

Hong Kong companies may hold fully virtual or hybrid general meetings after commencement of the Companies (Amendment) Ordinance 2023 on 28 April 2023

31 March 2023

In brief

The Companies (Amendment) Ordinance 2023 (**'the Amendment Ordinance'**) has been gazetted and will come into operation on 28 April 2023. It seeks to modernise the Companies Ordinance (Cap. 622) (**'CO'**) and the Companies (Model Articles) Notice (Cap. 622H) (**'Model Articles'**) to expressly cater for the scenario of Hong Kong companies holding fully virtual general meetings without the requirement for presence of members at any physical locations, as well as hybrid general meetings (i.e. a mixed mode of virtual and physical meetings).

In detail

At present, the manner of holding of a general meeting is governed by the provisions in the CO and the Model Articles as well as provisions of a company's own articles of association. There is no reference in the CO for a company to hold fully virtual general meetings or hybrid mode of virtual and physical general meetings.

The Amendment Ordinance introduces a new section 583A which sets out the mode of holding general meetings. A company may hold a general meeting –

- at a physical venue (i.e. a physical meeting);
- by using virtual meeting technology (i.e. a fully virtual meeting); or
- both at a physical venue and by using virtual meeting technology (i.e. a hybrid meeting).

When a general meeting of a company is held at two or more physical venues (whether or not also by using the virtual meeting technology specified in the notice of the meeting), the company must use any technology that allows its members who are not together at the same physical venue to listen, speak and vote at the meeting.

Virtual meeting technology to be used for holding fully virtual or hybrid general meetings must allow persons attending the general meetings to listen, speak and vote at the meetings.

The Amendment Ordinance also provides that notice of a general meeting to members or on a website must specify, among other matters, the physical venue of the meeting or the virtual meeting technology to be used for holding the meeting, or both.

A person who attends a general meeting by using the virtual meeting technology specified in the notice of the meeting is to be regarded as being present while so attending.

With the Amendment Ordinance coming into effect, a Hong Kong incorporated company may hold fully virtual or hybrid general meetings unless the company's articles of association expressly prohibits the company from doing so, or requires a general meeting to be held only at a physical venue.

The Amendment Ordinance aims to provide sufficient flexibility for companies to conduct corporate affairs smoothly and effectively having regard to their own circumstances and needs. It does not remove the mode of holding general meetings at a physical venue. Companies should choose the most appropriate mode of general meeting and will need to consider, in addition to convening a valid meeting in accordance with the law and their articles of association, whether a physical general meeting continues to be the most appropriate mode or a fully virtual or hybrid general meeting may promote better engagement and maximise participation by members.

How can PwC help?

In view of the advancement of technology in electronic communication and introduction of amendments to the CO and Model Articles, PwC can offer our updated standard articles of association which provide a clear mechanism for holding physical, hybrid and virtual meetings. In addition, it contains provisions to allow e-communication, electronic and / or digital signing of minutes and resolutions which can facilitate your company to cater for digitisation needs, speed up transaction and document signing process, and reduce administration works.

We can also assist your company in reviewing the existing articles of association to ensure it can take the advantages of the flexibility introduced by the Amendment Ordinance.

The Amendment Ordinance and the relevant publications issued by the Companies Registry can be accessed via these links:

- Companies Registry's Circular on the Amendment Ordinance: [link](#)
- Companies Registry's Guidance note on Holding Virtual or Hybrid General Meeting: [link](#)
- FAQ in relation to the Amendment Ordinance: [link](#)

If our assistance is required, please do not hesitate to contact us.

Let's talk

For a deeper discussion on how this impacts your business, please contact:

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