

APERCU

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HKEX expands paperless listing regime further

On 30 June 2023, The Stock Exchange of Hong Kong Limited (HKEX) finalised its proposals to expand the paperless listing regime. The corresponding changes to the Listing Rules took effect on 31 December 2023. This article highlights the key changes that may affect listed issuers' compliance practices under the new paperless regime.

1. Corporate communications must be shared electronically

A key initiative of the HKEX paperless regime is to promote paperless corporate communications. Under the old Listing Rules, a listed issuer could disseminate corporate communications (eg annual reports, interim reports, and notices of meetings) to shareholders through its own website only if its shareholders had given consent in writing or were deemed to have given consent (if certain conditions were met). A listed issuer also had to notify shareholders each time a new corporate communication was published on the website.

Under the new Listing Rules, all listed issuers must disseminate corporate communications to shareholders electronically, as far as their applicable laws and regulations allow. There is no longer a requirement to obtain consent in writing (or deemed consent) before disseminating corporate communications electronically.

These changes allow listed issuers – subject to their applicable laws and regulations and their constitutional documents – to rely on implied consent for disseminating corporate communications electronically, without the need to ask for consent from each shareholder individually or to send separate notifications to shareholders each time a new corporate communication is published.

Listed issuers should examine their constitutional documents to ensure that none of the provisions restrict their compliance with the new requirement to disseminate corporate information electronically to shareholders. If any provisions do restrict this, the issuer must amend the documents by the date of their first annual general meeting after 31 December 2023. If a listed issuer cannot comply with these requirements due to the restriction under their applicable laws and regulations, they must instead make the necessary amendments to their constitutional documents by the date of their first annual general meeting to be held after the relevant restrictions have been removed from the applicable laws and regulations.

Contents

▶ HKEX expands paperless listing regime further	1
▶ New appointment	2
▶ BDO has been awarded with various human resources awards	3
▶ Hong Kong begins public consultation to implement the global minimum tax and Hong Kong minimum top-up tax	3
▶ BDO Discover has been awarded the Outstanding Big Data Integrated Analytics Tool at FinTech Awards	8
▶ BDO Hong Kong pledges to support Earth Hour 2024	9
▶ BDO Hong Kong is proud to be contributor in the ALB Hong Kong IPO Handbook 2024	9
▶ BDO Deal Advisory scores top positions in industry league tables	9
▶ Jamie Austin has been appointed as Head of Global Private Equity	10
▶ BDO supports the CHKLC Director Training Series for the 14th consecutive year	10
▶ BDO event highlights	11
▶ Recent BDO publications	14

2. A streamlined document submission process

The paperless regime also significantly reduces the number of documents that must be submitted to the HKEX by applicants for new listings and by listed issuers as part of fulfilling their continuing obligations. More specifically, the HKEX has removed those submission documents that are not essential to its regulatory objectives and that can be codified into the Listing Rules or consolidated with other disclosure requirements. These documents include (among others) undertakings, confirmations and declarations regarding compliance with the Listing Rules, as well as various checklists and forms related to new listing applications.

In addition, considering that the old prospectus authorisation and registration process was heavily paper based, the HKEX has worked with the Companies Registry to digitalise the whole process. Going forward, all prospectuses and the accompanying documents for authorisation and registration must be submitted electronically (by email) and (where the relevant laws allow) signed or certified using digital signatures supported by a recognised certificate issued by the Hongkong Post Certification Authority 'e-Cert' or Digi-Sign Certification Services Limited 'ID-Cert'. The final arrangements for the digitalised process are set out HKEX Guidance Letter GL118-23 ([Link](#)) and Companies Registry Gazette (C.N. 7700) and circular No. 7/2023 ([Link](#)), and the arrangements will become mandatory from 1 July 2024. Before that, as a transitional arrangement, all prospectuses and accompanying documents requiring authorisation and registration can be submitted either wholly electronically (by email) or wholly in hard copy.

Documents other than prospectuses must also be submitted electronically unless the Listing Rules require otherwise. To facilitate this arrangement, a new online Issuer Platform will be launched to enable two-way communication between the HKEX and listed issuers. Until then, submissions must still be made through the existing permitted electronic channels (eg email or HKEX-ESS) in line with the HKEX's requirements.

Other initiatives introduced under the paperless regime include simplifying the appendices of the Listing Rules and other amendments to the Listing Rules that do not involve any change in policy direction. For more details on this topic, please read the full text of:

- ▶ [The consultation paper](#)
- ▶ [The consultation conclusion](#)
- ▶ [HKEX Guidance Letter GL118-23](#)
- ▶ [Companies Registry Gazette \(C.N. 7700\) and the circular No. 7/2023](#)

Speak to BDO professional

If you have any questions or need further assistance on HKEX's expanded paperless listing regime, please feel free to contact us for further discussion.



Betsy Pon

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New appointment



Oscar Cheung

Principal
Technical and Training

Oscar Cheung has been appointed as Principal of Technical and Training with effect from 3 January 2024.

