集友銀行
Chiyu Banking Corporation Ltd.

2019
年報 | ANNUAL REPORT

2019 年報

2019 Annual Report

集友銀行

Chiyu Banking Corporation Ltd.

關愛社會
Caring for Society

本行承辦「華僑旗幟 · 民族光輝 — 傳承嘉庚精神及華僑華人參加祖國建設成果展」於10月圓滿舉行。展覽呈現一代僑領陳嘉庚先生興學愛國的生平事蹟，並藉此感染和鼓舞社會大眾。

The “Glory of the Overseas Chinese - Exhibition of Tan Kah Kee’s Legacy and Contributions of Overseas Chinese to the Development of Motherland” was successfully held by the Bank in October. The exhibition demonstrated the relentless efforts of Mr Tan, an eminent leader of the overseas Chinese communities, to assist in the educational and national development, aiming to foster among the public a sense of affinity with our motherland.

本行贊助「第九屆全港學生中國國情知識大賽」，以持續加深香港學生對國情及歷史的認識。

Our sponsorship to the “9th Hong Kong Student Knowledge Contest on China’s National Situation” was also part of our continuous efforts to enhance the local students’ understanding of the conditions and history of our motherland.

為推動年青一代鍛鍊體魄，本行冠名贊助「校際花式跳繩錦標賽2019」；年內贊助「香港花式跳繩會十周年慈善大匯演」，鼓勵聽障學童參與活動，推廣傷健共融的訊息。

As the title sponsor of the “Hong Kong Inter-School Rope Skipping Championship 2019”, we aimed to motivate the younger generation to take part in rope skipping as an exercise. We also sponsored the “Hong Kong Rope Skipping Club 10th Anniversary Charity Show”, encouraging the hearing-impaired students to participate in the activity and spreading the message of disability inclusion.

本行舉辦「小豬姨姨去銀行」親子理財活動，讓小朋友透過角色扮演學習銀行的基本運作，從小建立正面的儲蓄及理財觀念。

The Bank organised “Go Banking with Auntie Piggy”, a parent-child educational activity that allowed children to gain exposure to basic banking operations through role-play activities and develop a positive attitude towards savings and managing personal finances.

為宣揚關愛訊息，本行鼓勵員工及家屬積極擔任義工及參與社區公益活動，年內組織參與「香港南區寒冬送暖金絲帶大行動」，探訪區內獨居長者。

To spread the message of caring, the Bank encourages employees and their family members to serve as volunteers and participate actively in various community service activities, such as the “Caring for the Elderly in the Southern District”.

員工發展
Employee Engagement

集友銀行母公司廈門國際銀行於香港成立「金融學院香港培訓中心」，致力培育金融人才。

Xiamen International Bank, the parent bank of Chiyu Bank, established the Hong Kong Training Centre of the Institute of Finance in Hong Kong to cultivate talents in finance.

本行舉辦年度表彰晚會，表揚優秀員工及團隊，提升員工士氣及凝聚力。

Outstanding staff and distinguished teams are recognised at our annual award presentation, which motivates staff to strive for excellence.

本行舉辦「感恩有您活動」，感謝分行員工在過去一年緊守崗位，共渡時艱。

A thanksgiving event was held to commend all our branch staff for their commitment and sense of duty to help meet various challenges during the year.

年內組織了多個文體隊伍參加集團及外界舉辦的比賽，包括灣區盃籃球友誼賽，更於香港華商銀行公會主辦的「2019年行際籃球比賽」勇奪冠軍。

The Bank motivates the staff to take part in a wide range of sports matches organised by the Group and other organisations, such as the “Basketball Competition in the Greater Bay Area”. In 2019, the Bank won the champion in the basketball competition organised by the Chinese Banks’ Association.

本行舉辦多項的員工康體活動，包括遠足健行活動、保齡樂繽紛等，有助平衡作息，加強員工溝通聯繫。

A diverse range of recreational activities, such as hiking and Bowling Fun Day, have been organised to advocate work-life balance and strengthen the bonding among all levels of staff.

獎項及嘉許
Awards & Recognition

本行榮獲《CTgoodjobs》頒發2019年「最佳社會企業責任大獎」之傑出大獎及「最佳員工福利大獎」之金獎，以表揚我們在推行企業社會責任和關愛員工方面的卓越舉措。

The Bank was presented the Grand Prize of "Best Corporate Social Responsibility Award" and Gold Prize of "Best Compensation & Benefits Award" by *CTgoodjobs* in acknowledgement of our efforts to fulfill corporate social responsibility and implement caring employment practices.

憑著完善的人才招聘及培訓策略，本行連續兩年榮獲《JobMarket求職廣場》雜誌頒發「卓越僱主大獎」。

With our outstanding performance in talent acquisition and development, the Bank received the "Employer of Choice Award" from *JobMarket* for 2 years in a row.

本行在培育年青員工方面不遺餘力，獲勞工處頒發「培育青年僱主」獎。

The Bank endeavoured to nurture young talents and received the "Youth Nurturing Employer Award" from the Labour Department.

本行在推動企業社會責任的表現獲社會廣泛認同，榮獲《鏡報》「第八屆傑出企業社會責任獎」。

Our commitment to CSR has earned us wide recognition. The Bank was granted the "8th Outstanding Corporate Social Responsibility Award" by *The Mirror* magazine .

信用等级公告

联合〔2019〕1033 号

联合资信评估有限公司通过对集友银行有限公司主体长期信用状况进行综合分析和评估，确定集友银行有限公司主体长期信用等级为 AAA，评级展望为稳定。

特此公告

联合资信评估有限公司

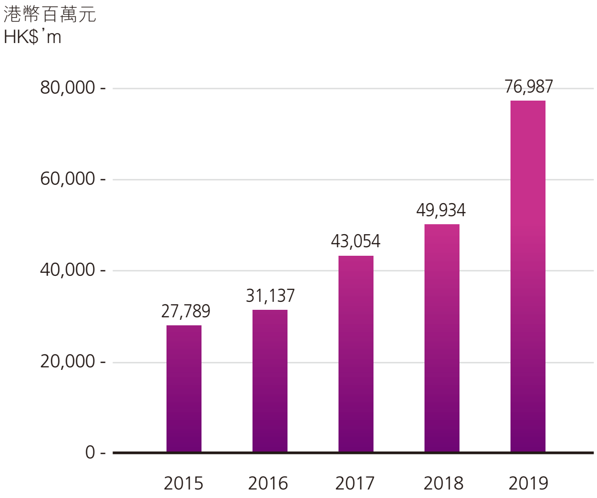
二〇一九年五月二十一日

內地權威評級機構 — 聯合資信評估有限公司在進行綜合分析和評估後，評定集友銀行的主體長期信用等級為AAA，評級展望為穩定。

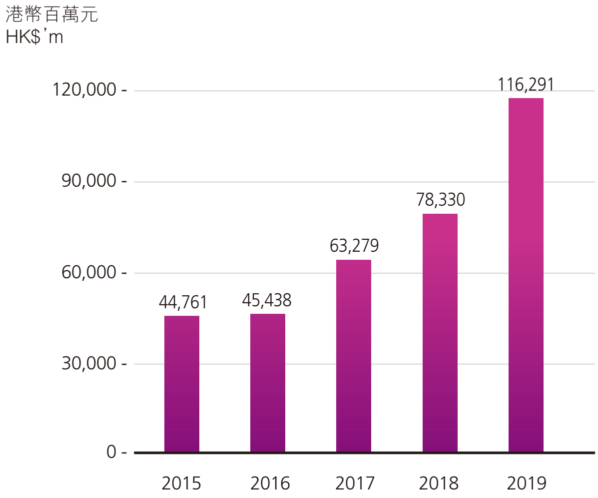
China Lianhe Credit Rating Co., Ltd., an authoritative rating agency on the Mainland, affirmed the "AAA" long-term issuer credit rating on Chiyu Bank upon a comprehensive analysis and assessment of the Bank. The Bank's outlook is stable.

財務圖表
FINANCIAL CHARTS

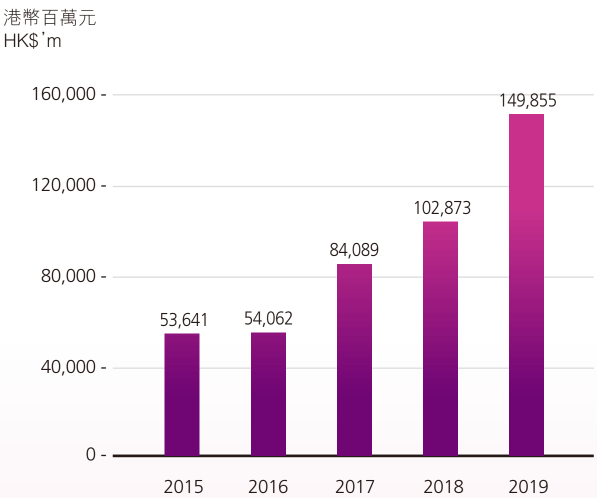
客戶貸款及貿易票據
ADVANCES TO CUSTOMERS AND TRADE BILLS



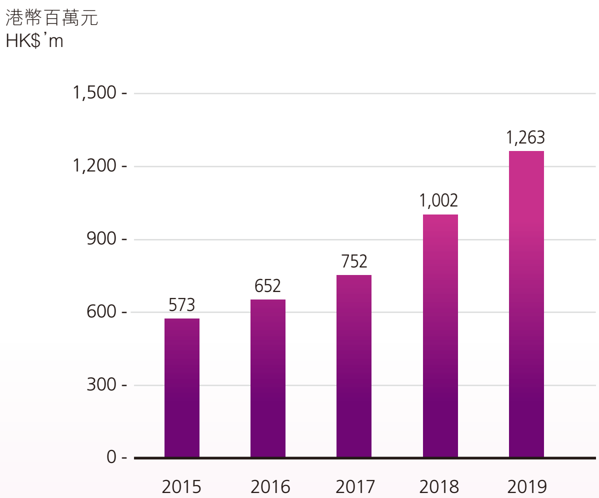
客戶存款
DEPOSITS FROM CUSTOMERS



資產總額
TOTAL ASSETS



年度溢利
PROFIT FOR THE YEAR



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財務摘要 Financial Highlights

全年	For the year	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000	變化 Change +/- %
提取減值準備前之淨經營收入	Net operating income before impairment allowances	**2,776,623**	2,019,739	+37.47
經營溢利	Operating profit	**1,486,368**	1,210,250	+22.81
除稅前溢利	Profit before taxation	**1,493,937**	1,204,742	+24.00
年度溢利	Profit for the year	**1,262,568**	1,002,447	+25.95

於年結日	At year-end	港幣千元 HK$'000	港幣千元 HK$'000	+/- %
資本總額	Total equity	**14,122,989**	11,603,196	+21.72
已發行及繳足股本	Issued and fully paid up share capital	**3,245,980**	1,772,988	+83.08
資產總額	Total assets	**149,854,781**	102,872,627	+45.67

