Hong Kong Island, rented to the British by the Chinese Emperor Dagongguo following the Opium War, is today generally described as a "barn island with hardly a house on it. However, it did not last long for the British maritime policy and as a result, the island was leased to the British for a period of ninety-nine years and left to decay.

By the end of the 19th century, Jewish life in Hong Kong was prospering and the need for a permanent synagogue became clear. The Jewish community was predominantly Jewish in those early days and comprised mainly the family of Mr. Marcus, Messrs. Janco & Co. and E.D. Sassoon & Company, Israeli merchant community.

In 1905, the Jewish community formed the Jewish Recreational Club on part of the Synagogue grounds to accommodate the activities of the growing Jewish community. The Club consisted of a large hall, a restaurant, and bar. In 1912, the building was sold to the Jewish National Home in Victoria Harbour. A tract of Alexandria from Russia and Eastern Europe swelled the Jewish community's numbers during the 1890s and 1900s. A property below the Club was gifted to the community by H. J. Green. The Synagogue, Beth Shalom, in memory of his mother, was purchased in order to preserve the view of the Harbour, and was used to house the rabbi, with a mikve on the ground floor.

During World War II, Japanese armed forces occupied the territory and many members of the Jewish community were interned in prisoner-of-war camps. The Synagogue was requisitioned by the Japanese but the Torah scrolls were smuggled out and safely hidden for the duration of the War. When the Japanese's hand did not suffer serious damage, the Jewish Recreational Club was totally demolished, and in 1949 the Kadoorie family once again forwarded the construction of a new Club on the same site.

In the decade following the War, the Jewish Recreational Club on part of the Synagogue grounds to accommodate the activities of the growing Jewish community. The Club consisted of a large hall, a restaurant, and bar. In 1912, the building was sold to the Jewish National Home in Victoria Harbour. A tract of Alexandria from Russia and Eastern Europe swelled the Jewish community's numbers during the 1890s and 1900s. A property below the Club was gifted to the community by H. J. Green. The Synagogue, Beth Shalom, in memory of his mother, was purchased in order to preserve the view of the Harbour, and was used to house the rabbi, with a mikve on the ground floor.

During World War II, Japanese armed forces occupied the territory and many members of the Jewish community were interned in prisoner-of-war camps. The Synagogue was requisitioned by the Japanese but the Torah scrolls were smuggled out and safely hidden for the duration of the War. When the Japanese's hand did not suffer serious damage, the Jewish Recreational Club was totally demolished, and in 1949 the Kadoorie family once again forwarded the construction of a new Club on the same site.

After much deliberation the trustees decided to develop the land which was occupied by the Jewish Recreation Club and Beth Shalom. The Trust retained the lease on the land in order to purchase on a local developer; instead, the residential towers were built. The Synagogue was repaired, and a portion of the deed was that the retaining wall will be stabilized in accordance with government requirements.

A Jewish Community Centre was built in the podium of the new highrise, and it includes a Jewish day school, a ladies' teaspoon, meeting and dairy restaurants, an indoor swimming pool, function room, and a large auditorium.

At the same time, controversy raged within the Jewish community and spilled over into the Hong Kong government. A group of the well-to-do was opposed to the Synagogue building should be saved or retained. Eventually, it was decided to preserve the original synagogue and to refurbish it to modern standards while retaining the original fabric of the building. With the help of the Rotarians, preserving care was taken to restore the fabric of the building and to save the 200-year-old stained glass windows, shutters, doors and carved panel fronts. New tiled lighting and painting were added to the women's section upstairs, and the bimah below was totally remodeled to improve the acoustics. The work was completed in a year, and on 18 October 1968 a rededication ceremony was held.

In 2000, the UNHCR Asia-Pacific Heritage Awards recognized the "Concentration and Restoration of the Synagogue and Community Centre" for "outstanding heritage conservation efforts over many years for the Outstanding Project Award for Cultural Heritage Conservation". Today, the OLS Synagogue remains as the centre of Jewish religious and social life for the Jewish and non-Jewish Jewish community of Hong Kong, and Synagogue membership comprises more than 300 families from over seventeen different countries. The building itself houses a treasured collection of Torah and Hebrew scrolls including some antique ones dating back to the 11th/12th centuries. The OLS Synagogue serves as a focal point and atmosphere of spirituality, intimacy and warmth and welcome all those who pass through its doors.