Before joining BDO, Oscar worked in the investigation and compliance department of an auditor regulator, and one of the international accounting firms in Hong Kong. He has more than 15 years of professional work experience in the fields of investigation and enquiry work regarding relevant non-compliances and misconducts of listed companies, financial statements review of listed and to-be-listed companies, accounting consulting, financial services audit, and public professional accounting and auditing trainings.

Oscar is now responsible for providing HKFRS/IFRS reviews for listed issuers and has substantial experience in this field.

Qualifications and professional affiliations

- ▶ Hong Kong Certified Public Accountants
- ▶ Certified Financial Risk Manager
- ▶ Certified Fraud Examiner

BDO has been awarded with various human resources awards

BDO is delighted to share an exciting news that we have once again crowned in two reputable human resources (HR) awards for our exceptional human capital solutions.

Elite Payroll Provider Award at HKIHRM HR Excellence Awards 2023/24

The HKIHRM HR Excellence Awards are well-known as 'the Oscar Award in the HR community' and Elite Payroll Provider Award is equivalent to Silver Award.

The 'Payroll Provider Award' recognises service providers in offering exceptional payroll services to their clients to improve the efficiency and effectiveness of their payroll operations. The award winners demonstrated excellence in client services, payroll calculations and accuracy, ability to meet stringent timeline, payroll reporting and innovation in their payroll services.

This is our third time receiving this coveted honour! The competition has gone much tougher and more intensive year-on-year, making this achievement more significant and meaningful to us! We are truly honoured and grateful for this incredible recognition.

Bronze Award – Best All-Round Recruitment Agency at HR Vendors of the Year (VOTY) Awards 2023

We took pride in being awarded the Bronze Award – Best All-Round Recruitment Agency at the VOTY Awards 2023.

Following our success in VOTY Awards since 2017, this year's achievement highlights our dedication to excellence in talent management and serves as a testament of the high service quality and strong professionalism that we uphold within the industry.

A heartfelt thanks to our Professional Resources Solutions, Payroll and HR Outsourcing and Client Services teams for their great efforts in entering into this competition, and our clients for the continuous and unveiling support and trust! Your support and dedication have been instrumental in our success.

Together, we will continue to reach new heights and make an everlasting impact in the world of human resources.



Hong Kong begins public consultation to implement the global minimum tax and Hong Kong minimum top-up tax

Background and context

The Organisation for Economic Co-operation and Development (OECD) announced in July 2021 the international tax reform framework of a two-pillar solution to tackle the base erosion and profit shifting risks arising from digitalisation of the economy (commonly known as BEPS 2.0).

In Hong Kong, the Financial Secretary previously announced in the 2023-24 Budget the plan to implement the global minimum effective tax rate of 15% on in-scope multinational enterprise (MNE) groups in accordance with the OECD's BEPS 2.0 Framework.

On 21 December 2023, the [consultation paper on the implementation of global minimum tax and Hong Kong minimum top-up tax](#) (consultation paper) was issued by the Hong Kong SAR Government (the Government). The consultation paper sets out the Government's position and preferred approach to implement the global anti-base erosion (GloBE) rules and the domestic minimum top-up tax in Hong Kong (HKMTT), and to seek public views on the administration framework of the GloBE rules as well as the design and implementation of the HKMTT.

The consultation period lasts for three months till 20 March 2024.

In-scope MNE groups

MNE groups with consolidated annual revenue of or above EUR 750 million (denominated in Euros rather than Hong Kong dollar equivalent) in at least two of the previous four fiscal years are in scope of the GloBE rules and the HKMTT. Smaller MNE groups and purely local groups are excluded.

All Hong Kong resident entities of an in-scope MNE group whether headquartered in or outside Hong Kong, which are or would have been included in the group consolidated financial statements, will be subject to the HKMTT.

Effective fiscal year

The global minimum tax and HKMTT will take effect for a fiscal year beginning on or after 1 January 2025.

Definition of Hong Kong resident

For the purposes of the GloBE rules and HKMTT, the Government proposes that an entity incorporated/constituted in Hong Kong or, if incorporated/constituted outside Hong Kong yet normally managed or controlled in Hong Kong is a Hong Kong resident entity, with retrospective application of meaning from 1 January 2024.

Hybrid legislative approach

The Government will adopt a hybrid legislative approach by directly

incorporating the GloBE rules into the Inland Revenue Ordinance (Chapter 112) (IRO) with limited adaptations as far as practicable. The enacted GloBE rules will have to be read and applied in the way that best secures consistency with the requirements and guidance in OECD's Commentary and Administrative Guidance in force immediately before the enactment.

