features a comparison to help users determine the most suitable approach for their specific circumstances, whether it be deregistration or winding-up.

Multinational groups may find themselves with local subsidiaries in various jurisdictions that are technically solvent but no longer useful and, as a result, may want to close down the local subsidiary.

This Practice Note explains the processes to voluntarily close down a solvent private company limited by shares in Hong Kong.

For an overview of the main characteristics of a private company limited by shares, see Practice Note, Main Characteristics of a Private Company Limited by Shares (Hong Kong).

Overview of Company Closing Down Procedures in Hong Kong

The procedures to close down a private company limited by shares in Hong Kong include:

- Voluntary processes, such as deregistration and voluntary winding-up.
- Non-voluntary processes, such as court winding-up.

For more information on non-voluntary processes and winding-up on insolvency, see Practice Note, Lending to a Company in Hong Kong: Insolvency Issues for Foreign Lenders: Lenders' Rights in Insolvency.

This Note focuses on the voluntary processes to close down a solvent private company limited by shares. It also includes a comparison to help readers identify which approach is more suitable for their circumstances (see Choosing Between Deregistration and Voluntary Winding-Up).

Reasons for Voluntarily Closing Down a Solvent Private Company Limited by Shares

There are many reasons to voluntarily close down a company under processes triggered by the directors, the members, or the creditors of the company. The following is a non-exhaustive list of reasons:

- The business and assets of a company may have been transferred elsewhere within a group after an acquisition, leaving the company as a mere shell that is not otherwise required.
- The company's business may have been wound up.
- The company may be a subsidiary in a group and is no longer needed following a group restructuring.

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

- The company may have been set up for a purpose that was not pursued.
- A founding member wishes to retire and there is no one with the relevant expertise to continue the business operation.

Processes to Voluntarily Close Down a Solvent Private Company Limited by Shares

Under Hong Kong law, the processes to voluntarily close down a solvent private company limited by shares are:

- **Deregistration.** Deregistration, which is governed by the Companies Ordinance (Cap 622) (CO), is a simple and quick process available to solvent private companies that meet specific statutory criteria. It does not involve the formal realisation of the company's assets or appointment of a liquidator. Once the prescribed conditions are satisfied and the required approval is obtained, the deregistered company is removed from the Companies Register and dissolved. See Deregistration.
- **Voluntary winding-up**. Voluntary winding-up, which is governed by the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (C(WUMP)O), is a more formal procedure that involves realising the company's assets and distributing them to creditors and members according to the priority rules set out in the C(WUMP)O, including statutory preferential payments under section 265 of the C(WUMP)O. After completion of the voluntary winding-up process, the company is dissolved. See Voluntary Winding-Up.

Deregistration

Deregistration is a simplified procedure for dissolving a defunct and solvent private company without the need to go through formal liquidation. It allows a company that has ceased business, has no outstanding liabilities, and meets certain statutory requirements to be removed from the Companies Register. Once deregistered, the company is dissolved and ceases to have a legal personality. Unlike winding-up, deregistration does not involve the realisation or distribution of the company's assets. Any remaining property of the company automatically vests in the government as bona vacantia (that is, property with no legal owner) on deregistration.

Generally, the timeframe for completing deregistration is six to ten months from submission of the application for deregistration.

Types of Companies Excluded from Deregistration

A private company limited by shares can apply for deregistration under section 750 of the CO unless specifically excluded. The following types of companies cannot apply for deregistration:

- A public company.
- An authorised institution as defined by section 2(1) of the Banking Ordinance (Cap 155).
- An insurer as defined by section 2(1) and (2) of the Insurance Ordinance (Cap 41).
- A corporation licensed under Part V of the Securities and Futures Ordinance (Cap 571) (SFO) to carry on a business in any regulated activity as defined in Schedule 1 to the SFO.
- An associated entity, within the meaning of Part VI of the SFO, of a corporation mentioned in the fourth bullet above.
- An approved trustee as defined by section 2(1) of the Mandatory Provident Fund Schemes Ordinance (Cap 485).
- A company registered as a trust company under Part VIII of the Trustee Ordinance (Cap 29).
- A company having a subsidiary that falls within the second to seventh bullets above.
- A company that fell within the second to eighth bullets above at any time during the five years immediately before making the deregistration application.