財務比率	Financial ratios	%	%	+/- %
平均總資產回報率 [1]	Return on average total assets [1]	**0.95**	1.12	-0.17
平均股東權益回報率 [2]	Return on average shareholders' equity [2]	**10.61**	10.40	+0.21
成本對收入比率	Cost to income ratio	**34.03**	33.23	+0.80
貸存比率 [3]	Loan to deposit ratio [3]	**65.41**	61.89	+3.52
流動性覆蓋比率的平均值 [4]	Average value of liquidity coverage ratio [4]			
第一季度	First quarter	**218.71**	152.06	+66.65
第二季度	Second quarter	**191.46**	186.29	+5.17
第三季度	Third quarter	**205.53**	250.75	-45.22
第四季度	Fourth quarter	**210.17**	244.69	-34.52
穩定資金淨額比率的季度終結值 [5]	Quarter-end value of net stable funding ratio [5]			
第一季度	First quarter	**123.50**	121.23	+2.27
第二季度	Second quarter	**127.14**	124.96	+2.18
第三季度	Third quarter	**131.08**	134.05	-2.97
第四季度	Fourth quarter	**142.42**	140.22	+2.20
總資本比率 [6]	Total capital ratio [6]	**17.71**	20.99	-3.28

1. 平均總資產回報率 Return on average total assets = 年度溢利 Profit for the year / 每日資產總額平均值 Daily average balance of total assets

2. 平均股東權益回報率 Return on average shareholders' equity = 本銀行股東應佔溢利 Profit attributable to equity holders of the Bank / 本銀行股東應佔股本和儲備之年初及年末餘額的平均值 Average of the beginning and ending balance of capital and reserves attributable to equity holders of the Bank

財務摘要（續）

Financial Highlights (continued)

3. 貸存比率以年結日數額計算。貸款為客戶貸款總額。

4. 2018 年 1 月至 9 月的流動性覆蓋比率的平均值乃根據《銀行業（流動性）規則》及按香港金融管理局（「金管局」）就監管規定要求由本銀行之本地辦事處及海外分行組成的合併基礎計算。

   2018 年 10 月至 2019 年 12 月的流動性覆蓋比率的平均值乃根據《銀行業（流動性）規則》及按金管局就監管規定要求由本銀行之本地辦事處、海外分行及附屬公司組成的綜合基礎計算。因此，其比較資料是不能直接進行比較。

5. 2018年上半年及自2018年下半年起穩定資金淨額比率乃根據《銀行業（流動性）規則》及分別按金管局就監管規定要求由本銀行之本地辦事處及海外分行組成的合併基礎及由本銀行之本地辦事處、海外分行及附屬公司組成的綜合基礎計算。因此，其比較資料是不能直接進行比較。

6. 總資本比率乃根據《銀行業（資本）規則》及分別按金管局就監管規定要求由本銀行之本地辦事處、海外分行及指定附屬公司組成的綜合基礎計算。

3. Loan to deposit ratio is calculated as at year end. Loan represents gross advances to customers.

4. The average value of liquidity coverage ratio is computed on the unconsolidated basis which comprises the positions of local offices and overseas branches from January to September 2018 of the Bank specified by the Hong Kong Monetary Authority (“HKMA”) for its regulatory purposes and in accordance with the Banking (Liquidity) Rules.

   The average value of liquidity coverage ratio is computed on the consolidated basis which comprises the positions of local offices, overseas branches and subsidiaries starting from October 2018 to December 2019 of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Liquidity) Rules. Hence, the comparative information is not directly comparable.

5. The net stable funding ratio is computed on the unconsolidated basis which comprises the positions of local offices and overseas branches in the first half of 2018 and consolidated basis which comprises the positions of local offices, overseas branches and subsidiaries starting from the second half of 2018 of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Liquidity) Rules. Hence, the comparative information is not directly comparable.

6. Total capital ratio is computed on the consolidated basis which comprises the positions of local offices, overseas branches and designated subsidiaries of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules.

管理層討論及分析

業務回顧

2019 年，外圍形勢複雜多變，環球經濟面對中美貿易衝突持續、內地經濟增長放緩及英國脫歐安排不確定等衝擊，加上本港社會氣氛緊張，對整體經營環境帶來了更多不穩定因素。

雖然銀行業經營面對眾多挑戰，本集團仍繼續強化管理手段，前瞻前置地提出各項管理策略，並採用不同手段應對挑戰，如促進各項結構優化、提質增效，全面提升發展質量。

2019 年，本集團各項業務總體保持良好發展態勢，整體經營於年內取得較好成果。此外，本集團最近成立的附屬機構及境內分行均於年內取得較好進展，包括集友資產管理有限公司推出第一隻自主管理的基金，以及深圳分行正式展開營運，有效支持本集團持續發展。

本集團的服務覆蓋全香港，在中國福建及深圳設有五家分支行。年內本集團持續以親切、靈活、貼身、專業的服務理念，陸續對分行網點展開服務設施的改善工程，優化本集團的形象，致力為客戶提供優質的銀行服務體驗。

Management’s Discussion and Analysis

Business Review

In 2019, the external economic environment became more complex and uncertain. The global economy suffered due to the ongoing trade conflict between China and the United States, China’s economic growth slowing down and the uncertainty of the Brexit withdrawal agreement. Meanwhile, the tense social atmosphere in Hong Kong also caused the overall business environment to be more unstable.

In view of uncertainties and challenges in the operating environment, the Group aims to strengthen its risk management and set forward-looking management strategy. Also, the Group plans various measures such as structural optimisation to encourage quality of growth and efficiency, these efforts have enabled the Group to tackle the challenges.

In 2019, the Group's businesses maintained a promising development and achieved remarkable operating results. During the year, the Group’s recently established subsidiary, Chiyu Asset Management Limited, and Shenzhen branch both had relatively good development, including Chiyu Asset Management Limited issuing its first self-managed fund and Shenzhen branch beginning to operate, from which supporting the Group’s sustainable development.

With branches in Hong Kong, together with 3 branches and 2 sub-branches in Fujian and Shenzhen in the Mainland China, the Group remains committed to enhancing facilities of our branches in order to improve our corporate image as well as to provide better services to our customers. This is also to represent our ongoing pursuit of sincere, flexible, customized and professional cross-border banking and financial services for our customers.

管理層討論及分析（續）

財務表現

2019 年，本集團錄得股東應佔溢利為港幣1,262,568,000元，較去年增加25.95%，主要來自淨利息收入的提升所帶動。平均股東權益回報率及平均總資產回報率分別為 10.61%及0.95%。

年內淨利息收入為港幣2,018,573,000元，較2018年增加29.53%，主要由於平均生息資產規模上升 48.39%，而淨利息收益率則較去年下跌23個點子至1.56%。淨服務費及佣金收入較去年上升 73.40%至港幣 642,998,000元。經營支出為港幣944,910,000元，同比增加 40.81%，而成本對收入比率則較去年同期上升0.80個百分點至34.03%。

年內錄得貸款減值準備淨撥備港幣345,345,000 元，比去年同期增加港幣206,916,000元。特定分類或減值貸款比率較2018年底下降0.14個百分點至0.39%。

截至 2019 年底，本集團綜合總資產為港幣149,854,781,000 元，較 2018 年底增加45.67%。客戶貸款為港幣 76,066,959,000元，較去年底上升 56.91%。客戶存款為港幣116,291,434,000 元，較去年底亦上升48.46%。

前景展望

展望2020年，中美貿易衝突及內地經濟增長放緩或仍然持續，故仍需注意有關情況對金融市場造成的衝擊，同時本港亦需要時間重建社會凝聚力，加上新型冠狀病毒的擴散，預期本港經濟前景仍有波動。本集團將會採取穩健的發展策略，並加強風險管理，同時本集團將堅持回饋社會的理念，樹立履行社會責任、竭誠服務客戶的良好形象。

Management's Discussion and Analysis (continued)

Financial Review

For the year 2019, the Group recorded a profit attributable to shareholders of HK$1,262,568,000, increased by 25.95% from last year. This was mainly due to increase in net interest income. The return on average shareholders' equity and the return on average total assets were 10.61% and 0.95% respectively.

Net interest income for the year was HK$2,018,573,000, increased by 29.53%. It was mainly due to increase in average interest bearing assets by 48.39%, with net interest margin decreased by 23 basis points to 1.56% compared with 2018. Net fee and commission income increased by 73.40% to HK$642,998,000. Operating expenses increased by 40.81% to HK$944,910,000, while the cost to income ratio increased by 0.80 percentage points to 34.03%.

In 2019, net charge of loan impairment allowances was HK$345,345,000, increased by HK$206,916,000 as compared with last year. The classified or impaired loan ratio decreased by 0.14 percentage points to 0.39% compared with the end of 2018.

As of 31 December 2019, the total consolidated assets of the Group increased by 45.67% to HK$149,854,781,000 compared with the end of 2018. Advances to customers increased by 56.91% to HK$76,066,959,000. Customer deposits also increased by 48.46% to HK$116,291,434,000.

Prospect

Looking forward to 2020, the trade conflict between China and the United States and China's slow economic growth is likely to continue. Therefore, it is still crucial to beware of these factors' impact on financial markets. Meanwhile, the local society still need time to recover, along with the new coronavirus continues to spread, the local economic outlook remains volatile. The Group will pursue a more stable and steady development strategy, and strengthen its risk management at the same time, the Group will continue to fulfil its commitment to corporate social responsibilities and a dedicated customer service.

管理層討論及分析（續）

企業社會責任

便捷銀行服務

本行致力為社會各界人士提供優質便捷的銀行服務，體現我們對社區的責任。在發展業務的過程中，我們積極響應香港金融管理局推廣普及金融的理念，自 2019 年 8 月起取消了中層及基層客戶個人賬戶類別的低結餘服務月費，另本行部份分行設於公共屋邨，以照顧普羅大眾對基本銀行服務的需要。

持續提升客戶服務體驗亦是我們的工作重點之一。本行於年內推出不同的存款推廣計劃，擴大客戶層面，同時藉此鼓勵兒童開展儲蓄計劃，早日確立正面的理財觀念。為提供更全面的企業金融服務，我們與附屬公司集友國際資本有限公司及集友資產管理有限公司實現跨界合作，向企業客戶提供結構性融資貸款。此外，本行先後於多家分行舉辦基金、投資業務講座，邀請專家為個人及公司客戶分析市場走勢及分享投資策略，進一步深化與客戶關係。

為滿足客戶對電子服務渠道日益殷切的需求，我們不斷優化手機銀行功能，包括增加小額轉賬額度及簡化非登記第三者轉賬認證流程。本行亦於 2019 年度推出手機銀行二維碼支付功能，客戶可透過使用二維碼進行個人對個人的支付及繳交政府部門費用等，令客戶收付款更靈活快捷。此外，本行更於 2019 年推出「集友銀行 Instagram 官號」，配合「集友銀行微信官號」持續優化，為客戶提供最新的業務資訊、產品與服務優惠，提升客戶服務體驗。

隨著開放應用程式介面（Application Programming Interface, API）的發展，本行已按照香港金融管理局指引完成第一及第二階段工作。本行的應用程式平台現已具備存款、貸款、投資、保險、保管箱等個人金融產品資訊查閱的功能，更將與第三方服務商合作提供賬戶開立、按揭申請及保險申請等服務，為客戶帶來即時、全面及準確的資訊，以及更貼心便捷的一站式金融服務。

Management’s Discussion and Analysis (continued)

Corporate Social Responsibility

Providing convenient banking services

We endeavour to offer quality and convenient banking services to people from all walks of life, in an effort to assume our responsibilities to the community. In the course of developing our businesses, we actively respond to the Hong Kong Monetary Authority’s call to pursue financial inclusion. Our initiatives include abolition of minimum monthly balance fee with effect from August 2019, for mid-segment and grassroot customers who maintain personal accounts with us. In order to serve the needs of the public for basic banking services, some of our branches are situated in public housing estates.