The GloBE rules and Hong Kong Government's positions on implementation of top-up tax

The Government will closely follow the GloBE rules so as to ensure that the GloBE rules implemented by Hong Kong will be assessed as qualified rules in the OECD's peer review process. The steps for charging

the top-up tax are briefly summarised as follows:

Step 1: Determine whether an MNE group is in scope

Step 2: Determine the income and taxes of members of the group (constituent entities, or CEs)

Step 3: Calculate the group's effective tax rate in the jurisdiction and determine the amount of top-up tax in that jurisdiction

Step 4: Allocate the top-up tax to the group's CEs within that jurisdiction

Step 5: Impose top-up tax under the Income Inclusion Rule (IIR) or Undertaxed Profits Rule (UTPR) in accordance with the agreed rule order

Step 5	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)
General taxing mechanism	Top-up tax on the parent entity of an in-scope MNE group in respect of its low-taxed CEs located outside of parent entity's jurisdiction	A backstop which collects residual top-up tax after IIR through denial of deduction or making an equivalent adjustment
The Government's position on implementation in Hong Kong	<ul style="list-style-type: none"> ▶ Top-up tax to be charged on the ultimate parent entity (UPE) in Hong Kong attributable to foreign low-taxed CEs of Hong Kong-headquartered in-scope MNE groups, with exception that may apply in limited situations 	<ul style="list-style-type: none"> ▶ The Government proposes an equivalent adjustment in the form of an additional tax allocated among Hong Kong CEs of an in-scope MNE group ▶ The group can also designate one or more than one Hong Kong CE to pay the top-up tax
Basis of tax allocation	Ownership percentage	Proportion of the value of tangible assets and the number of employees aggregated at the jurisdictional level

Introduction of HKMTT

The Government plans to implement the HKMTT to safeguard its taxing rights and to alleviate the in-scope MNE groups from compliance burdens of paying top-up tax under the IIR or UTPR in respect of every operating jurisdiction. The HKMTT is intended to be a Qualified Domestic Minimum Top-up Tax (QDMTT) and satisfy the QDMTT safe harbour.

Hong Kong minimum top-up tax (HKMTT)	
General taxing mechanism	A jurisdictional based tax directly creditable against liabilities otherwise arising under the IIR and the UTPR. The top-up tax payable in respect of that jurisdiction under the GloBE rules will be deemed to be zero if the QDMTT safe harbour in respect of a jurisdiction is met
Implementation in Hong Kong	<ul style="list-style-type: none"> ▶ To design the HKMTT to produce a top-up tax liability that is equivalent to that would have arisen under the GloBE rules subject to the permitted and optional variations within the OECD's framework ▶ To include Substance-based income exclusion (SBIE), a formulaic carve-out from the net GloBE income based on payroll costs and tangible assets, for substantive activities within Hong Kong ▶ To adopt the local financial accounting standard is required if specified conditions are met. Otherwise, to adopt the financial accounting standard of the UPE's consolidated financial accounts ▶ The group can designate one or more than one Hong Kong CE to pay the HKMTT
Tax rate	15%
Basis of tax allocation	Ratio of the GloBE income of the Hong Kong CE to the aggregate GloBE income of all Hong Kong CEs of the group



Transition rules, safe harbours and simplifications

The Government proposes to adopt optional transition provisions under the GloBE rules which apply for a period of time when an MNE group first become in scope, covering topics of losses and timing differences, higher SBIE, filing deadline, etc.

The Government also proposes to provide a transitional Country-by-Country Reporting (CbCR) safe harbour for the purpose of the GloBE rules and a permanent QDMTT safe harbour in the legislation to reduce the burden in complying with the detailed computational requirements of the GloBE rules.

Tax compliance

The Government proposes that for a reporting fiscal year starting on or after 1 January 2025, each Hong Kong CE of an in-scope MNE group will be required to:

- ▶ Electronically file an annual notification (top-up tax notification) relating to its obligation of filing top-up tax return within six months after the end of the fiscal year.
- ▶ Electronically furnish a single top-up tax return for the purposes of the GloBE rules and HKMTT (top-up tax return) no later than 15 months after the last day of the reporting fiscal year (extended to 18 months within the transition year).
- ▶ An in-scope MNE group can designate one Hong Kong CE (designated local entity) to file the top-up tax notification and top-up tax return to the Inland Revenue Department (IRD).

An electronic platform will be developed by the IRD to allow submission of notifications and returns.

A notice of assessment of the top-up tax will be issued based on the information filed and contained in the top-up tax return. No provisional top-up tax will be charged.

The date for the payment of the top-up tax will probably be set two weeks from the date of the notice of assessment.

Administration and penalties

For the purposes of GloBE rules and HKMTT, the existing administrative provisions of the IRO, with necessary modifications, to deal with the record keeping, objection procedures, collection and recovery of tax, and anti-avoidance issues, etc, will apply. Similarly, penalties under the existing IRO administrative provisions can apply to a filing entity, as well as to a service provider engaged, for:

- ▶ Failure to file the top-up tax return or top-up notification; or,
- ▶ Filing an incorrect top-up tax return and top-up tax notification without reasonable excuse or wilfully with intent to evade tax (imprisonment also applies to latter);

Failure to file the top-up tax return or top-up notification as required without reasonable excuse will be a Level 5 offence. In case of a continuing offence after conviction, a further fine of HK\$500 will be imposed for each day of offence. Failure to comply with a court order to rectify such an offence will be liable on conviction to a fine at Level 6.

