

Company Formation in Malta

Factsheet

Formation of a Company


In order for a company to be validly constituted under Maltese law, two steps must be completed, namely: (i) a memorandum of association must be entered into and signed by at least two persons or, in the case of a single member company, by the single member; and (ii) a certificate of registration must be obtained from the Registry of Companies (Malta Business Registry).

Memorandum of Association

The following details must be included in the memorandum of association of a company:

- Whether the company is a public or private company;
- The identification and residence of each subscriber;
- The name of the company;
- The registered office of the company in Malta;
- The objects of the company;
- The amount of share capital with which the company proposes to be registered (the authorised capital), the division thereof into shares of a fixed amount, the number of shares taken up by each subscriber and the amount paid up in respect of each share; and, where the share capital is divided into different classes of shares, the rights attaching to the shares of each class;
- The number of directors, the identification and residence of the first directors and, where any director is a body corporate, the name and registered or principal office and company registration number of such body corporate, the manner in which the representation of the company is to be exercised, and the name of the first person/s vested with such representation;
- The identification and residence of the first company secretary/secretaries; and
- The period, if any, fixed for the duration of the company.

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Moreover, the memorandum or articles of association of a private company must restrict the right to transfer its shares (via shareholder pre-emption rights, for example), limit the number of its member to fifty, and prohibit any invitation to the public to subscribe for any shares or debentures of the company.

Authorised Share Capital

The minimum authorised share capital of a private company is €1,200. At least 20% of the nominal value of each share taken up must be paid up on the signing of the memorandum and articles of association of the company.

Company Name

It is advisable to reserve the proposed name of the company with the Registry of Companies by making a request in writing to the Registrar.

Registration of the Company

The following documents are normally required for the registration of a company and must be delivered to the Registrar by any one of the subscribers to the memorandum of association:

- The memorandum and articles of association of the company, duly signed by the shareholders or their authorised representatives;
- Documentary evidence (generally a deposit slip) that the paid up share capital has been made available to the company in formation;
- Documentary evidence of the identity of all individuals involved in the company – directors, shareholders and company secretary;
- In the case of foreign corporate directors/shareholders, a certificate of good standing issued by the foreign company registry;
- Satisfactory bank or character references on any non-EEA resident shareholders;
- Cheque or other form of payment for registration fees;
- Cheque or other form of payment for fees for certified copies of memorandum and articles of association (where applicable); and
- Evidence that the proposed name of the company has been reserved by the Registrar of Companies (where applicable).



Fees

The fees involved in the registration of a company are calculated according to the authorised capital of the company. The fees range from €245 for a company with an authorised share capital not exceeding €1,500 to €2,250 for a company with an authorised share capital of €2,500,000 or more.

Timeframe

The length of time required to set up a company in Malta usually ranges from 48 to 72 hours from the date of the submission of all the necessary and correct documentation to the Registrar of Companies.

For information on how we may provide assistance with your corporate needs, please contact Dr Antonio Depasquale, Managing Partner – adepasquale@thecitylegal.com

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