

Doing Business in China & HK

Ascent Step Finance

CHINA



HONG KONG



Population:
1.4 Billion

Population:
7.4 Million

OPENING A COMPANY- (agent + official fees)
USD 600 to 3,000 / 2 months

OPENING A COMPANY- (agent + official fees)
USD 800 to 4,000 / 2 days

CLOSING A COMPANY-
USD 700 to 5,000 / 4-6 months

CLOSING A COMPANY-
USD 700 to 5,000 / 2 days-2 months

CHINA CREDIT RATING-
S&P A+ / Moody's A1

HONG KONG CREDIT RATING-
S&P AA+ / Moody's Aa3

CHINA



2020 GDP per capita:
USD 10,484

China GDP 2020:
USD 14,722 Billion

GDP Growth 2021:
2020 over 2019: 2.3%
2021 Q1 18.3% and Q2 7.9%

UNEMPLOYMENT RATE:
5.1%

HONG KONG



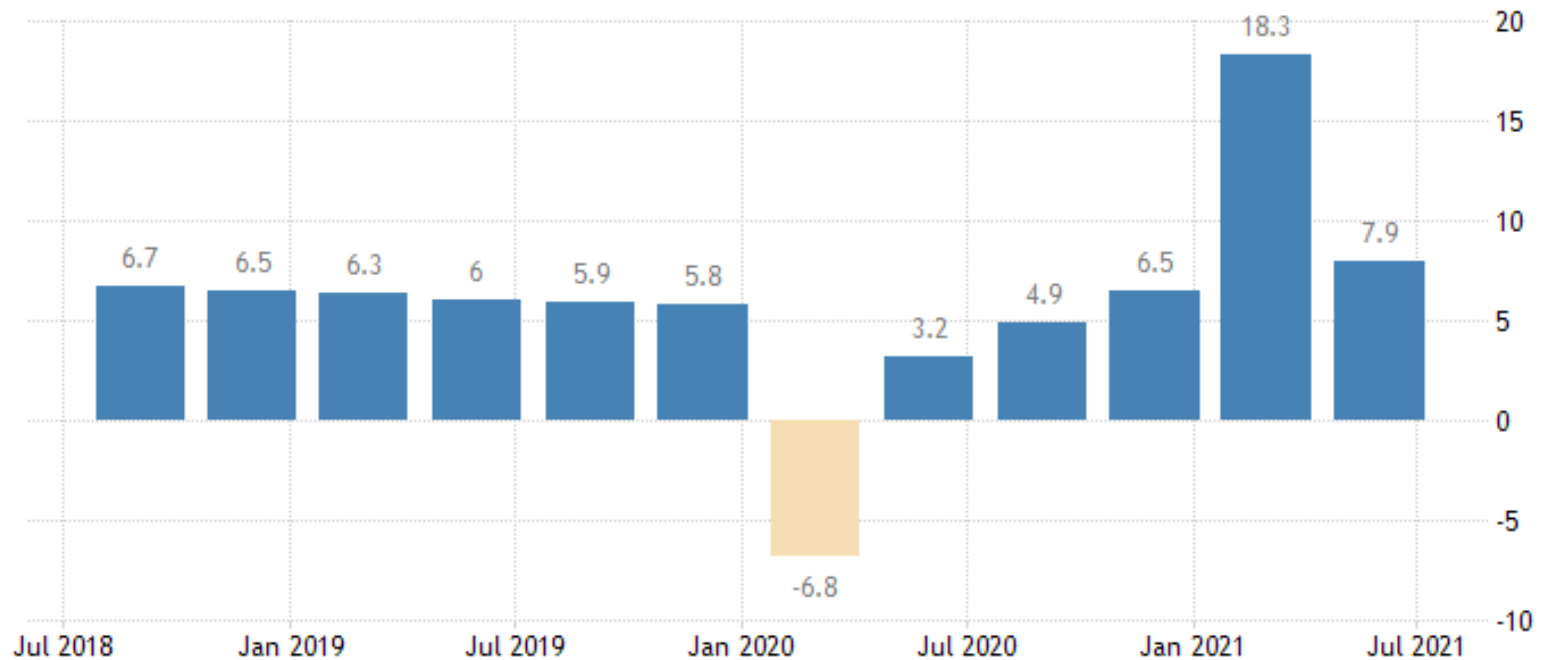
2020 GDP per capita:
USD 46,324

Hong Kong GDP 2020:
USD 347 Billion

GDP Growth 2021:
2020 over 2019: -6.1%
2021 Q1 8.0% and Q2 7.6%
2021 Projection 5.5-6.5%

UNEMPLOYMENT RATE:
4.7%

CHINA GDP Growth



SOURCE: TRADINGECONOMICS.COM | NATIONAL BUREAU OF STATISTICS OF CHINA

TAXES IN CHINA

- **TAX RATE-PERSONS-** 3-45%
- **TAX RATE-COMPANIES-** 15-25 %
- **NON RESIDENTS TAX-** A concessionary rate of 10-20% is currently applicable to interest, rental, royalty and other passive income
- **EXEMPTIONS-** Income earned by PRC resident enterprises from activities in agriculture, forestry, animal husbandry and fisheries may be entitled to CIT exemptions and reductions
- **TOTAL SOCIAL SECURITY-HOUSING-PENSION RATE-** Employer (40-45)% and Employee (18-22)% of salary
- **TAX ON PROPERTY-** Generally around 1.2% of the original value with certain deduction or 12% of the rental value. Capital Gains Tax.
- **VAT RATE-** Standard rate of VAT around 3-12%. Reduced rates and exemptions are available

TAXES IN HONG KONG

- **TAX RATE-PERSONS- Ceiling 15% standard rate**
- **TAX RATE-COMPANIES- 8.25 – 16.5 %**
- **NON RESIDENTS TAX- N/A**
- **EXEMPTIONS- N/A**
- **MANDATORY PROVIDENT FUND- Both Employer and Employee lower of 5% of salary or about USD200/month**
- **TAX ON PROPERTY- High stamp duty but no capital gains tax**
- **VAT RATE- N/A**

DOING BUSINESS IN CHINA & HK

- **STABLE GROWTH WITH MODERATE/LOW TAX**
- **BALANCING ECONOMIES: DUAL CIRCULATION**
- **IMPROVING ESG: CARBON PEAK 2030 AND NEUTRALITY 2060**
- **ENHANCING LOCATIONS – e.g., GREATER BAY AREA**
- **FINANCE CENTRES: HK, Shanghai, Shenzhen, etc.**
- **TECHNOLOGY FOCUS**