Consultation questions

The consultation paper contains 22 specific questions which seek views or asks stakeholders to help identify uncertainties that could be clarified in law or the IRD's administrative guides in areas of: charging provisions; calculation of effective tax rate and top-up tax; transition and simplification rules; design of HKMTT,

tax compliance and administration; and mandatory electronic filing of profit tax returns through a designated computer system for a year of assessment beginning on or after 1 April 2025. Detailed consultation questions can be found in the Annex of the [consultation paper](#).

BDO observations

The adoption of the GloBE rules and introduction of the HKMTT represents a significant change in Hong Kong's tax system. The final regulations will need to consider how certain aspects of the GloBE rules interact with Hong Kong's existing territorial basis of taxation.

Additionally, the GloBE rules are both complex in its current form, and are evolving through the issuance of updated administrative guidance by the OECD. Hong Kong will have to consider how to efficiently incorporate international rules (including future guidance) into the IRO.

We welcome the Government's willingness to adopt (transitional and permanent) safe harbours and other simplification provisions which will ease compliance burden on taxpayers. Additional guidance related to the application of penalties and other practical measures to help provide taxpayers with certainty would also be welcomed.

Given the introduction of these rules in Hong Kong as well as in other jurisdictions, we recommend that in-scope MNE groups carefully, and proactively, assess the initial impact of the proposed rules on their business and assess the long-term suitability of their existing international tax structures.

BDO's tax experts are actively involved in this consultation process and are available to assist.

Key point summary on global minimum tax and HKMTT implementation

全球最低税率及香港最低补足税实施要点概述

Background

- ▶ The Organisation for Economic Co-operation and Development (OECD) introduced a two-pillar solution for international tax reform to tackle the base erosion and profit shifting risks arising from digitalisation (BEPS 2.0) in July 2021.
- ▶ The Hong Kong Financial Secretary in 2023-24 Budget plans to apply a 15% global minimum effective tax rate (ETR) on in-scope multinational enterprise (MNE) groups.



背景

- ▶ 经济合作与发展组织（经合组织）为应对数码化经济所带来的侵蚀税基及转移利润风险，制定了国际税务改革方案（一般称为「BEPS 2.0」）支柱二下的全球最低税率。
- ▶ 香港财政司司长在2023至24财政年度政府《财政预算案》中宣布，将对受涵盖跨国企业集团实施15%全球最低实际税率。

Consultation

- ▶ A consultation paper was issued by the Hong Kong Financial Services and the Treasury Bureau and the Inland Revenue Department (IRD) on 21 December 2023.
- ▶ The consultation period is three months, from 21 December 2023 to 20 March 2024.



咨询

- ▶ 香港财经事务及库务局及税务局于2023年12月21日发表咨询文件。
- ▶ 咨询期为三个月，即2023年12月21日至2024年3月20日。

Effective fiscal year

The global minimum tax and HKMTT will take effect for a fiscal year beginning **on or after 1 January 2025**.



生效财政年度

全球最低实际税率和香港最低补足税将于**2025年1月1日或之后开始**的财政年度生效。

Legislative approach

- ▶ Hybrid legislative approach to directly incorporate the OECD Global anti-base erosion (GloBE) rules into the Inland Revenue Ordinance (IRO) and to design the HKMTT qualifying as a qualified domestic minimum top-up tax (QDMTT).
- ▶ The top-up tax under the GloBE rules and HKMTT will be treated as profits tax.



立法途径

- ▶ 采用混合立法方式，将经合组织全球最低税率规则直接纳入香港税务条例，并将设计香港最低补足税使其满足合格境内最低补足税的条件。
- ▶ 在全球最低税率和香港最低补足税规则下所产生的补足税将被视作为利得税。

Scope

- ▶ GloBE rules - MNE groups with consolidated annual revenue of or above **EUR750 million or equivalent in at least two of the four previous financial years**.
- ▶ HKMTT - All Hong Kong resident entities of an in-scope MNE group, as well as joint ventures (JVs) and JV subsidiaries held by the group, whether headquartered in or outside Hong Kong.



涵盖范围

- ▶ 根据全球最低税率规则 - **过去4个财政年度中至少有2个财政年度综合年收入达到或超过7.5亿欧元**或同等水平的跨国企业集团。
- ▶ 根据香港最低补足税 - 受涵盖跨国企业集团的所有香港实体，以及该集团持有的合资企业 (JV) 和全资子公司，无论有关集团的总部是否位于香港。

Introduction of HKMTT

- ▶ The Government aims to align HKMTT with GloBE rules such that the HKMTT can qualify as a QDMTT for it to operate as a jurisdiction-based tax directly credited against liabilities under the GloBE rules.
- ▶ Proposed to include substance-based income exclusion (SBIE), availability to adopt local financial accounting standards, and allows designating one or more Hong Kong constituent entities (CEs) to pay HKMTT.



