



## Share Capital

Share capital refers to the amount of money that shareholders have committed to the company. Share capital can be issued with or without full payment from shareholders. The minimum issued share capital is \$1 when you incorporate a company. "Paid up capital" refers to the amount shareholders have paid to the company for their shares.

### Example

Company X issues 100,000 shares at \$1 each to its shareholders. This brings the issued share capital to \$100,000. However, the shareholders have only paid up 50% of their shareholding, which means that the paid up capital is \$50,000 and the unpaid share capital is \$50,000. If the shareholders pay the remainder 50% of their shareholding, then the company's paid up capital will become \$100,000 and the unpaid share capital will be \$0. If Company X issues new shares in future, the amount of issued and paid up capital will increase accordingly.

Note: Companies with paid-up share capital of \$500,000 and above will automatically become members of the Singapore Business Federation (SBF). Find out more about [SBF membership](#).

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