Continuous enhancement of customer experience is also one of our key focuses. We have launched a variety of deposits promotion campaigns to expand our customer base while encouraging children to kick-start their savings plans and develop positive concepts towards financial management. In addition, we have been working closely with our subsidiaries, i.e. Chiyu International Capital Limited and Chiyu Asset Management Limited, to provide more comprehensive corporate financial services. We have rolled out structured loan services for corporate customers to meet their liquidity needs. A number of funds and investment seminars were held at our branches during the year with a view to deepening our relationships with personal and company customers. Financial experts were invited to share with customers their analysis on market trends and investment strategies.

To serve customers’ increasing demand for electronic service channels, we have continuously upgraded our mobile banking functions. These include to raise the maximum transaction limit for small-value payments and to streamline the authentication process of non-registered third-party fund transfers. In 2019, a new QR code payment function was also introduced on our mobile banking platform, enabling customers to settle P2P and government bill payments, etc. more flexibly and efficiently. In addition to constantly enhancing “Chiyu Wechat official account”, we launched our brand new “Chiyu Instagram official account” in 2019 to provide customers with our latest corporate information, product and service offers to further enhance customer experience.

In line with the growing use of Open Application Programming Interface (API), we implemented Open API and completed the first and second phases of development according to the Hong Kong Monetary Authority’s framework. Currently, information of our personal financial products, covering deposits, loans, investments, insurance and safe deposit box details, is now available via open API. Going forward, we will cooperate with third-party service providers to enhance our open API platform that will allow customers to complete account opening as well as mortgage and insurance applications. On top of accessing real-time, comprehensive and accurate information, customers can also enjoy one-stop financial services on this new platform.

管理層討論及分析（續）

Management's Discussion and Analysis (continued)

企業社會責任（續）

Corporate Social Responsibility (continued)

回饋社會

多年來，本行透過籌辦及贊助不同社區活動，積極履行社會企業責任。2019 年 10 月份，中華全國歸國華僑聯合會與香港僑界社團聯會主辦、中央人民政府駐香港特別行政區聯絡辦公室及香港特別行政區政府民政事務局支持、陳嘉庚紀念館協助支持、集友銀行承辦了「華僑旗幟·民族光輝—傳承嘉庚精神及華僑華人參加祖國建設成果展」，透過展出逾 500 張圖片和珍貴的歷史實物，配以翔實的文字資料，呈現一代僑領陳嘉庚先生敢為人先的拼搏精神、實業報國、投身教育的生平事蹟，同時展現新一代華僑華人在改革開放及新時代發展中所做出的重要貢獻，有助加強新一代青年勇於擔當的公民意識，並藉著「嘉庚精神」鼓舞社會大眾。本行致力推動公益慈善，助力支持陳嘉庚基金聯誼會的成立，並促成向中國華僑公益基金會捐贈港幣 500 萬元，旨在聯繫世界各地與陳嘉庚先生相關的公益慈善組織，積極開展各項慈善公益活動，傳承弘揚「嘉庚精神」。

為向社區帶來更多正能量，我們於 2019 年兩次冠名贊助由香港花式跳繩會舉辦的活動，透過跳繩運動協助學生提升能力及信心。本行更組織員工及鼓勵家屬參與本行與社區組織的公益活動，如參與香港仔街坊福利會舉辦的「香港南區寒冬送暖金絲帶大行動」，探訪區內獨居長者，積極宣揚關愛訊息。

Contributing to society

Over the years, Chiyu Bank spares no effort in organising and sponsoring different community activities with a view to fulfilling our corporate social responsibility. In October 2019, the Bank held an exhibition named "The Glory of the Overseas Chinese - Exhibition of Tan Kah Kee's Legacy and Contributions of Overseas Chinese to the Development of Motherland". It was an activity presented by the All-China Federation of Returned Overseas Chinese and the Hong Kong Federation of Overseas Chinese Associations, supported by the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region and the Home Affairs Bureau of the Hong Kong Special Administrative Region Government, and assisted by Tan Kah Kee Memorial Museum. By displaying over 500 pictures and precious exhibits and texts, the exhibition demonstrated the relentless efforts of Mr. Tan Kah Kee, a patriotic leader in the overseas Chinese communities, to support the social and education development in China with the revenue from his businesses. The exhibition also highlighted the contributions of the overseas Chinese to the Reform and Opening-up of China as well as the national development in the new era. While aiming to educate the young generation about the civic awareness and civic responsibility, the activity succeeded in bringing positive energy to the society by promoting "Kah Kee's spirit". Meanwhile, we maintain our commitment to support charitable causes. We facilitated the establishment of the Tan Kah Kee Fund Association and the donation of HKD5 million from the Fund Association to the Overseas Chinese Charity Foundation of China. This move aims to connect the charitable organisations relating to Mr Tan Kah Kee from around the world and combine their efforts to organise different charitable activities for on-going promotion of "Kah Kee's spirit".

Moreover, in 2019, we were the title sponsor of the two events held by the Hong Kong Rope Skipping Club to help raise the ability and confidence of students through rope skipping. We also invited staff and their families to participate in our charitable activities organised jointly with community organisations, such as visiting the elderly in Southern District in Hong Kong under the Aberdeen Kai-fong Welfare Association's programme, proactively spreading the message of caring for society.

支持教育

本行不忘踐行立行初心，支持本地教育發展，年內贊助「第九屆全港學生中國國情知識大賽」，以加深香港學生對國情及歷史的認識，有助他們培養獨立分析、理性思考的能力。此外，我們舉辦「小豬姨姨銀行體驗日」親子理財活動，讓兒童透過角色扮演了解銀行的基本運作，灌輸儲蓄及理財觀念。

Supporting Education

We remain committed to supporting the development of local education. It is the faith we developed as early as the Bank was established. During the year, the Bank sponsored the "9th Hong Kong Student Knowledge Contest on China's National Situation". It aimed to help strengthen local students' skills of independent analysis and critical thinking through deepening their understanding of the conditions and history of our motherland. As for younger kids, we organised a parent-child educational activity named "Go Banking with Auntie Piggy" for them to gain exposure to basic banking operations through role-play games. With this kind of activities, younger kids would be able to develop a positive attitude towards savings and managing personal finances.

倡導環保意識

為減少耗用紙量，提倡環保，本行繼續加強推廣網上銀行、手機銀行及電子支票，讓客戶體驗安全環保、方便快捷的理財服務。截至 2019 年底，集友網上銀行及手機銀行客戶數目均較 2018 年底錄得 20%的增長。

Advocating environmental awareness

To raise the public awareness of environmental protection and reduce paper consumption, the Bank continuously promotes its internet banking, mobile banking and e-cheque services among customers. We see a wider use of these electronic platforms that offer customers secured, convenient and environment-friendly services to manage their finances. As at the end of 2019, the Bank recorded an increase of 20% in the respective numbers of customers using Chiyu Internet Banking and Mobile Banking as compared with the previous year.

管理層討論及分析（續）

企業社會責任（續）

倡導環保意識（續）

此外，本行以行動踐行保護環境理念，包括減少廢物、避免使用即棄式用品、採用能源高效益產品，並鼓勵循環再用、節約能源、珍惜水資源，以及選取無翅宴會菜單等。今年亦繼續支持及參與由環境局舉辦的「戶外燈光約章」計劃，承諾晚上關掉對戶外環境造成影響的裝置，減低光污染問題。

關愛員工

培育金融人才

員工是集團的重要資產，我們一直致力培育及提升員工素質。母行廈門國際銀行年內於香港成立「廈門國際銀行金融學院香港培訓中心」，為員工提供國際化的培訓資源及多元化的業務課程。此外，本行設計及推出個性化的培訓項目，包括安排主管級人員赴美國紐約及三藩市的金融機構進行交流，充實業務知識。本行更積極招聘逾百名應屆大學畢業生為見習人員，提供學習和事業發展機會。這些見習人員除了在本地進行實習外，更獲安排參加母行於廈門舉行為期一個月的「雛鷹成長訓練營培訓計劃」，加强兩地交流，擴闊員工視野，為集團未來業務發展奠下穩固基石。我們亦持續鞏固合規文化，年內舉辦了合規及反洗錢講座及網上培訓，以提升員工相關知識，並安排合適員工參加香港銀行學會辦的 ECF ARWP 課程，獲取香港金融管理局認可的零售財富管理師專業資格。

宣揚核心價值

本行繼續透過企業文化建設小組，大力宣揚「恪守誠信、以人為本、創新發展、服務社會」的核心價值，多措並舉努力營造上下同欲的拼搏氛圍，並通過內部電子刊物《集智》及《拼搏》，強化宣導銀行創新發展動態，記錄集友人不懼困難、矢志向前的精神，宣導前中後台拼搏奮進的事蹟和典範，樹標杆、立典型。

凝聚員工歸屬感

為體現以人為本的宗旨，本行持續優化員工的福利保障。2019 年，我們增加年假天數、提高午膳津貼，同時提升了員工及其家屬的醫療保障，並實施多項關愛員工舉措，包括向員工致送新年利是、節慶及生日賀禮等，另每週持續舉辦「友聚匯」茶聚活動，以答謝員工的辛勤付出，致力為員工構建一個和諧友善的工作環境。

Management's Discussion and Analysis (continued)

Corporate Social Responsibility (continued)

Advocating environmental awareness (continued)

In addition, we have implemented a number of proactive measures to protect our environment. These include reducing waste, avoiding disposable items, promoting wider use of energy-efficient products as well as supporting recycling, energy saving, water resources and shark fin-free menus, etc. The Bank also continued to participate in the "Charter on External Lighting" organised by the Environment Bureau by switching off external lighting installations at night to minimise light nuisance and energy wastage.