(Section 749, CO.)

Deregistration Requirements

Who Can Apply

The company, a director, or a member of the company can apply for deregistration of the company (section 750(1), CO). If the applicant is the company itself, a natural person must be nominated to receive notice of the deregistration (section 750(4), CO).

Application Conditions

All the following conditions must be met at the time of the application:

- All members agree to the deregistration (section 750(2)(a), CO).
- The company has not commenced business or has not been in operation for at least three months immediately before the application (section 750(2)(b), CO).

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

- The company has no outstanding liabilities (section 750(2)(c), CO).
- The company is not a party to any legal proceedings (section 750(2)(d), CO).
- The company's assets do not include any immovable property in Hong Kong (section 750(2)(e), CO).
- If the company is a holding company, none of its subsidiaries' assets include any immovable property in Hong Kong (section 750(2)(f), CO).

Property and Rights of Deregistered Companies

Before submitting an application for deregistration, it is critical to ensure that all the company's property and rights are properly dealt with. Once a company is deregistered, any property or rights vested in or held on trust for the company immediately before deregistration automatically vest in the government as bona vacantia (section 752(1), CO). To avoid unintended loss, applicants should transfer or dispose of all property and rights before making the application.

Filing an Application for Deregistration

If a company satisfies all the applicable conditions, an application for deregistration can be made by submitting to the Registrar of Companies (Registrar):

- Form NDR1 Application for Deregistration of Private Company or Company Limited by Guarantee.
- The prescribed fee.
- The Notice of No Objection to a Company Being Deregistered issued by the Commissioner of Inland Revenue, which can be requested by submitting Form IR 1263 to the Inland Revenue Department (IRD).

(Section 750(3), CO.)

When reviewing the application, the Registrar can request further information (section 750(5), CO).

Once the Registrar is satisfied that all conditions are met, a Gazette notice must be published advertising the proposed deregistration, specifying that unless an objection to the deregistration is received within three months from the date of publication of the Gazette notice, the Registrar may deregister the company (section 751(1) and (2), CO). If no objection is received after three months, the Registrar must publish another Gazette notice declaring the company to be deregistered on the date of publication of the second Gazette notice (section 751(4), CO).

The company is officially dissolved on deregistration after the Registrar gives notice of deregistration to the applicant or the natural person nominated by the company to receive that notice (section 751(5)(6), CO).

Voluntary Winding-Up

Voluntary winding-up is a formal procedure under the C(WUMP)O that enables a company to close down by realising its assets, settling liabilities, and distributing any surplus to its members.

Unlike deregistration, voluntary winding-up is often used for dissolving a company where the company has a more complex financial position or significant assets that need to be dealt with before dissolution.

There are two main types of voluntary winding-up in Hong Kong:

- **Members' voluntary winding-up**. This is available when the company is solvent and able to pay its debts in full within 12 months from commencement of the winding-up procedure. A certificate of solvency authorised by the directors is required. See Members' Voluntary Winding-Up.
- **Creditors' voluntary winding-up.** This is initiated when the company is facing a potentially insolvent situation or is unable to provide a certificate of solvency. Creditors play a central role in appointing the liquidator and overseeing the process. See Creditors' Voluntary Winding-Up.

In addition, directors' voluntary winding-up is a less common form which allows directors to commence winding-up when the company can no longer continue its business, subject to strict conditions (section 228A, C(WUMP)O) (see Directors' Voluntary Winding-Up).

Compared to deregistration, voluntary winding-up is a lengthier procedure, taking up to 12 months or longer, mainly depending on the complexity and volume of the company's assets and liabilities.

Members' Voluntary Winding-Up

A members' voluntary winding-up requires the following steps:

- A directors' meeting (see Directors' Meeting).
- A members' meeting (see Members' Meeting).
- Filing and notification obligations (see Filing and Notification Obligations).