引入香港最低补足税

- ▶ 政府的目标是确保香港最低补足税与全球最低税率的解读方式一致，使前者满足合格境内最低补足税的条件，从而作为一项基于司法管辖区的税收直接抵扣在全球最低税率规则下产生的应纳税。
- ▶ 政府建议纳入「实质所得排除」，可采用当地财务会计准则，并允许指定一个或多个香港实体缴纳香港最低补足税。

Minimum tax rate under the HKMTT

15%



香港最低补足税的最低税率

15%

Transition rules, safe harbours and simplifications

- ▶ Optional transition provisions under GloBE rules for MNE groups when they initially enter into the scope wherein topics covered include losses and timing differences, higher SBIE, filing deadline, etc.
- ▶ Transitional Country-by-Country Reporting safe harbour proposed by the Government.
- ▶ Permanent QDMTT safe harbour in the legislation to reduce the burden in complying with the detailed computational requirements of the GloBE rules.



过渡规则、安全港和简化规则

- ▶ 在跨国企业集团受到涵盖的初始阶段，全球最低税率规则下可选的过渡规则包括亏损和时间性差异、更高的「实质所得排除」、申报截止日期等。
- ▶ 政府提议了过渡性国别报告安全港条款。
- ▶ 政府提议在立法中考虑采纳永久性合格境内最低补足税安全港，以减轻为遵守全球最低税率规则而需要进行详细计算所产生的负担。

Tax compliance

- ▶ Electronically file an annual top-up tax notification within six months after the fiscal year end.
- ▶ Electronically file a single top-up tax return within 15 months after the fiscal year end (extended to 18 months in the transition year).
- ▶ In-scope MNE group can designate one Hong Kong CE to handle filing with the IRD.



税务合规

- ▶ 在财政年度结束后6个月内以电子方式提交年度补足税通知。
- ▶ 在财政年度结束后15个月内以电子方式提交单一补足税申报表（在过渡年度延长至18个月）。
- ▶ 受涵盖跨国企业集团可以指定一个香港实体负责向税务局提交税务申报。

Penalties

- ▶ Penalty applies for failure in filing, or incorrect filing without reasonable excuse to a filing entity and its engaged service provider. Imprisonment applies for wilful case with intent to evade tax.
- ▶ The administrative provisions of the IRO will be applied, with necessary modifications, for both the GloBE rules and the HKMTT. These provisions cover record-keeping, objection procedures, tax collection, recovery, and anti-avoidance measures.



处罚

- ▶ 应申报实体（及其聘用的服务提供者）若没有按照规定提交报税表，或无合理辩解而在报税表要项上申报不确，将受到处罚。故意逃税的情况可被判处监禁。
- ▶ 在进行必要的修改后，香港税务条例下的行政规定将适用于全球最低税率及香港最低补足税。这些规定覆盖记录保存、异议程序、税款征收、追偿和反避税措施。

Recommended next steps for clients

1. **Scope and safe harbour applicability** - Assess and monitor whether the group including its CEs fall within the scope of BEPS 2.0 and whether the safe harbour rules are applicable to the group.
2. **Impact assessment** - Quantify ETR and potential cash impact for the group and in high-risk jurisdictions.
3. **Internal communication** - Discuss with internal stakeholders to assess availability of resources, data and technology.



为客户推荐的后续步骤

1. **涵盖范围和安全港适用性** - 评估并监测集团及其成员实体是否受BEPS2.0涵盖及安全港规则是否适用。
2. **评估影响** - 量化集团和高风险司法管辖区内的实际税率以及潜在现金影响。
3. **内部沟通** - 与集团内部持份者讨论，从而评估资源、数据和技术的可用性。



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BDO Discover has been awarded the Outstanding Big Data Integrated Analytics Tool at FinTech Awards

BDO is pleased to announce that we have been awarded the Outstanding Big Data Integrated Analytics Tool at the FinTech Awards 2023 organised by ET Net, with the help of BDO Discover, our innovation online business and financial platform.

BDO Discover is the first of a kind online financial evaluation platform in Asia. This high-level evaluation platform automates your financial analysis and valuation needs, empowering you to value, analyse, and review financial data anytime anywhere. It allows you to obtain a WACC discount rate, perform business valuation, assess expected credit losses, calculate lessee's incremental borrowing rate, and conduct commercial due diligence and financial health checks online.



The FinTech Awards 2023 was held on 18 January 2024, aiming at commending the best FinTech practices and recognising outstanding FinTech professionals from Hong Kong-based companies.

BDO Discover was also awarded the Merit Award - Tech Company of the Year (Fintech) at the 2023 BUSINESS GOVirtual Tech Awards.

To get started your journey on BDO Discover, please sign up at [https://bdodiscover.bdo.com.hk/BDOWeb/!](https://bdodiscover.bdo.com.hk/BDOWeb/)





BDO Hong Kong pledges to support Earth Hour 2024

To demonstrate our advocacy to Environmental, Social and Governance (ESG) and support to net zero journey, BDO Hong Kong pledges to support Earth Hour 2024. We know that every action counts and that the choices we make today will affect the future of our planet. We pledge to encourage our staff, customers and partners to give an hour to the most interesting and impactful ways to reconnect with our planet that they can find and go beyond the hour to live a sustainable lifestyle and protect our shared home.