Caring for employees

Nurturing financial talents

People are the Group's most important asset and we put great emphasis on nurturing talents and helping staff upgrading their qualifications. During the year, Xiamen International Bank, our parent bank, set up a brand new Institute of Finance Hong Kong Training Centre to provide staff with internationalised training resources and diversified business training classes. Moreover, we have designed and launched tailored training programmes, such as exchange meetings for management personnel at the financial institutions in New York and San Francisco in US to further enrich their business knowledge. We have also developed a well-structured officer trainee programme for younger talents. In 2019, we recruited over 100 university graduates and offered them officer trainee opportunities of learning and career development. Apart from taking part in local practical training, these officer trainees also participated in the one-month Elite Training Camp organised in Xiamen by our parent bank. This was to help broaden their horizons through enhanced cross-border exchange. All of these comprehensive training programmes enable us to lay a solid foundation for our future business development. In addition, we continuously strengthen our compliance culture and enhance our staff's related knowledge by providing them with compliance and anti-money laundering seminars and online training during the year. Selected staff also enrolled in the ECF ARWP programme organised by the Hong Kong Institute of Bankers to be qualified as retail wealth management professionals. That is a qualification well recognised by the Hong Kong Monetary Authority.

Promoting Core Values

Our Corporate Culture Development Task Force continues to advocate the Bank's core values of "Integrity, People-oriented, Innovative Development and Caring for the Society" by implementing various initiatives and motivate our employees to excel. We publish internal e-magazines respectively named "Chiyu's Wisdom" and "Striving for Success", to provide staff with updates of the Bank's innovation and development, as well as to promote the can-do spirit among our staff by commending role models and sharing their success stories.

Enhancing our staff's sense of belonging

Based on a people-oriented philosophy, we constantly optimise benefits for our employees. In 2019, we increased the number of annual leave days and the amount of meal allowance, enhanced the medical benefits for both staff and their families, and offered a range of employee care initiatives, such as red packets for Chinese New Year and gifts for festivals and birthday, etc. Moreover, weekly gatherings are organised to reward staff with delicious food. We strive to provide a harmonious and friendly working environment for our employees.

管理層討論及分析（續）

企業社會責任（續）

關愛員工（續）

凝聚員工歸屬感（續）

本行適時重檢及提供具競爭力的薪酬待遇，積極留住人才及吸引人才，並建立相關激勵機制，鼓勵表現優異的員工。此外，本行每年舉辦員工表彰晚會，表彰先進，凝聚士氣，提升員工對本行的歸屬感。

為使員工在事業發展及個人生活兩方面取得平衡，以及加強部門間的互動聯繫，本行於年內舉辦了多項不同類型的康體活動供員工及家屬參與，包括遠足、保齡等，並組織各種文體隊伍，鼓勵員工參加集團、業界及中資企業舉辦的球類比賽，年內更於香港華商銀行公會主辦的「2019 年行際籃球比賽」勇奪冠軍，展現團結合作、積極向上的拼搏精神。

獎項及認證

本行在推動企業社會責任的表現獲社會廣泛認同，連續超過 5 年成為香港社會服務聯會「商界展關懷」公司，並榮獲《鏡報》「第八屆傑出企業社會責任獎」，以及《CTgoodjobs》「最佳社會企業責任大獎」之傑出大獎。此外，憑著多元化的關愛員工措舉、完善的人才招聘及培訓策略，連續兩年榮獲《JobMarket 求職廣場》雜誌頒發「卓越僱主大獎」，並分別獲《CTgoodjobs》及勞工處頒發「最佳員工福利大獎」金獎及「培育青年僱主」獎。

Management's Discussion and Analysis (continued)

Corporate Social Responsibility (continued)

Caring for employees (continued)

Enhancing our staff's sense of belonging (continued)

The Bank reviews its remuneration packages periodically and formulates a competitive scheme to retain and attract talents. An incentive programme has also been introduced to reward outstanding staff. Another initiative to recognise our employees for their remarkable performance is our Award Presentation Ceremony. It is held annually to boost morale and increase our staff's sense of belonging.

To advocate work-life balance at the Bank and strengthen the bonding between departments, we organised a variety of recreational activities during the year, such as hiking and bowling for staff and their families. Different sports teams have been formed and employees are encouraged to enthusiastically participate in various sports competitions organised by the Group, the banking industry and Chinese enterprises. In 2019, our team was the champion in the "Interbank Basketball Match" organised by the Chinese Banks' Association. All our team members demonstrated their team spirit and perseverance at these events.

Awards and recognition

Our commitment to fulfil our corporate social responsibility has earned us wide recognition. The Bank has been named a Caring Company by the Hong Kong Council of Social Service for over five consecutive years. The Bank was also presented the "8th Outstanding Corporate Social Responsibility Award" and the Grand Prize of "Best Corporate Social Responsibility Award" by *The Mirror* magazine and *CTgoodjobs* respectively. In acknowledgement of our diversified caring employment practices as well as comprehensive talent recruitment and training strategies, we received the "Employer of Choice Award" from *JobMarket* for two years in a row, and also the Gold Prize of "Best Compensation & Benefits Award" and the "Youth Nurturing Employer Award" from *CTgoodjobs* and the Labour Department respectively.

董事會報告

集友銀行有限公司(下稱「本銀行」)董事會(下稱「董事會」)同仁謹此提呈本銀行及其附屬公司(連同本銀行統稱「本集團」)截至2019年12月31日止之董事會報告及經審核之綜合財務報表(下稱「財務報表」)。

主要業務

本銀行為根據香港《銀行業條例》項下所規定獲發牌的持牌銀行。本集團之主要業務為提供銀行及相關之金融服務。本集團於本年度按業務分類的經營狀況分析詳情載於財務報表附註37。

業務審視

有關本集團於本年度之業務審視,請參閱本年報的「管理層討論及分析」及「未經審核之補充財務資料—風險管理」章節,上述章節乃本報告之一部分。

業績及分配

本集團在本年度之業績載於第34頁之綜合收益表。

本集團於年度內沒有宣派中期股息。

董事會建議派發截至2019年12月31日止年度每股港幣0.2元之末期股息(「2019年度末期股息」),待本銀行之股東於即將舉行之周年成員大會(「2019年度周年成員大會」)上批准。

股份發行及股份拆細

為進一步提升未來發展的資本實力,本銀行分別於2018年12月31日及2019年1月29日以每股港幣4,000元向本銀行股東發行368,247股及368,248股普通股。

本銀行於2019年5月29日召開周年成員大會通過普通決議案,批准將本銀行股本中每股已發行股份拆細為500 股股本中之拆細股份(「股份拆細」),股份拆細並已於2019年5月30日生效。股份拆細後股東持股比例保持不變,但已繳股份總數目由現時的3,736,495股增加至1,868,247,500股。

本銀行之股本詳情載於財務報表附註30。

捐款

本銀行積極履行社會企業責任,通過各種渠道為社會公益事業籌集善款。2019年10月份,本行助力支持陳嘉庚基金聯誼會的成立,並促成向中國華僑公益基金會捐贈港幣500萬元,旨在聯繫世界各地與陳嘉庚先生相關的公益慈善組織,積極開展各項慈善公益活動,傳承弘揚「嘉庚精神」。本行也為向小區帶來更多正能量,於2019年兩次冠名贊助由香港花式跳繩會舉辦的活動,透過跳繩運動協助學生提升能力及信心。本行不忘踐行立行初心,支持本地教育發展,年內贊助「第九屆全港學生中國國情知識大賽」,以加深香港學生對國情及歷史的

Report of the Directors

The Board of Directors (hereinafter referred to as the "Board") of Chiyu Banking Corporation Limited (hereinafter referred to as the "Bank") are pleased to present their report together with the audited consolidated financial statements of the Bank and its subsidiaries (together with the Bank hereinafter referred to as the "Group") for the year ended 31 December 2019 (hereinafter referred to as the "Financial Statements").

Principal Activities

The Bank is a licensed bank authorised under the Hong Kong Banking Ordinance. The principal activities of the Group are the provision of banking and related financial services. An analysis of the Group's performance for the year by business segments is set out in Note 37 to the Financial Statements.

Business Review

For business review of the Group for the year, please refer to the "Management's Discussion and Analysis" and "Unaudited Supplementary Financial Information – Risk Management" section of this annual report. The above section forms part of this report.

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 34.

No interim dividend was declared during the year.

The Board has recommended a final dividend (the "2019 Final Dividend") of HK$0.2 per share in respect of the year ended 31 December 2019. Subject to the approval of the shareholders of the Bank at the forthcoming annual general meeting (the "2019 AGM").

Shares Issued and Subdivision of Shares

In order to further enhance the capital strength for future development, the Bank issued 368,247 and 368,248 ordinary shares on 31 December 2018 and 29 January 2019 respectively at HK$4,000 each to shareholders of the Bank.

At the annual general meeting of the Bank held on 29 May 2019, an ordinary resolution has passed, whereas, every existing issued share in the share capital of the Bank be subdivided into 500 subdivided shares in the share capital of the Bank (the "Share Subdivision") and the Share Subdivision was effective on 30 May 2019. After the Share Subdivision, the shareholding ratio of shareholders remain unchanged, but the total number of issued shares has increased from 3,736,495 shares to 1,868,247,500.

Details of the share capital of the Bank are set out in Note 30 to the Financial Statements.

Donations

The Bank spares no effort in organising and sponsoring different community activities with a view to fulfilling our corporate social responsibility. In October 2019, we facilitated the establishment of the Tan Kah Kee Fund Association and the donation of HKD5 million from the Fund Association to the Overseas Chinese Charity Foundation of China. This move aims to connect the charitable organisations relating to Mr Tan Kah Kee from around the world and combine their efforts to organise different charitable activities for on-going promotion of "Kah Kee's spirit". Moreover, in 2019, we were the title sponsor of the two events held by the Hong Kong Rope Skipping Club to help raise the ability and confidence of students through rope skipping. We remain

董事會報告（續）

捐款 (續)

認識，有助他們培養獨立分析、理性思考的能力。本集團於本年度內之慈善及其他捐款總額為港幣 60,000 元。

董事

於年內及截至本報告日期止，本銀行的董事（下稱「董事」）如下：

董事長 呂耀明

副董事長 鄭　威
余國春 *

董事 蔡麗霞 #
陳　呈 #
陳遠才 #
吳家瑋 *
張惠慶 *
李開賢 *
趙明華 *（於 2019 年 2 月 19 日獲委任）
陳耀輝

非執行董事
* 獨立非執行董事

根據本行組織章程細則，董事之委任將由普通決議或董事會的決定批准。並根據《銀行業條例》，須獲得金管局之審批。

本行每位董事的任期約為 3 年。所有董事均須根據本行組織章程細則於周年成員大會上輪席告退及膺選連任。本行提名及薪酬委員會須就重選董事向董事會提出建議，待董事會審議後於周年成員大會上由股東議決通過。

根據本銀行組織章程細則第 24(2)條及 25 條規定，張惠慶先生及吳家瑋教授將於即將舉行的周年成員大會上輪值告退，並願意膺選連任。

於本年度內及截至本報告日期止，除陳耀輝先生擔任本銀行若干附屬公司董事外，本銀行附屬公司的其他董事如下：

馮志立
黃兆文
鄧　儲
鄺紀民
Don Wayne Ebanks (於 2019 年 2 月 22 日獲委任)
Wong Wai Shan (於 2019 年 2 月 22 日獲委任)
李元雄 (於 2019 年 2 月 22 日獲委任)
葉　昕 (於 2019 年 11 月 19 日獲委任)
劉小吉 (於 2019 年 11 月 19 日獲委任)
沈承傑 (於 2019 年 12 月 12 日獲委任)
陳俊謙 (於 2019 年 12 月 12 日辭任)

Report of the Directors (continued)

Donations (continued)

committed to supporting the development of local education. It is the faith we developed as early as the Bank was established. During the year, we sponsored the "9th Hong Kong Student Knowledge Contest on China's National Situation". It aimed to help strengthen local students' skills of independent analysis and critical thinking through deepening their understanding of the conditions and history of our motherland. Charitable and other donations made by the Group during the year amounted to HK$60,000.