Directors' Meeting

The directors must authorise the issuance of a certificate of solvency at a directors' meeting (section 233, C(WUMP)O). The certificate of solvency confirms the directors' opinion that, having made a full inquiry into the company's affairs, the company will be able to pay its debts in full within 12 months from commencement of the winding-up procedure. The certificate must be made specifically using Form NW1. The approval threshold depends on the

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

number of directors:

- If the company has two or less directors, all directors must approve the certificate of solvency.
- If the company has more than two directors, a majority of the directors must approve the certificate of solvency.

(Section 233(1), C(WUMP)O.)

If the board of directors has already passed a resolution authorising the certificate of solvency, the directors can issue a certificate of solvency without holding a directors' meeting (section 233(1A), C(WUMP)O).

The certificate of solvency must include a statement of the company's assets and liabilities as at the latest practicable date before the directors issue the certificate (section 233(2)(b), C(WUMP)O).

The certificate of solvency is valid if issued within five weeks immediately preceding the date of the resolution for winding up the company (or on that date but before the resolution is passed) (section 233(2)(a), C(WUMP)O).

Members' Meeting

A general meeting must be held within five weeks from issue of the certificate of solvency (see Directors' Meeting). The members' meeting should have the following agenda:

- **Winding up the company.** Members must approve the proposal to wind up the company voluntarily by special resolution (section 228(1)(b), C(WUMP)O). If the company is being wound up because its articles provide for dissolution after the expiry of a fixed period or the occurrence of a specific event, an ordinary resolution is sufficient (section 228(1)(a), C(WUMP)O).
- **Appointing liquidators.** Member must appoint named liquidators by ordinary resolution (section 235, C(WUMP)O). Neither the CO nor the C(WUMP)O specifies any qualification requirements for a liquidator in a members' voluntary winding-up.
- **Authorising acceptance of non-cash consideration.** Members must, by special resolution, grant the liquidator power to accept shares or similar interests as consideration for the sale of company property (section 237, C(WUMP)O).
- **Approving liquidators' remuneration.** Members must approve the liquidators' remuneration by ordinary resolution (section 235, C(WUMP)O).
- **Authorising liquidators' powers.** Members must, by special resolution, authorise the liquidators to exercise powers listed in Part 1 of Schedule 25 to the C(WUMP)O (section 251(1)(a)(i), C(WUMP)O).
- **Dispensing with accounting records (optional).** If the members consider it unnecessary for the liquidators to keep an account of receipts and payments, members can pass an ordinary resolution dispensing with this requirement (section 255A(2)(a), C(WUMP)O).

The voluntary winding-up process commences when members pass the resolution for voluntary winding-up (section 230, C(WUMP)O). Once the winding-up process has started, the company must cease carrying on its business unless this is required for the benefits of the winding-up process (section 231, C(WUMP)O). Within one month of ceasing business, the company must notify the Business Registration Office of the IRD (section 8(2), Business Registration Ordinance (Cap 310)).

Filing and Notification Obligations

The company must comply with the following filing and notification obligations after passing the members' resolution:

- Filing obligations:
  - file the certificate of solvency with the Registrar within 15 days of the date of the members' resolution (section 233(2)(a), C(WUMP)O and section 622(2), CO); and
  - file a copy of the completed Form NW3 with the Registrar within 15 days of the appointment of the liquidators (section 253(1)(b), C(WUMP)O).
- Notification obligations:
  - publish the resolutions approving the voluntary winding-up in the Gazette within 15 days of the date of the resolution (section 229, C(WUMP)O); and
  - publish the notice of appointment of the liquidator in the Gazette within 15 days of the appointment (section 253(1)(a), C(WUMP)O).

Creditors' Voluntary Winding-Up

A creditors' voluntary winding-up occurs in any of the following circumstances:

- When the members have passed a resolution to wind up the company but the directors did not issue, or did not properly deliver for registration, a certificate of solvency (see Directors' Meeting) (section 233(4), C(WUMP)O).
- When ordered by the court under section 209A of the C(WUMP)O.
- When a members' voluntary winding-up is converted into a creditors' voluntary liquidation (see Conversion of a Members' Voluntary Winding-Up into a Creditors' Voluntary Winding-Up).