Earth Hour 2024 was held at 8:30pm on 23 March 2024 organised by the World Wide Fund(WWF), calling on everyone to support this event by switching off non-essential lights for a single earth hour and changing the way we live. For details, please click <https://earthhour.wwf.org.hk/>.

BDO Hong Kong is proud to be contributor in the ALB Hong Kong IPO Handbook 2024

BDO is delighted to announce that the article 'HKEX's ESG Reporting Compliance and Strategy', written by Director of Risk Advisory **Vivian Chow**, has been featured in the ALB Hong Kong IPO Handbook 2024. The ALB Hong Kong IPO Handbook 2024 has been published to provide guidance to companies on solving the variety of issues they will face in their listing journey in Hong Kong.

The IPO handbook features a number of requirements that a company needs to

address during its listing journey, with advice provided by experts who have been offering IPO-related services for many years and have the most up-to-date know-how. The list of contributors and supporting organisations include AFRC, HKEX, etc.

If you are interested in obtaining a free electronic copy of this handbook, please register at <https://www.legalbusinessonline.com/node/84919>.



BDO Deal Advisory scores top positions in industry league tables

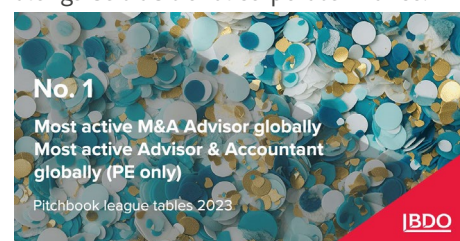
Based on exceptional performance in 2023, BDO has been announced as the No.1 Financial Advisor Globally by deal count in the [Factset league tables 2023](#), placed second in the MergerMarket Global Financial Due Diligence provider rankings and been named by [Pitchbook](#) as the Most active M&A Advisor and the Most active Advisor & Accountant in private equity deals globally.

Despite a significant global downturn in merger and acquisition volumes during 2023, BDO's Deal Advisory teams across the organisation's global footprint successfully completed 1,744 deals during the year, of which 31% were private equity and 21% were cross border.

BDO Global Head of Advisory **Jay Duke** said, "2023 was a challenging year for M&A, but our international teams continued to deliver exceptional client service and secure top positions in industry league tables. These results are a testament to their efforts and our ongoing commitment to provide global solutions and add value to the businesses that we serve."

Partnering with clients in sectors including TMT, manufacturing & engineering, financial services, healthcare, and professional and business services, BDO's national and international cross-service teams provide clients with a one-stop solution for accounting, taxation, and

strategic issues within the deal advisory space. With over 2,500 corporate finance experts in 120 countries, BDO's deal advisory team offers a suite of complimentary services to clients including due diligence provision in commercial, ESG, IT and Tax areas, value creation and post-merger integration services, cyber security, and restructuring alongside traditional corporate finance.



Jamie Austin has been appointed as Head of Global Private Equity



BDO has announced the appointment of **Jamie Austin** as Head of Global Private Equity, effective 1 January 2024. Jamie has been a member of the Global Private Equity leadership team since its inception. In his new role, he will continue to lead BDO's commitment to deliver a full range of services to private equity funds and their portfolio companies.

Based in the United Kingdom (UK), Jamie brings a wealth of experience gained during his role as founder and leader of BDO in the UK's private equity practice, bringing more than ten years of client experience with a particular focus on deal advisory services.

Pat Kramer, Global CEO, BDO, said: "I'm pleased that Jamie will lead our global private equity programme, an integral facet of our

international business strategy, where BDO excels. Jamie will work closely with our industry teams to provide an exceptional experience to our private equity clients."

Commenting on his appointment, Austin adds: "This is an exciting era for private equity with great opportunities for growth. Through innovation and collaboration, I'm looking forward to developing and empowering our team to continually strive for excellence and strengthen our position in the market."

BDO supports the CHKLC Director Training Series for the 14th consecutive year

Running from April to November, the programme comprises six sessions dealing with the important aspects to directorships for a listed company, ranging from corporate governance, risk management to the latest updates on various applicable rules and laws. The programme will also address common issues faced by directors. BDO Hong Kong's Director and Head of Tax **Carol Lam**, Director of Risk Advisory **Vivian Chow**, Principal of Technical and Training **Betsy Pon**, and BDO China's Director of International Tax Services **Rebecca Chen** are invited to speak on some of the important aspects of directorship for a listed company.

If you are interested in joining the programme, please enrol with CHKLC directly. For more information, please visit their website at www.chkcl.org.