Directors

The directors of the Bank (hereinafter referred to as the “Directors”) during the year and up to date of this report are:

Chairman Lyu Yaoming

Vice Chairman Zheng Wei
Yu Kwok Chun *

Directors Tsoi Lai Ha #
Chen Cheng #
Tan Wan Chye #
Woo Chia Wei *
Cheung Wai Hing *
Lee Hoi Yin, Stephen *
Chiu Ming Wah* (appointed on 19 February 2019)
Chan Yiu Fai

Non-executive Directors
* Independent Non-executive Directors

In accordance with the Articles of Association of the Bank, the appointment of directors will be approved by ordinary resolution or by the decision of the Board of Directors. Approval from the HKMA will also be obtained in accordance with the Banking Ordinance.

The term of office for each Director of the Bank is approximately three years. All Directors are subject to retirement and re-election at the annual general meeting in accordance with the Articles of Association of the Bank, and the re-election of retiring directors should be subject to the recommendation and review from the Nomination and Remuneration Committee and the Board before approval is sought from shareholders at the AGM.

In accordance with Articles 24(2) and 25 of the Bank’s Articles of Association, Mr. Cheung Wai Hing and Prof. Woo Chia Wei shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Save for Mr Chan Yiu Fai being also director of certain subsidiaries of the Bank, other directors of the subsidiaries of the Bank during the year and up to date of this report are:

Fung Chi Lap
Wong Siu Man
Tang Chu, Leonard
Kwong Kei Man
Don Wayne Ebanks (appointed on 22 February 2019)
Wong Wai Shan (appointed on 22 February 2019)
Lee Yuen Hung Kevin (appointed on 22 February 2019)
Ye Xin (appointed on 19 November 2019)
Liu Xiaoji (appointed on 19 November 2019)
Shen Chengjie (appointed on 12 December 2019)
Chan Chun Him (resigned on 12 December 2019)

董事會報告（續）

董事於交易、安排或合約之權益

於本年度末或本年度任何時間內，本銀行或其任何控股公司、附屬公司或各同系附屬公司概無就本集團業務訂立任何重大、而任何董事或其有關連實體直接或間接擁有重大權益的交易、安排或合約。

管理合約

於本年度內，本銀行並無就全部業務或任何重大部分業務的管理及行政工作簽訂或存有任何合約。

董事購買股份或債權證之權利

於本年度任何時間內，本銀行或其任何控股公司、附屬公司或同系附屬公司概無訂立任何安排，使董事能藉購入本銀行或任何其他法人團體之股份或債權證，而獲取利益。

獲准許的彌償條文

根據本銀行組織章程細則，每名董事均可就其職責而引致的全部責任獲本銀行從資金中撥付彌償。本銀行已為可合法投保的董事責任安排保險。

符合《銀行業（披露）規則》

本年報符合香港《銀行業條例》項下《銀行業（披露）規則》之有關要求。

核數師

2019年度之財務報表乃由畢馬威審計，畢馬威將於2019年度周年成員大會上告退，並表示願意繼續受聘。

承董事會命

呂耀明
董事長
香港，2020年4月24日

Report of the Directors (continued)

Directors' Interests in Transactions, Arrangements or Contracts

No transactions, arrangements or contracts of significance, in relation to the Group's business to which the Bank or any of its holding companies, subsidiaries or fellow subsidiaries was a party and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Bank were entered into or existed during the year.

Directors' Rights to Acquire Shares or Debentures

At no time during the year was the Bank or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

Permitted Indemnity Provision

Pursuant to the Articles of Association of the Bank, every Director shall be indemnified out of funds of the Bank against all liability incurred by him/her as Director. The Bank has maintained insurance for the benefit of Directors against liability which may lawfully be incurred by the Bank.

Compliance with the Banking (Disclosure) Rules

This annual report complies with the applicable requirements set out in the Banking (Disclosure) Rules under the Hong Kong Banking Ordinance.

Auditor

The financial statements for the year 2019 have been audited by KPMG who will retire and offer themselves for re-appointment at the 2019 AGM.

On behalf of the Board

Lyu Yaoming
Chairman
Hong Kong, 24 April 2020

董事個人資料

董事會

呂耀明先生

董事長及執行董事

經濟學博士，高級經濟師，自 2017 年 3 月獲委任爲本行董事長，彼亦出任本行戰略及公司治理委員會委員。呂先生現為廈門國際銀行股份有限公司副董事長，兼任澳門國際銀行股份有限公司董事長、廈門國際投資有限公司董事，廈門大學金融研究所副所長。曾先後擔任中國工商銀行福州市分行行長、中國工商銀行福建省分行副行長，1997 年 12 月起歷任廈門國際銀行常務董事、執行副總裁、總裁，2012 年 12 月擔任廈門國際銀行股份有限公司副董事長、總裁，並於 2018 年 5 月辭任總裁（行長）職務。

鄭威先生

副董事長，執行董事及行政總裁

畢業於廈門大學國際金融專業，獲經濟學學士並為高級經濟師，自 2017 年 3 月獲委任爲本行副董事長及執行董事，並於 2017 年 6 月獲聘任為本行行政總裁，彼亦出任本行戰略及公司治理委員會及風險管理委員會委員。鄭先生現任廈門國際銀行股份有限公司執行董事、副行長(副總裁)。2007 年 7 月至 2017 年 2 月期間任廈門國際銀行副總經理兼上海分行總經理。彼曾先後擔任廈門國際銀行信貸部副經理、貸款管理部副經理、經理、珠海分行總經理、廈門國際銀行助理總經理兼上海分行總經理。

Biographical Details of Directors

Board of Directors

Mr. LYU Yaoming

Chairman and Executive Director

PhD in Economics, Senior Economist, was appointed as the Chairman and is a member of the Strategy and Corporate Governance Committee of the Bank. Currently, Mr. Lyu serves as Vice Chairman of the Board of Xiamen International Bank Co., Ltd., Chairman of the Board of Luso International Banking Limited, Director of Xiamen International Investment Limited, Deputy Director of Institute of Finance, Xiamen University. Mr. Lyu had successively served as Branch Manager of Fuzhou Branch of the Industrial and Commercial Bank of China, Deputy Branch Head of Fujian Branch of Industrial and Commercial Bank of China. Since December 1997, Mr. Lyu had successively held the posts of Executive Director, Vice Executive President and President of Xiamen International Bank. Mr. Lyu serves as the Vice Chairman and President of Xiamen International Bank Co., Ltd. since December 2012, and resigned from the post of President in May 2018.

Mr. ZHENG Wei

Vice Chairman, Executive Director and Chief Executive

Holds a Bachelor’s degree in Economics from the Xiamen University and is a senior economist, was appointed the Vice Chairman and an Executive Director of the Bank in March 2017 and was appointed the Chief Executive of the Bank in June 2017 and is a member of the Strategy and Corporate Governance Committee and the Risk Management Committee. Mr. Zheng is an Executive Director and Vice President of Xiamen International Bank. Mr. Zheng was the Deputy General Manager of Xiamen International Bank and the General Manager of the Shanghai Branch of Xiamen International Bank from July 2007 to February 2017. Mr. Zheng had also previously served Xiamen International Bank as the Deputy Manager of the Credit Department, the Deputy Manager and Manager of the Credit Management Department, the General Manager of the Zhuhai Branch and the Assistant General Manager of Xiamen International Bank.

董事個人資料（續）

董事會（續）

余國春先生

副董事長及獨立非執行董事

畢業於澳洲MacQuarie University攻讀工商會計，獲得文學學士學位、香港理工大學榮譽院士、香港浸會大學榮譽院士及香港城市大學榮譽博士，自2002年4月獲委任為本行獨立非執行董事及於2018年12月獲委任為本行的副董事長，彼亦出任本行戰略及公司治理委員會主席及稽核委員會委員。余先生亦為裕華集團主席及裕華國產百貨有限公司董事長。余先生於中港兩地所擔任的主要公職和社會職務包括：第十三屆中國人民政治協商會議全國委員會常務委員、中國僑聯副主席、香港理工大學顧問委員會委員、香港廣東社團總會創會主席及首席會長、香港友好協進會主席團常務主席、香港僑界社團聯會首席主席、香港中華總商會常務會董、香港梅州聯會永遠榮譽顧問、香港華人華僑總會名譽會長、香港嘉應商會永遠榮譽會長、九龍西區各界協會永遠名譽會長兼創會會長、港九百貨業商會榮譽理事長。在內地，余先生擔任廣東省海外交流協會海外副會長、廣東省粵港澳合作促進會名譽副會長、廣州暨南大學校董兼董事會副董事長、廣州暨南大學教育基金會理事會副理事長、梅州嘉應大學董事會榮譽董事長、北京華文學院董事會副董事長、廣州中山大學顧問董事會首屆董事。余先生相繼於1998年、1999年、2006年和2019年榮獲香港特別行政區政府委爲太平紳士榮銜及頒授銀紫荊星章和金紫荊星章和大紫荊勳章殊榮。

蔡麗霞女士

非執行董事

畢業於香港理工大學，持有成本及管理會計學士學位，現為香港註冊會計師公會資深會員、英國管理會計師公會會員、及 CFP[CM] 認可財務策劃師，自2017年3月獲委任爲本行非執行董事，同時出任本行稽核委員會及提名及薪酬委員會委員。蔡女士現任廈門國際銀行股份有限公司首席財務官，於1995年6月至2013年5月出任廈門國際銀行的財務總監，自1984年至1995年4月期間曾先後擔任南洋商業銀行資金策劃部經理、Asian Oceanic Group 會計部副經理、Mbf Asia Capital Corporation Holding Ltd.集團財務總監。