Although termed as a creditors' "voluntary" winding-up, this procedure is mostly used when the company is facing a potentially insolvent situation. This Note only discusses the creditors' voluntary winding-up under sections 233(4) and 237B of the C(WUMP)O.

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

Creditors' Meeting

Unless the winding-up is a conversion from a members' voluntary winding-up (see Conversion of a Members' Voluntary Winding-Up into a Creditors' Voluntary Winding-Up), the company must hold a creditors' meeting within 14 days after the members pass the special resolution to voluntarily wind up the company (sections 240(2) and 241(1), C(WUMP)O). The company must send notice of the creditors' meeting by post to all creditors at least seven days before the meeting (section 241(1)(b), C(WUMP)O). The notice must also be published in the Gazette in Chinese and English (section 241(2), C(WUMP)O).

While a board meeting is not required, the directors must:

- Produce a full statement of position of the company's affairs before the creditors' meeting and make a copy available at the meeting (section 241(3)(a), C(WUMP)O).
- Appoint a director to preside the creditors' meeting (section 241(3)(b), C(WUMP)O).

The full statement of position of the company's affairs must include:

- Particulars of the company's assets, debts, and liabilities.
- The names of the company's creditors and the estimated amount of each creditor's claims.
- Details of securities held by each creditor and date on which they were granted.
- Any further information as may be prescribed.

(Section 241(3A), C(WUMP)O).)

Appointment of Liquidator

Unless the creditors' voluntary liquidation is a conversion from a members' voluntary winding-up (section 240(2), C(WUMP)O) (see Conversion of a Members' Voluntary Winding-Up into a Creditors' Voluntary Winding-Up), both the creditors and the company can appoint a liquidator at their respective meetings (section 242, C(WUMP)O). However, until the creditor's meeting is held, the powers of any liquidator appointed by the members are limited. This prevents the members from appointing a liquidator who may not safeguard the creditors' interests.

If the members and creditors have appointed different persons, the person appointed by creditors is the liquidator. If the creditors fail to nominate a liquidator, the person nominated by the members acts as the company's liquidator (section 242, C(WUMP)O).

If required, creditors can appoint a committee of inspection comprising not fewer than three and not more than seven members (section 243, C(WUMP)O).

Generally, the liquidator must keep an account of receipts and payments (section 255A(1), C(WUMP)O). The creditors can dispense with this requirement by passing a resolution or the committee of inspection (if appointed) can determine that it is unnecessary (section 255A(2)(b)(ii), C(WUMP)O).

Conversion of a Members' Voluntary Winding-Up into a Creditors' Voluntary Winding-Up

If a certificate of solvency signed for a members' voluntary winding-up (see Members' Voluntary Winding-Up) fails to show the company's ability to repay its debt in full within 12 months from commencement of the winding-up process, the liquidator has a statutory duty to summon a creditors' meeting (section 237A, C(WUMP)O). In this case, the winding-up converts into a creditors' voluntary winding-up on the date of the creditors' meeting (section 237B(1), C(WUMP)O).

The liquidator must summon the creditors' meeting within 28 days of forming the opinion that the company is unable to pay its debt based on the certificate of solvency (section 237A(1A)(a), C(WUMP)O). The liquidator must send notice of the meeting by post to all creditors at least seven days before the meeting (section 237A(1A)(b), C(WUMP)O). The notice must also be published in the Gazette in Chinese and English (section 237A(1A)(c), C(WUMP)O).

Once the members' voluntary winding-up is converted into a creditors' voluntary winding-up, the rules in Subdivision 5 of the C(WUMP)O apply (except sections 241, 242, and 243A) (section 240(2), C(WUMP)O).

Directors' Voluntary Winding-Up

A company can wind up based on the directors' opinion that the company can no longer continue its business due to its liabilities (section 228A, C(WUMP)O). This is a less common form of voluntary winding-up that can only be used if it is not reasonably practicable to wind up the company through other means.