The schedule and topics for the forthcoming sessions are:

Date	Topic
30 Apr 2024 (Tue)	Latest listing regime in Hong Kong and Hong Kong listing rules updates
28 May 2024 (Tue)	Hong Kong Tax and PRC Tax updates
20 Jun 2024 (Thu)	SFC and HKEX's regulatory oversight, enforcement actions and director's liabilities
26 Sep 2024 (Thu)	ESG fraud and governance
31 Oct 2024 (Thu)	HKEX's regulatory focus on listed companies and planning ahead for 2025
14 Nov 2024 (Thu)	Annual regulatory update 2024

BDO event highlights



BDO hybrid seminar: Crucial steps for engaging in virtual asset business: addressing the SFC and HKMA's regulations on virtual asset-related activities



To comply with the joint circular regarding intermediaries' activities related to virtual assets issued by the Hong Kong Monetary Authority (HKMA) and the Securities and Futures Commission (SFC) on 20 October 2023, what should banks, virtual asset intermediaries, solution providers and auditors do? Chairman of Syndicate Capital Albert Yip, Chief Digital Officer of FORMS Barry Chan, Principal Partner of L&Y Henry Yu, Principal of Risk Advisory of BDO Pokit Lok and CEO of Aegis Trust & Custody Serra Wei shared their experiences with virtual asset-related activities and provided insights on what need to be done to address the HKMA and SFC's regulatory requirements.



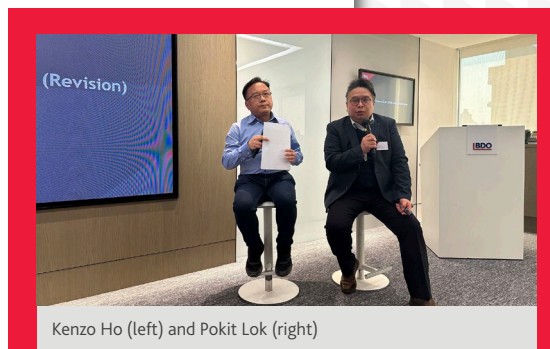
(From left to right) Albert Yip, Barry Chan, Henry Yu, Pokit Lok and Serra Wei



BDO physical seminar: GL20 reform: what is the impact on authorised insurers in Hong Kong?



What should insurers get prepared with the Insurance Authority's Guideline on Cybersecurity (GL20)? Principal of Risk Advisory Pokit Lok and Former Senior Manager of IT Security of a renowned insurance company Kenzo Ho provided guidance to insurers on the minimum standards and principles for assessing cyber risks and shared their insights on how to prepare an Inherent Risk Assessment and a Maturity Assessment to stay current with the evolving cyber threat landscape.



Kenzo Ho (left) and Pokit Lok (right)



BDO hybrid seminar: Employee's compensation and tax update 2024 - what's new, what's next, and what to do



How to keep up with the new statutory changes on employment and taxation legislations in 2023/24 and get yourself equipped? In this seminar, Director and Head of Payroll & HR Outsourcing Services and Professional Resources Solutions Portia Tang, Director and Head of Tax Carol Lam, Principals of Tax Cecilia Ho and Celestine Yeung, Senior Manager of Payroll & HR Outsourcing Services Josephine Yau and Manager of Payroll & HR Outsourcing Services Julio Cheng shared with our participants the latest and upcoming changes on employment-related legislations and regulations, tax cases update & tax considerations for internationally mobile employees. The selected project examples and case studies shared in the event offered valuable insights, stimulating the audience's thinking about potential challenges, encouraged them to expedite their preparation, and stay proactive to maintain a competitive edge.



(From left to right) Julio Cheng, Josephine Yau, Portia Tang, Carol Lam, Celestine Yeung and Cecilia Ho



BDO physical seminar: Strengthening NGO governance: best practices and compliance in the digital era



Best practice in governance is not only applied to listed companies or sizable organisations but also relevant to NGOs. Director of Risk Advisory **Vivian Chow** shared her insights on current and emerging governance best practices in assisting NGOs to operate and provide some action steps for NGOs to consider when addressing challenges. To demonstrate how technology can support governance and operational challenges specific to NGOs, we were also pleased to invite Principal Sales Consultant of Oracle NetSuite Alvin Leung to provide a nuanced look into how digital solutions can be integrated into NGO operations, using Oracle NetSuite as a case study.



Vivian Chow (left) and Alvin Leung (right)



BDO physical seminar: Stablecoins, CBDC and custody



To dive deep into the world of stablecoins, wholesale CBDC and e-HKD, a seminar was hosted in form of a thought-provoking panel discussion. Our panellists including Partner of King & Wood Mallesons Andrew Fei, Chief Digital Officer of FORMS Barry Chan, Partner Ventures EIR of Hashgraph Association Jeffrey Tchui, Principal of Risk Advisory of BDO **Pokit Lok**, CEO of Aegis Custody & Trust Serra Wei and Partner of EmergentX Labs Tiena Sekharan shared their insights on the relationships among digital assets and the regulatory clarity needed for banks to support them, and explored the implications of Basel regulations on banks, how stablecoin issuers engage with CPA firms, related IT risks, and opportunities for HKD-based Stablecoins in the global market.