Biographical Details of Directors (continued)

Board of Directors (continued)

Mr. YU Kwok Chun

Vice Chairman and Independent Non-executive Director

Holds a Bachelor's degree in Commerce from the MacQuarie University, Honorary University Fellow of the Hong Kong Polytechnic University and the Hong Kong Baptist University and Honorary Doctor of Business Administration of the City University of Hong Kong, he was appointed Independent Non-executive Director of the Bank in April 2002 and appointed as Vice Chairman in December 2018. He is also the Chairman of the Strategy and Corporate Governance Committee and a member of the Audit Committee of the Bank. Mr. Yu is Chairman of the Yue Hwa Group and Chairman of Yue Hwa Chinese Products Emporium Limited. Mr. Yu is active in various social services in Hong Kong as well as in the PRC. Mr. Yu is Executive Member of the National Committee of The 13th Chinese National People's Political Consultative Conference and Vice Chairman of All-China Federation of Returned Overseas Chinese. He is Member of the Advisory Committee of the Hong Kong Polytechnic University, Founding Chairman and First President of the Federation of Hong Kong Guangdong Community Organizations Limited, Permanent Honorary Chairman and Vice Chairman of Friends of Hong Kong Association Limited, Principal Chairman of The Hong Kong Federation of Overseas Chinese Associations, Committee Member of The Chinese General Chamber of Commerce, Permanent Honorary Advisor of the Hong Kong Meizhou Federation, Honorary Chairman of the Hong Kong Overseas Chinese General Association, Permanent Honorary President of Ka Ying Chow Commercial Association Limited, Permanent Honorary President and Founding Chairman of the Unified Association of Kowloon West Limited, and Honorary President of the Hong Kong and Kowloon General Merchandise Merchants' Association Limited. Mr. Yu is the Vice President of Overseas Exchange Association of Guangdong Province, Vice Honorary President of the Guangdong, Hong Kong and Macau Cooperation Promotion Association of Guangdong Province, Director and Vice Chairman of the Board of the Jinan University, Guangzhou, Vice President of the Jinan University Education and Foundation Fund Limited, Guangzhou, Honorary President of the Board of Directors of Jiaying University, Meizhou, Guangdong Province, Vice Chairman of the Board of Directors of Beijing Chinese Language and Culture College, and Director of the First Board of Advisory Directors of Sun Yat Sen University, Guangzhou. Mr. Yu was awarded the honour of Justice of the Peace, Silver Bauhinia Star, Gold Bauhinia Star and Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region successively in 1998, 1999, 2006 and 2019.

Ms. TSOI Lai Ha

Non-executive Director

Holds a Bachelor's degree in Management Accounting from Hong Kong Polytechnic University, fellow member of the Hong Kong Institute of Certified Public Accountants and a Chartered Global Management Accountant and Certified Financial Planner, was appointed as a Non-executive Director of the Bank in March 2017 and is also a member of the Audit Committee and the Nomination and Remuneration Committee. Ms. Tsoi is the Chief Financial Officer of Xiamen International Bank. From June 1995 to May 2013, Ms. Tsoi served Xiamen International Bank as Group Financial Controller. Prior to joining Xiamen International Bank, she was Manager at the Financial Planning Department of Nanyang Commercial Bank, Deputy Manager of the Accounting Department of Asian Oceanic Group and Group Financial Controller of Mbf Asia Capital Corporation Holding Ltd.

董事個人資料（續）

董事會（續）

陳呈先生

非執行董事

畢業於湖南長沙第三炮兵學院通信專業，並完成中央黨校經濟管理專業本科，自 2017 年 5 月獲委任爲本行非執行董事。陳先生現為福建省廈門市集美學校委員會副主任，於 2008 年 10 月起兼任陳嘉庚紀念館館長。彼於 1982 年至 1989 年間曾在南京軍區服役並為軍官，1989 年 2 月至 1996 年 9 月任廈門市政府第四辦公室處長；1996 年 9 月至 2005 年 11 月任廈門總商會經濟部副主任。

陳遠才先生

非執行董事

持有英國曼徹斯特大學旗下理工學院的工程學位及工業管理文憑，自 1982 年 6 月獲委任為本行非執行董事，彼亦出任本行戰略及公司治理委員會及稽核委員會委員。陳先生是本行持股最多的個人股東，並且是前董事長陳光別的兒子。陳先生是陳光別有限公司(控股公司)、陳光別投資有限公司(投資貿易公司) 、亞洲工業發展有限公司(物業發展公司)及亞洲發展有限公司(物業發展公司)的董事長。彼曾擔任中南有限公司，民豐有限公司，長遠有限公司及南隆有限公司諸董事，該等公司的業務為入口中國罐頭食品及草藥。彼曾參與設計和建築在英國、新加坡的發電廠。彼為特許工程師、英國機械工程師學會會員，也是新加坡工程師學會會員。陳先生熱衷於新加坡的社會福利活動，彼是新加坡佛教居士林教育基金和彌陀學校董事；觀音堂佛祖廟和彌基金的信托人，他們每年捐獻幾百萬新幣給學校，醫院和社會福利機構。

吳家瑋教授

獨立非執行董事

持有美國華盛頓大學之物理學碩士及博士學位，自 2002 年 4 月獲委任為本行獨立非執行董事，彼亦出任本行提名及薪酬委員會委員。吳教授亦為瑞安集團有限公司高級顧問及香港科技大學榮休校長，上海實業控股有限公司之獨立非執行董事及第一上海投資有限公司之獨立非執行董事。彼亦曾任美國數間著名大學之校長、院長、系主任及教授。吳教授獲頒香港特別行政區(香港特區)的金紫荊星章、英國的不列顛帝國司令勳章，及法國的榮譽騎士勳章 Chevalier de la Legion d’ Honneur。

Biographical Details of Directors (continued)

Board of Directors (continued)

Mr. CHEN Cheng

Non-executive Director

Graduated from the Hunan Changsha Third Artillery Academy majoring in Communications and has completed a degree in Economics and Management at the Party School of the Central Committee of the Communist Party of China, he was appointed a Non-executive Director of the Bank in May 2017. Mr. Chen is the Vice Director of the Committee of Jimei Schools and has been the Curator of Tan Kah Kee Museum since October 2008. He was an Officer at the Nanjing Military Region from 1982 to 1989. Mr. Chen was the Head of the Fourth Office of the Xiamen Municipal Government from February 1989 to September 1996. Since September 1996, Mr. Chen had been the Vice Principal of the Economy Department of the Xiamen Chamber of Commerce, until November 2005.

Mr. TAN Wan Chye

Non-executive Director

Holds a Bachelor of Engineering Degree from Manchester College of Science and Technology, University of Manchester, England and a Post Graduate Diploma in Industrial Administration, he was appointed a Non-executive Director of the Bank in June 1982. He is also a member of the Strategy and Corporate Governance Committee and the Audit Committee of the Bank. Mr. Tan is the largest individual shareholder of the Bank and is the son of Mr. Tan Kong Piat, the former Chairman of the Bank. Mr. Tan is the Chairman of Tan Kong Piat (Pte) Ltd, which is a holding company, Tan Kong Piat & Co Pte Ltd, which is an investment trading company, Asia Industrial Development (Pte) Ltd and Asia Property Development (Pte) Ltd, which are both property development companies. He had previously served as a Director of the following companies importing Chinese canned food and herb, Chung Nam Company (Pte) Ltd, Bin Hong Co Pte Ltd, Tiong Wan Pte Ltd and Nam Leong Co Sdn Bhd. He took part in the design & construction of Central Power Stations in England and Singapore. He is a Chartered Engineer, a Member of the Institute of Mechanical Engineers, England, and a Member of Institute of Engineers, Singapore. Mr. Tan is active in the charitable activities in Singapore. He is a board member of Buddhist Lodge Education Foundation, a board member of Mee Toh School, a Trustee of Kwan Im Thong Hood Cho Temple and Mee Toh Foundation, they distribute donations that amount to millions of Singaporean Dollars to schools, hospitals and charitable organisations.

Prof. WOO Chia-Wei

Independent Non-executive Director

Holds a Master’s Degree and a PhD in Physics from Washington University in St. Louis in the United States, he was appointed an Independent Non-executive Director of the Bank in April 2002. He is also a member of the Nomination and Remuneration Committee of the Bank. Prof. Woo is also the Senior Advisor to Shui On Holdings Limited and the President Emeritus of the Hong Kong University of Science and Technology, an Independent Non-executive Director of each of Shanghai Industrial Holdings Limited and First Shanghai Investments Limited. Prof. Woo was previously the President, Provost, Department Head, and a Professor of several prominent universities in the United States of America. Prof. Woo was awarded the Gold Bauhinia Star by the Government of Hong Kong, the Commander of the Most Excellent Order of the British Empire by the United Kingdom, as well as Chevalier de la Legion d’Honneur by the President of France.

董事個人資料（續）

董事會（續）

張惠慶先生

獨立非執行董事

香港大學法律（榮譽）學士，自2006年11月獲委任為本行獨立非執行董事，彼亦出任本行提名及薪酬委員會主席及稽核委員會委員。張先生為胡關李羅律師行高級合夥人及該律師行的訴訟部主管，香港特區政府委任為應用研究局主席，香港保良局、香港防癆心臟及胸病協會及慧妍雅集等香港著名慈善機構之義務法律顧問，保良局李兆基青年綠洲籌備諮詢委員會委員，中國委托公証人協會紀律審裁組成員，以及陳廷驊基金會之信託人及曾任現已停止運作之香港各界慶祝回歸委員會慈善信託基金會信託人。彼為香港執業律師，並有英國、澳洲(維多利亞省)及新加坡等地的執業資格，亦為中國委托公証人及香港特區政府婚姻監禮人。

李開賢先生

獨立非執行董事

獲倫敦城市理工學院頒發會計學文學士（榮譽）學位，並為英格蘭及威爾斯特許會計師公會及內部審計師協會會員及香港會計師公會資深會員，自2013年11月獲委任為本行獨立非執行董事，彼亦出任本行稽核委員會主席及風險管理委員會委員。李先生在畢馬威倫敦及香港擁有超過30年的會計、審計及財務管理經驗，曾擔任畢馬威香港審計合夥人，其後成為畢馬威香港、中國及亞太區風險及合規顧問服務之主管合夥人。彼於2011年自畢馬威退休，現於香港中文大學擔任客座副教授，並為內部審計師協會（香港分會）會長。彼為香港財務匯報局非執行董事、亞洲衛星控股有限公司獨立非執行董事。

趙明華先生

獨立非執行董事

獲美國林肯大學頒發工商管理學院學士(主修會計)學位，於2000至2014年期間為註冊舞弊審查師，自2019年2月獲委任為本行獨立非執行董事，彼亦出任本行風險管理委員會主席。趙先生現為上海電汽集團香港有限公司非執行董事；於2001至2014年期間任職中國銀行港澳管理處稽核部總經理兼集友銀行非執行董事及稽核委員會主席。彼於2013至2017年任瀋陽政協常委及曾歷任香港全國人大選舉委員會成員。

Biographical Details of Directors (continued)

Board of Directors (continued)

Mr. CHEUNG Wai Hing

Independent Non-executive Director

LLB (Hon.), HKU, he was appointed an Independent Non-executive Director of the Bank in November 2006. He is also the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee of the Bank. Mr. Cheung is a senior partner of Woo Kwan Lee & Lo, Solicitors and the Head of its Litigation Department. Mr. Cheung is currently the Chairman of Applied Research Council of the HKSAR Government. He also serves as the Honarary Legal Advisor of Po Leung Kuk, The Hong Kong Tuberculosis, Chest and Heart Diseases Association and Wai Yin Association. He is a member of Po Leung Kuk Youth Oasis Preparatory Consultative Committee and panel member of the Disciplinary Committee of Association for China-Appointed Attesting Officers Limited. Mr. Cheung is a trustee of The D. H. Chen Foundation and was a trustee of the Association for Celebration of Reunification of Hong Kong with China Charitable Trust until the winding up of its operation. Mr. Cheung is a practising solicitor in Hong Kong and qualified to practise in England and Wales, Australia (Victoria) and Singapore. He is also a China-Appointed Attesting Officer and a Civil Celebrant of Marriages of the Government of Hong Kong.