A winding-up initiated under this provision is treated as a creditors' voluntary winding-up.

Directors' Resolution

The sole director or the majority of directors must pass a resolution specifying that:

- The company can no longer continue its business due to its liabilities (section 228A(1)(a)(i), C(WUMP)O).
- It is necessary to wind up the company under this section as it would not be reasonably practicable to rely on another provisions of the C(WUMP)O (section 228A(1)(a)(ii), C(WUMP)O). The directors must provide reasons to support this (section 228A(2), C(WUMP)O).
- A members' meeting and a creditors' meeting must be summoned within 28 days after delivering the winding-up statement to the Registrar of Companies (section 228A(1)(a)(iii), C(WUMP)O).

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

(Section 228A(1) and 18, C(WUMP)O.)

The directors must submit to the Registrar a winding-up statement in Form NW2 certifying the above matters within seven days of making the statement (section 228A(3)s, C(WUMP)O). The winding-up procedure commences when Form NW2 is delivered (section 228A(5)(a), C(WUMP)O).

Within 15 days of the commencement of the winding-up procedure, the directors must give notice of the following matters in the Gazette:

- Commencement of winding-up by delivery of the winding-up statement to the Registrar, specifying the date of delivery.
- The name and address of the appointed provisional liquidator.

(Section 228A(9), C(WUMP)O.)

Liquidation Phase

During the liquidation phase, the company continues to exist as a separate legal entity. However, its purpose is no longer to carry on business but to liquidate its assets, pay creditors, and distribute any remaining assets to members.

Once the winding-up procedures discussed are complete, the liquidator commences the liquidation process. The liquidator must obtain a tax clearance from the IRD, which can be a lengthy process (usually several months or more). After repaying the creditors and settling all liabilities, the liquidator can distribute any surplus to members as a return of capital.

Powers of Liquidators

A liquidator's primary function is to make arrangements for collecting and realising the company's assets and to distribute the proceeds to the company's creditors.

Liquidators have wide-reaching powers to enable them to fulfil their functions, as set out in the C(WUMP)O (particularly Schedule 25 to the C(WUMP)O). The key powers of a liquidator include:

- Selling company property privately or publicly.
- Executing all deeds, receipts, and other documents in the name and on behalf of the company, and using the company's seal for that purpose.
- Proving, ranking, and claiming in the bankruptcy of any contributory and receiving dividends in respect of any balance as a separate debt.
- Drawing, accepting, making, and endorsing bills of exchange or promissory notes in the name and on behalf of the company.
- Appointing an agent to do any business that the liquidator is unable to do personally.
- Raising money on the security of the company's assets.
- Taking out letters of administration in the liquidator's official name to perform any act necessary to obtain payment from contributories.
- Employing a solicitor to assist with the liquidation.
- Anything else necessary to wind up the company and distribute its assets.

(Part 3, Schedule 25, C(WUMP)O).)

In all cases, liquidators' powers are subject to the control of the court, regardless of how the powers were conferred.

Duties and Liabilities of Liquidators

The liquidator has a fiduciary duty to act honestly, with due care and diligence, and in good faith. They must exercise their powers with reasonable care and skill for their proper purposes only and must not make secret profits.

The court can disqualify a person from being a provisional liquidator or a liquidator without leave of the court in the occurrence of the circumstances set out in Part IVA of the C(WUMP)O (section 168D, C(WUMP)O). The maximum disqualification period depends on the level of court:

- Court of First Instance: up to 15 years.
- District Court: up to ten years.
- Magistrates' Courts: up to five years.

(Section 168E(3)(a), C(WUMP)O.)

A liquidator who breaches their fiduciary duties may be liable for damages.

As an alternative to seeking common law damages or specific performance, any person aggrieved by any act or decision of a liquidator can apply to the court under section 200(5) of the C(WUMP)O. The court can confirm, reverse, or modify the act or decision of the liquidator as it thinks just. However, the court will only interfere with the liquidator's actions in limited circumstances, for example when:

- The applicant shows exceptional behaviour on the part of the liquidator.
- In the course of their administration, the liquidator is called upon to give a ruling or to make a decision that directly affects a party's rights.

