

**Schedule 3**  
**Section 1 - Qualifying conditions**

1(7) Qualifying conditions - **Group of Small Private Companies**  
specified for the purposes of section 364(1) to 364(5)

1(8) the conditions specified in section 1(8) for the purposes of S364(1) to S364(3) and S366A(4)(a) are -

	1(8)(a)	1(8)(b)	1(8)(c)
	Total revenue	Total assets	Avg employee number
S364(1)	<= 100M	<= 100M	<= 100
S364(2)	Ditto	Ditto	Ditto
S364(3)	Ditto	Ditto	Ditto

S364(1) For the purposes of this Part, if—  
(a) the holding company of a group of companies is formed and registered under this Ordinance; and  
(b) the conditions specified in section 1(7) of Schedule 3, and any 2 of the conditions specified in section 1(8) of that Schedule, are satisfied in the holding company's first financial year,  
the group is qualified as a group of small private companies for that first financial year, and every subsequent financial year, until it is disqualified under subsection (4) or (5).

S364(2) For the purposes of this Part, if—  
(a) the holding company of a group of companies is an existing company;  
(b) the conditions specified in section 1(7) of Schedule 3, and any 2 of the conditions specified in section 1(8) of that Schedule, are satisfied—  
(Amended 35 of 2018 s. 35)  
(i) in the holding company's first financial year after the coming into operation of this section; or  
(ii) in the holding company's financial year for the purposes of the predecessor Ordinance that immediately precedes that first financial year,  
the group is qualified as a group of small private companies for that first financial year, and every subsequent financial year, until it is disqualified under subsection (4) or (5).

S364(3) For the purposes of this Part, if, after the first financial year of the holding company of a group of companies after the coming into operation of this section, the conditions specified in section 1(7) of Schedule 3, and any 2 of the conditions specified in section 1(8) of that Schedule, are satisfied for 2 consecutive financial years of the holding company, the group is also qualified as a group of small private companies for the financial year immediately following those 2 financial years, and every subsequent financial year, until it is disqualified under subsection (4) or (5).

**Schedule 3**  
**Section 1 - Qualifying conditions**

1(10) Qualifying conditions - **Group of Eligible Private Companies**  
specified for the purposes of section 365(1) to 365(5)

1(11) the conditions specified for the purposes of S365(1) to S365(3) and S366A(4)(b) are -

	1(11)(a)	1(11)(b)	1(11)(c)
	Total revenue	Total assets	Avg employee number
S365(1)	<= 200M	<= 200M	<= 100
S365(2)	Ditto	Ditto	Ditto
S365(3)	Ditto	Ditto	Ditto

S365(1) For the purposes of this Part, if—  
(a) the holding company of a group of companies is formed and registered under this Ordinance; and  
(b) the conditions specified in section 1(10) of Schedule 3, and any 2 of the conditions specified in section 1(11) of that Schedule, are satisfied in the holding company's first financial year,  
the group is qualified as a group of eligible private companies for that first financial year, and every subsequent financial year, until it is disqualified under subsection (4) or (5).

S365(2) For the purposes of this Part, if—  
(a) the holding company of a group of companies is an existing company;  
(b) the conditions specified in section 1(10) of Schedule 3, and any 2 of the conditions specified in section 1(11) of that Schedule, are satisfied—  
(Amended 35 of 2018 s. 36)  
(i) in the holding company's first financial year after the coming into operation of this section; or  
(ii) in the holding company's financial year for the purposes of the predecessor Ordinance that immediately precedes that first financial year,  
the group is qualified as a group of eligible private companies for that first financial year, and every subsequent financial year, until it is disqualified under subsection (4) or (5).

S365(3) For the purposes of this Part, if, after the first financial year of the holding company of a group of companies after the coming into operation of this section, the conditions specified in section 1(10) of Schedule 3, and any 2 of the conditions specified in section 1(11) of that Schedule, are satisfied for 2 consecutive financial years of the holding company, the group is also qualified as a group of eligible private companies for the financial year immediately following those 2 financial years, and every subsequent financial year, until it is disqualified under subsection (4) or (5).

S364(4) For the purposes of this Part, if, after a group of companies is qualified as a group of small private companies under subsection (1), (2) or (3), another company or non-Hong Kong body corporate becomes a new member of the group in a financial year of the holding company such that either a condition specified in section 1(7) of Schedule 3 is not satisfied, or any 2 of the conditions specified in section 1(9) of that Schedule are not satisfied, for the financial year, the group is disqualified as a group of small private companies for the financial year, and every subsequent financial year, until it is qualified again under

S364(5) For the purposes of this Part, if, after a group of companies is qualified as a group of small private companies under subsection (1), (2) or (3), either a condition specified in section 1(7) of Schedule 3 is not satisfied, or any 2 of the conditions specified in section 1(9) of that Schedule are not satisfied, for 2 consecutive financial years of the holding company, the group is also disqualified as a group of small private companies for the financial year immediately following those 2 financial years, and every subsequent financial year, until it is qualified again under subsection (3).

1(9) the conditions specified for the purposes of section 364(4) and (5) and section 366A(8)(a)

	1(9)(a)	1(9)(b)	1(9)(c)
	Total revenue	Total assets	Avg employee number
S364(1)	<= 100M	<= 100M	<= 100
S364(2)	Ditto	Ditto	Ditto
S364(3)	Ditto	Ditto	Ditto

S365(4) For the purposes of this Part, if, after a group of companies is qualified as a group of eligible private companies under subsection (1), (2) or (3), another company or non-Hong Kong body corporate becomes a new member of the group in a financial year of the holding company such that either a condition specified in section 1(10) of Schedule 3 is not satisfied, or any 2 of the conditions specified in section 1(12) of that Schedule are not satisfied, for the financial year, the group is disqualified as a group of eligible private companies for the financial year, and every subsequent financial year, until it is qualified

S365(5) For the purposes of this Part, if, after a group of companies is qualified as a group of eligible private companies under subsection (1), (2) or (3), either a condition specified in section 1(10) of Schedule 3 is not satisfied, or any 2 of the conditions specified in section 1(12) of that Schedule are not satisfied, for 2 consecutive financial years of the holding company, the group is also disqualified as a group of eligible private companies for the financial year immediately following those 2 financial years, and every subsequent financial year, until it is qualified again under subsection (3).

1(12) the conditions specified for the purposes of section 365(4) and (5) and section 366A(8)(b)

	1(12)(a)	1(12)(b)	1(12)(c)
	Total revenue	Total assets	Avg employee number
S365(1)	<= 200M	<= 200M	<= 100
S365(2)	Ditto	Ditto	Ditto
S365(3)	Ditto	Ditto	Ditto