Mr. LEE Hoi Yin, Stephen

Independent Non-executive Director

Awarded a Bachelor of Arts (Hons) degree in Accountancy from City of London Polytechnic, a Fellow Member of The Hong Kong Institute of Certified Public Accountants and of The Institute of Chartered Accountants in England and Wales, and an Associate Member of The Institute of Internal Auditors, he was appointed an Independent Non-Executive Director of the Bank in November 2013. He is also the Chairman of the Audit Committee and a member of the Risk Management Committee of the Bank. Mr. Lee has over 30 years' experience in accounting, auditing and financial management, at KPMG in London and Hong Kong. He was an audit partner of KPMG Hong Kong before becoming the Partner-in-Charge of the Risk & Compliance Advisory practices of KPMG in respect of Hong Kong, the PRC and the Asia Pacific region. He retired from KPMG in 2011,and is currently serving as an Adjunct Associate Professor at The Chinese University of Hong Kong and as Immediate Past President of The Institute of Internal Auditors Hong Kong Limited. He is a Non-executive Director of the Board of the Financial Reporting Council of Hong Kong and an Independent Director of Prime Property Fund Asia GP Pte Limited.

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Mr. CHIU Ming Wah

Independent Non-executive Director

Awarded a Bachelor of Business Administration in Accounting from Lincoln University, U.S.A and was a Certified Fraud Examiner (CFE) during 2000 to 2014. Mr. Chiu was appointed an Independent Non-executive Director of the Bank in February 2019. He is also the Chairman of the Risk Management Committee of the Bank. He is at present a Non-executive Director of Shanghai Electric Hong Kong Co. Ltd. During 2001 to 2014, he was the Head of Audit (General Manager) of Bank of China (HK) Limited as well as a Non-executive Director and the Chairman of the Audit Committee of Chiyu Bank. He was member of the Shenyang Chinese National People's Political Consultative Conference during 2013 to 2017 and successively been a member of the National People's Congress Election Committee of Hong Kong.

董事個人資料（續）

董事會（續）

陳耀輝先生

執行董事及副總裁

香港中文大學工商管理學士學位及公開大學企業管治碩士學位，自2003年3月起獲委任為本行執行董事及於2002年12月起擔任本行副總裁(前稱副總經理)，目前主要負責本行之業務支援部和內部控制工作。陳先生於1981年至2001年期間任職於華僑商業銀行，先後出任分行、業務發展部、中國業務部、策劃部、工作研究部主管，由2001年10月中銀集團合併後擔任中國銀行（香港）有限公司內地分行業務部主管。

Biographical Details of Directors (continued)

Board of Directors (continued)

Mr. CHAN Yiu Fai

Executive Director and Deputy Chief Executive

Holds a Bachelor's Degree in Business Administration from The Chinese University of Hong Kong and a Master's Degree in Corporate Governance from The Open University of Hong Kong, he was appointed an Executive Director of the Bank in March 2003 and as the Deputy Chief Executive (formerly known as Deputy General Manager) of the Bank in December 2002. Presently he is mainly responsible for the business support and internal control functions of the Bank. Between 1981 and 2001, Mr. Chan had served in the Hua Chiao Commercial Bank in various positions as the Branch Manager, the Head of Business Development Department, China Business Department, Strategic Planning Department and Project Research Department. He was the Head of the Mainland Branch Business Department of Bank of China (Hong Kong) Limited after the merger of BOCHK Group in October 2001.

公司治理

於本年度內，本銀行已遵循由香港金融管理局（下稱「金管局」）刊發的監管政策手冊 CG-1「本地註冊認可機構的企業管治」的指引，本銀行致力維持最高的企業管治標準，並認為此承諾對於平衡股東、客戶及員工的利益，以及保持問責及透明度，至為重要。

董事會及高級管理層

董事會負責為本集團整體業務確定目標、制定長遠策略及進行管理。董事會現時由 11 位具備不同經驗及專業之人士組成。當中 3 位為執行董事，其餘 8 位為非執行董事。在 8 位非執行董事中，5 位為獨立非執行董事，發揮不可或缺的獨立監督作用。董事會定期召開會議並於年內召開了 4 次會議，平均出席率達 95%。董事會授權高級管理層執行已審定的策略方針，由其負責本集團日常營運並向董事會報告。高級管理層推行董事會已採納的重要策略及發展戰略。為了能專注在對本集團運作、財務表現、風險管理及長遠發展有重大影響之策略性及重要事宜上，董事會成立了 4 個委員會監督本集團各主要範疇。各委員會之詳情如下：

Corporate Governance

During the year, the Bank has followed the guidelines as set out in the Supervisory Policy Manual CG-1 entitled “Corporate Governance of Locally Incorporated Authorised Institutions” issued by The Hong Kong Monetary Authority (hereinafter referred to as the “HKMA”). The Bank is committed to maintaining the highest corporate governance standards and considers such commitment essential in balancing the interests of shareholders, customers and employees; and in upholding accountability and transparency.

Board of Directors (“Board”) and the Senior Management

The Board is responsible for setting objectives and formulating long term strategies as well as managing the Group’s overall business. It currently comprises eleven Directors with a variety of different experience and professionalism. Among them, three are Executive Directors, remaining eight are Non-executive Directors. Of the eight Non-executive Directors, five are Independent Non-executive Directors whose indispensable function is to provide independent scrutiny. The Board meets regularly and four board meetings were held in the year with an average attendance rate of 95%. The Board authorises the Senior Management to implement the strategies as approved by the Board. The Senior Management is responsible for the day-to-day operations of the Group and reports to the Board. Senior Management implements important policies and develops strategies as adopted by the Board. In order to focus on strategic and material issues that have significant impact on the Group’s operation, financial performance, risk management and long-term development, four committees have been established under the Board to oversee the major areas of the Group. Details of the committees are given below:

公司治理（續）

戰略及公司治理委員會

戰略及公司治理委員會協助董事會就本集團之戰略管理及公司治理履行以下職責:

- 研究擬訂本集團發展戰略、經營目標、風險管理戰略、資本管理戰略、人力資源管理戰略、科技發展戰略、機構及新業務佈局戰略和中長期發展規劃的建議；
- 對戰略實施過程進行檢查和評估；根據經營環境的變化，提出戰略調整建議；
- 在非董事會進行董事會會議的任何期間，代表董事會行使決策和監察權力；
- 對高級管理層提出的設置規劃提出意見和建議；
- 監察公司治理制度，定期評估並提出完善本集團公司治理狀況的建議；及
- 檢查本集團年度經營計劃、重大投資計劃的執行情況，對本行重大投資事項提出建議，報董事會審議。

於年內及截至董事會報告日期止，戰略及公司治理委員會成員如下：

余國春先生（主席）
呂耀明先生
陳遠才先生
鄭　威先生

彼等均為本銀行之董事。其中余國春先生為獨立非執行董事。戰略及公司治理委員會於年內召開了 4 次會議，出席率為 94%。

Corporate Governance (continued)

Strategy and Corporate Governance Committee ("SC")

The SC assists the Board in performing the following duties in respect of the strategy management and corporate governance of the Group:

- study and formulate the Group's development strategy, business objectives, risk management strategy, capital management strategy, human resource management strategy, technology development strategy, organisation and new business development strategy and medium and long-term development plan;
- review and evaluate the implementation process of strategies; make proposal on strategic adjustments in accordance with the changes in the business environment;
- exercise decision making and monitoring power on behalf of the Board during the period between the Board meetings;
- recommend on the setup plan proposed by senior management;
- monitor corporate governance system, evaluate regularly and make suggestions to improve the corporate governance of the Group; and
- check the implementation of the Group's annual business plan and major investment plans, make recommendations on major investment projects of the Bank, and report to the board of directors for consideration and approval.

The members of SC during the year and up to date of the Report of the Directors are:

Mr Yu Kwok Chun (Chairman)
Mr Lyu Yaoming
Mr Tan Wan Chye
Mr Zheng Wei

All of them are Directors of the Bank. Among them, Mr Yu Kwok Chun is Independent Non-executive Director. Four SC meetings were held in the year with an attendance rate of 94%.

公司治理（續）

稽核委員會

稽核委員會協助董事會對本集團在以下方面履行監控職責：

- 財務報告的真實性和財務報告程序；
- 內部監控系統；
- 內部稽核職能的有效性及稽核部總經理的績效評估；
- 外部核數師的聘任及其資格及獨立性的審查和工作表現的評估；
- 本集團財務報告的定期審閱和年度審計；
- 遵循有關會計準則及法律和監管規定中有關財務信息披露的要求；及
- 本集團的公司治理架構及實施。

於年內及截至董事會報告日期止，稽核委員會成員如下：

李開賢先生（主席）
張惠慶先生
陳遠才先生
余國春先生
蔡麗霞女士

彼等均為本銀行之非執行董事，其中李開賢先生、張惠慶先生及余國春先生均為獨立非執行董事。稽核委員會於年內召開了 4 次會議，出席率達 95%。

Corporate Governance (continued)

Audit Committee (“AC”)

The AC assists the Board in fulfilling its oversight role over the Group in the following areas:

- integrity of financial statements and financial reporting process;
- internal control systems;
- effectiveness of internal audit function and performance appraisal of the General Manager of Audit Department;
- appointment of external auditor and assessment of its qualification, independence and performance;
- periodic review and annual audit of the Group’s financial statements;
- compliance with applicable accounting standards as well as legal and regulatory requirements on financial disclosures; and
- corporate governance framework of the Group and implementation thereof.