(*Allied Ever Holdings Ltd v Li Shu Chung and Others (unreported) [2021] HKCA 577.*)

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

While the court has jurisdiction to order a liquidator to pay costs personally, it will only do so in exceptional cases. Under case law, "impropriety" in the liquidator's conduct is a necessary element to make such an order against a liquidator. The court will not make a costs order against a liquidator merely based on "unreasonableness" without considering whether there has been any impropriety. (Super Speed Ltd (in Liquidation) v Bank of Baroda (unreported) (11 November 2015, HCCW273/2012).)

The liquidator must also comply with their statutory duties in the specific circumstances. Common statutory duties include:

- Calling a general meeting at the end of year if the winding-up procedure takes more than one year (section 238(1), C(WUMP)O).
- Keeping books, in a creditor's voluntary winding-up (rule 159(3), Companies (Winding-up) Rules (Cap 32H)).

Termination and Revocation of the Liquidator's Office

A liquidator's office terminates after the company is officially dissolved.

Before completion of the winding-up, the court can appoint or remove a liquidator for cause in a voluntary winding-up (section 252, C(WUMP)O).

If the liquidator resigns during a members' voluntary winding-up, the company can appoint a replacement at a general meeting (subject to any arrangement with its creditors) (section 236(1), C(WUMP)O). Members can also remove a liquidator by passing a special resolution at a general meeting. The court can remove a liquidator on an application by any creditor or contributory. (Section 235A(1)(2) C(WUMP)O.)

The statutory grounds to replace or appoint a new liquidator are different in a creditors' voluntary winding-up. The liquidator can be removed by a resolution passed by a majority in number and three-fourths in value of the creditors present at the meeting convened to discuss the removal of the liquidator (section 244A(5), C(WUMP)O). On the application of a creditor or contributory, the court can order that the liquidator not to be removed despite a valid resolution (section 244A(6) C(WUMP)O). If the liquidator resigns, the creditors can appoint a replacement.

The company must submit to the Registrar:

- Form NW4, when changing the particulars of a provisional liquidator or liquidator.
- Form NW5, when reporting that the provisional liquidator or liquidator has ceased to act.

(Section 253(2)(b), C(WUMP)O.)

Within 15 days of ceasing to act, the liquidator must publish a notice of this fact in the Gazette (section 253(2)(a), C(WUMP)O).

Powers of the Directors in the Liquidation Phase

In the liquidation phase, the directors' managerial powers are limited because the purpose of the winding-up is to close down the company's business. Directors must do everything necessary to hand over the company to the liquidator.

Following the liquidator's appointment, the powers of the directors cease (sections 228A(15), 235(2), and 244(2), C(WUMP)O), except to the extent that:

- In a members' voluntary winding-up, the company in general meeting (or the liquidator) authorises otherwise (section 235(2), C(WUMP)O).
- In a creditors' voluntary winding-up, the creditors or the committee of inspection (as the case may be) authorise otherwise (section 244(2), C(WUMP)O).
- In a directors' voluntary winding-up, the court authorises otherwise (section 228A(15), C(WUMP)O).

Final Accounts and Distribution Plan

Once the voluntary winding-up is completed, the liquidator must:

- Prepare an account of the winding-up showing how it was conducted and the company's property disposed of.
- Call a general meeting of the company to present and explain the account.
- Publish a notice in the Gazette at least one month before the general meeting, specifying the time, place, and object of the meeting.
- Within one week of the meeting, send to the Registrar a copy of the account and file a return stating that the meeting was held and its date.

(Sections 239 and 248, C(WUMP)O).)

The company is dissolved three months after the Registrar registers the return of meeting.

Post-Dissolution Issues

Deregistration

Continuing Liabilities

While the company is dissolved, the liabilities (if any) of the members, managers, and directors of the company continue and can be enforced as if the company had not been dissolved (section 756, CO).