(From left to right) Barry Chan, Serra Wei, Pokit Lok, Tiena Sekharan, Jeffrey Tchui and Andrew Fei



BDO physical seminar: Regulatory update for financial services industry



With the publication of the consultation paper issued by the Financial Services and the Treasury Bureau (FSTB) on 8 February 2024, the consultation paper issued by FSTB and HKMA on 27 December 2023 and December 2023 edition of 'Conduct in Focus' published by the Hong Kong Insurance Authority, Hong Kong financial services industry will face several recent regulatory updates.

Managers of Risk Advisory **Harris Fu** and **Ivan So** shared their insights on the latest Hong Kong regulatory developments in certain areas including the licensing requirements for providers of virtual assets over-the-counter services and fiat-referenced stablecoins issuers; Treating Customers Fairly principles in the insurance sector; and the recent circularisation exercise and internal control review to licensed corporations conducted by the SFC.



Harris Fu (left) and Ivan So (right)



BDO x CIMA x Oracle NetSuite no code hackathon



Following the success of our inaugural BDO x Oracle NetSuite creative hackathon on 28 November 2023, another no code hackathon organised by BDO, CIMA and Oracle NetSuite was successful held on 27 March 2024 to further empower our participants with essential digital competencies for tomorrow's finance landscape. Experts from BDO and Oracle NetSuite led the participants to dive into financial dashboard creation with Oracle NetSuite's solution, complemented by BDO's implementation expertise, to truly experience where finance meets technology, creating an unparalleled opportunity to experience the power of digital transformation.



BDO, CIMA and Oracle NetSuite representatives



Participants had a journey on navigating different functions of NetSuite dashboard under the tutoring by BDO and Oracle NetSuite professionals



BDO exclusive in-person seminar: international tax developments and managing tax-efficient supply chain changes



With the unprecedented changes in the international tax environment and jurisdictions introducing new tax regulations, what should taxpayers know and get equipped with when facing these greater uncertainty? An exclusive seminar was successfully held at Hong Kong Convention and Exhibition Centre. We were honoured to have Managing Director of Non Assurance **Johnson Kong** to kick off the seminar and welcome the participants from Hong Kong listed companies, foreign multinational groups and local firms.

BDO tax team delivered informative presentations on recent supply chain realignment trends, key international tax and transfer pricing issues and the impact of global and Hong Kong tax changes on multinational groups. The session also featured engaging case studies, practical examples and valuable insights into making supply chain changes more resilient and tax-efficient. Our speakers included BDO Hong Kong's Director and Head of Tax **Carol Lam**, Director of Transfer Pricing Services **Jack Fernandes**, Director of Tax **Abigail Li** and BDO Singapore's Executive Director, Global Value Chain Leader (Asia Pacific Region) **Tom Ewigleben**.



Johnson Kong delivered welcome speech to kick off the seminar



(From left to right) Jack Fernandes, Abigail Li, Carol Lam and Tom Ewigleben



BDO webinar: International tax update for PRC multinational enterprises



As Hong Kong has announced plans to adopt the Global minimum tax (GloBE) rules and introduced a Hong Kong minimum top-up tax (HKMTT), what will taxpayers in Hong Kong be affected or need to pay attention to? BDO Hong Kong's Director and Head of Tax **Carol Lam**, Director of Tax **Abigail Li**, Senior Manager of Tax **Ziyue Xie** and BDO China's Principal of Transfer Pricing Services **Emily Li** provided an overview of GloBE and HKMTT, discussed the areas where Mainland China multinational enterprise group are likely to be impacted, reviewed Hong Kong profits tax and other compliance obligations under the revised regulations with suggestion and information sharing as well as the latest transfer pricing regulatory environment and practice in Mainland China.



Emily Li



(From left to right) Ziyue Xie, Abigail Li and Carol Lam

Recent BDO publications

HKFRS/IFRS Update

HKFRS/IFRS Update 2024/01
Accounting in times of uncertainty

HKFRS/IFRS Update 2024/02
31 December 2023 Year-end
HKFRS/IFRS Accounting
Standards Update

HKFRS/IFRS Update 2024/03
Amendments to HKAS/IAS 1 – Clarification
of the Meaning of 'Settlement' in the
Classification of Liabilities



Hong Kong Capital Market Updates

Issue February 2024
Hong Kong GEM Listing Reforms



Tax Publications

2024/25 Hong Kong
Budget Highlights



Hong Kong Tax
January 2024 -
Hong Kong begins
public consultation
to implement the
global minimum
tax and Hong Kong
minimum top-up tax



Corporate Tax News
February 2024 - Issue 69



Transfer Pricing News
Issue 46 – March 2024



Indirect Tax News
Issue 01/2024



Issue 02/2024



Transparency Report

For the financial year ended
30 September 2023



Risk Advisory Publications

ESG Updates - Issue
1/2024



Financial Services Sector
Updates - Issue 1/2024



Green and Sustainable Finance
Updates - Issue 1/2024



Technology Updates -
Issue 1/2024



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