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

Reinstatement of a Deregistered Company

Any aggrieved director, member, creditor of the deregistered company, or other interested party (including the government) can apply to the court to restore a deregistered company within 20 years of its deregistration (section 765(2)(4), CO). Once reinstated, the company is treated as if it had never been dissolved.

Voluntary Winding-Up

Generally, following a dissolution through voluntary winding-up, the creditors' means to claim payment is limited due to the principle of separate legal personality (see Practice Note, Main Characteristics of a Private Company Limited by Shares (Hong Kong): Separate Legal Personality and Shareholders' Limited Liability). Creditors can bring claims after a company's dissolution by applying for a revocation of the dissolution.

Revocation of Voluntary Winding-up

The court can declare a company's dissolution void and revive a dissolved company (section 290, C(WUMP)O). An application can be made by:

- The liquidator of the company.
- Any person who appears to the court to be interested.

(Section 290(1A), C(WUMP)O.)

Generally, the court's order to void a dissolution must be made within two years of the date of dissolution (section 290(1), C(WUMP)O). However, this period can be extended if the court is satisfied that there are exceptional circumstances justifying the extension (section 290(1A), C(WUMP)O).

The court can make an order to restore a dissolved company if there are legitimate reasons, such as enabling:

- The liquidator to distribute assets that were overlooked before dissolution.
- A creditor to make a claim that was not previously made.

However, the court's power is not limited to these scenarios and extends to any situation where justice requires the restoration.

The effect the court's declaration is to restore the company to its legal position immediately before dissolution. It is not uncommon for the Commissioner of Inland Revenue, as an interested party, to apply for restoration following a members' voluntary liquidation. However, the court retains discretion and will consider all relevant circumstances. The court may refuse an application if restoration would prejudice the dissolved company.

Choosing Between Deregistration and Voluntary Winding-Up

The table below compares the key differences between deregistration and voluntary winding-up for solvent private companies in Hong Kong. This table is designed to help readers identify which process is more suitable for their circumstances.

	Deregistration	Voluntary Winding-Up
Members' Consent	Unanimous agreement of all members required.	Special resolution by members required.
Outstanding Liabilities	No outstanding liabilities are allowed.	Liabilities are allowed. The winding-up process involves settling all the company's debts.
Legal Proceedings	No outstanding legal proceedings are allowed.	The company can be involved in legal proceedings. The liquidator is responsible for managing the claims.
Assets	All assets must be disposed of before applying for deregistration.	The liquidator is responsible for realising and distributing assets to creditors and members.
Duration	Generally six to ten months.	Typically up to 12 months or longer.
Cost	Lower.	Higher.
Reinstatement / Revocation	The court can restore a deregistered company within 20 years of its deregistration.	The court can void a dissolution within two years from the date of dissolution, unless extended by the court in exceptional circumstances.

Reproduced from Practical Law, with the permission of the publishers. For further information visit uk.practicallaw.thomsonreuters.com or call +44 20 7542 6664. Copyright ©Thomson Reuters 2026. All Rights Reserved.

Overall:

- **Deregistration** is more suitable for companies that are truly defunct, have no outstanding liabilities, have ceased business for at least three months, and do not own immovable property in Hong Kong. The process is simpler, faster, and less costly, but strict eligibility criteria apply.
- **Voluntary winding-up** is more appropriate for companies that still have assets to distribute or liabilities to settle. This process provides greater certainty in resolving the company's affairs, especially where there are residual liabilities or more complex group structures. It involves appointing a liquidator, conducting meetings, and fulfilling statutory filing and notification obligations. While voluntary winding-up is normally more time-consuming and costly, it ensures an orderly closure and distribution of assets.

Legal solutions from Thomson Reuters
Thomson Reuters is the world's leading source of news and information for professional markets. Our customers rely on us to deliver the intelligence, technology and expertise they need to find trusted answers. The business has operated in more than 100 countries for more than 100 years. For more information, visit www.thomsonreuters.com

Thomson Reuters™