The members of AC during the year and up to date of the Report of the Directors are:

Mr Lee Hoi Yin, Stephen (Chairman)
Mr Cheung Wai Hing
Mr Tan Wan Chye
Mr Yu Kwok Chun
Ms Tsoi Lai Ha

All of them are Non-executive Directors of the Bank. Among them, Mr Lee Hoi Yin, Stephen, Mr Cheung Wai Hing and Mr Yu Kwok Chun are Independent Non-executive Directors. Four AC meetings were held in the year with an attendance rate of 95%.

公司治理（續）

Corporate Governance (continued)

風險管理委員會

風險管理委員會協助董事會就本集團之風險管理履行以下的職責:

- 制定本集團的風險偏好和風險管理戰略；
- 監控本集團面對的各類風險；
- 審查和監察本集團風險組合狀況變化
- 審查及監控本集團對風險管理政策、制度、內部控制程序及監管要求的遵守情況；
- 審查和批准本集團重大的風險管理相關政策和風險限額；及
- 審查本集團提交有關風險的信息。

於年內及截至董事會報告日期止，風險管理委員會成員如下：

趙明華先生（主席）	（於 2019 年 2 月 19 日獲委任）
李開賢先生	
鄭 威先生	
余國春先生	（於 2019 年 2 月 19 日辭任主席及委員)

彼等均為本銀行之董事，其中趙明華先生及李開賢先生為獨立非執行董事。風險管理委員會於年內召開了 4 次會議，出席率達 100%。

Risk Management Committee ("RC")

The RC assists the Board in performing the following duties in respect of the risk management of the Group:

- formulation of the risk appetite and risk management strategy of the Group;
- monitoring of various types of risks faced by the Group;
- review and monitoring of the changes in the Group's risk profile;
- review and monitoring of the Group's compliance with the risk management policies, system, internal control procedures and regulatory requirements;
- review and approval of significant risk-related policies and risk limits of the Group; and
- review of risk-related information submitted by the Group.

The members of RC during the year and up to date of the Report of the Directors are:

Mr Chiu Ming Wah (Chairman)	(appointed on 19 February 2019)
Mr Lee Hoi Yin, Stephen	
Mr Zheng Wei	
Mr Yu Kwok Chun	(resigned as Chairman and member on 19 February 2019)

All of them are Directors of the Bank. Among them, Mr Chiu Ming Wah and Mr. Lee Hoi Yin, Stephen are Independent Non-executive Directors. Four RC meetings were held in the year with an attendance rate of 100%.

公司治理（續）

提名及薪酬委員會

提名及薪酬委員會負責協助董事會對本集團在以下方面履行職責：

- 本集團的人力資源策略、薪酬策略及激勵框架；
- 本集團的企業管治及企業文化推進；
- 董事、董事會各委員會成員、及高級管理層的篩選，提名及委任；
- 董事會和董事會各委員會的結構、規模、組成（包括成員的技能、經驗和知識）；
- 董事、董事會各委員會成員、高級管理層及主要人員的薪酬；
- 董事會及董事會各委員會的有效性；及
- 董事及高級管理層的培訓及持續專業發展。

於年內及截至董事會報告日期止，提名及薪酬委員會成員如下：

張惠慶先生（主席）
蔡麗霞女士
吳家瑋先生

彼等均為本銀行之非執行董事。其中張惠慶先生及吳家瑋先生均為獨立非執行董事。提名及薪酬委員會於年內共召開 3 次會議，出席率達 100%。

於年內的主要工作（包括審批、審議並向董事會建議）：

- 重要人力資源及薪酬政策的重檢、修訂和制訂；
- 審批本銀行高級管理層及主要人員 2018 年度考核、花紅及 2019 年度調薪的建議；
- 審議金管局《穩建的薪酬制度指引》定義下的本銀行四種人員年度重檢的建議；
- 審議調整本銀行高級管理層/主要人員、董事會成員、以及釐定董事袍金的建議。審議委任一名獨立非執行董事為本行副董事長和戰略及公司治理委員會主席、審議將本行董事長由非執行董事調整為執行董事；
- 審議本銀行組織架構的調整，以及因應高級管理層調整而提出分工的建議；
- 審議本銀行高級管理層及主要人員 2019 年度 KPI 框架； 及
- 審議本集團企業文化的構建工作報告。

Corporate Governance (continued)

Nomination and Remuneration Committee (“NRC”)

The NRC assists the Board in performing the duties in respect of the Group in the following areas:

- human resources strategy, remuneration strategy and incentive framework of the Group,
- group governance and bank culture promotion,
- selection, nomination and appointment of Directors, Board Committee members and senior Management,
- structure, size and composition (including skills, experience and knowledge) of the Board and Board Committees,
- remuneration of Directors, Board Committee members, Senior Management and Key Personnel,
- effectiveness of the Board and Board Committees, and
- training and continuous professional development of Directors and Senior Management.

The members of the NRC during the year and up to date of the Report of the Directors are:

Mr Cheung Wai Hing (Chairman)
Ms Tsoi Lai Ha
Mr Woo Chia Wei

All of them are Non-executive Directors of the Bank. Among them, Mr Cheung Wai Hing and Mr Woo Chia Wei are Independent Non-executive Directors. Three NRC meetings were held during the year with an attendance rate of 100%.

Major tasks performed during the year (included the approval, review and proposal to the Board):

- review the amendment and formulation on the major human resources and remuneration policies;
- review on the performance appraisal result and bonus payment for the year 2018 and the proposal on the salary adjustment for the year 2019 of the Senior Management and Key Personnel,
- proposal on the Annual Review of the Four Type of Staff as delineated in the “Guideline on a Sound Remuneration System” of HKMA,
- review on the change of Senior Management/Key Personnel of the Bank, members of the Board of Directors and their remuneration package. Review on the appointment of an Independent and non-executive Director as the Vice Chairman of the Bank and Chairman of the Strategy and Corporate Governance Committee, and review on the change of Chairman of the Bank from Non-Executive Director to Executive Director,
- review on the adjustment of organization chart and the reallocation of job duties among Senior Management due to the change of its members,
- review on the 2019 KPI framework of Senior Management and Key Personnel of the Bank, and
- review on the proposal for the build up of the bank culture of the Group.

公司治理（續）

Corporate Governance (continued)

薪酬及激勵機制

本集團的薪酬及激勵機制按「有效激勵」及「穩健薪酬管理」的原則，將薪酬與績效及風險因素緊密掛鈎，在鼓勵員工提高績效的同時，也加強員工的風險意識，實現穩健的薪酬管理。

本集團的薪酬及激勵政策已符合金管局《穩健的薪酬制度指引》訂明的總體原則，並適用於本銀行及其所有附屬機構（包括香港地區及以外的分支機構）。

1. 高級管理層及主要人員

下列人員已界定為符合金管局《穩健的薪酬制度指引》定義之「高級管理層」及「主要人員」：

- 「高級管理層」：董事會指定的高級管理層，負責總體策略或重要業務，包括執行董事、行政總裁、副總裁、首席風險官及首席財務官。

- 「主要人員」：個人業務活動涉及重大風險承擔，對風險暴露有重大影響，或個人職責對風險管理有直接、重大影響，或對盈利有直接影響的人員，包括業務盈利規模較大的部門總經理、金融市場部總經理，以及對風險管理有直接影響的職能單位第一責任人。

2. 薪酬政策的決策過程

為體現上述原則，並確保本集團的薪酬政策能促進有效的風險管理，本集團層面的薪酬政策由人力資源部主責提出建議，視實際需要徵詢風險管理、財務管理、及合規等風險監控職能單位意見，以平衡員工激勵、穩健薪酬管理及審慎風險管理的需要。薪酬策略及規劃建議提呈提名及薪酬委員會審批，報董事會核定。

3. 薪酬及激勵機制的主要特色

(1) 績效管理機制

本集團的績效管理機制對集團層面、單位層面及個人層面的績效管理作出規範。對於各級員工，透過分層績效管理模式，將本集團年度目標與各崗位的要求連結，並以員工完成工作指標、對所屬單位整體績效的影響、履行本職工作風險管理責任、踐行企業文化、合規守紀等情況作為評定個人表現的主要依據，既量度工作成果，亦注重工作過程中所涉及風險的評估及管理以及核心價值觀，確保本集團安全及正常運作。

Remuneration and Incentive Mechanism

The Remuneration and Incentive Mechanism of the Group is based on the principles of “effective motivation” and “sound remuneration management”. It links remuneration with performance and risk factors closely. It serves to encourage staff to enhance their performance and, at the same time, to strengthen their awareness of risk so as to achieve sound remuneration management.

The Remuneration and Incentive Policy of the Group is generally in line with the board principles set out in the HKMA’s “Guideline on a Sound Remuneration System” and applicable to the Bank and all of its subsidiaries (including the branches and institutions within and outside Hong Kong).

1. Senior Management and Key Personnel

The following groups of employees have been identified as the “Senior Management” and “Key Personnel” as defined in the HKMA’s “Guideline on a Sound Remuneration System”:

- “Senior Management”: The senior executives designated by the Board who are responsible for oversight of the bank-wide strategy or material business lines, including Executive Directors, Chief Executive, Deputy Chief Executives, Chief Risk Officer and Chief Financial Officer.

- “Key Personnel”: The employees whose individual business activities involve the assumption of material risk which may have significant impact on risk exposure, or whose individual responsibilities are directly and materially linked to the risk management, or those who have direct influence to the profit, including General Managers of material business lines, General Manager of Financial Markets Department, as well as General Managers of risk control functions.

2. Determination of the Remuneration Policy

To fulfil the above-mentioned principles and to facilitate effective risk management within the framework of the Remuneration Policy of the Group, Human Resources Department is responsible for proposing the Remuneration Policy of the Group and will seek consultation from the risk control units including risk management, financial management and compliance if necessary, in order to balance the needs for staff motivations, sound remuneration and prudent risk management. The proposed remuneration strategy and planning is submitted to the Nomination and Remuneration Committee for review and thereafter to the Board for approval.

3. Key Features of the Remuneration and Incentive Mechanism

(1) Performance Management Mechanism

The Group has put in place a performance management mechanism to formalise the performance management at the levels of the Group, units and individuals. For individual staff at different levels, annual targets of the Group will be tied to their job requirements through the performance management mechanism. Performance of individuals will be appraised on their achievement against targets, their contribution towards performance of their units, fulfilment of risk management duties, execution of the bank culture and compliance. Not only is target accomplishment taken into account, but the risk exposure involved during the course of work and their core value could also be evaluated and managed, ensuring security and normal operation of the Group.

公司治理（續）

薪酬及激勵機制（續）

3. 薪酬及激勵機制的主要特色（續）

(2) 薪酬的風險調節

為落實績效及薪酬與風險掛鈎的原則，本集團把涉及的主要風險調節因素結合到績效考核機制中，以信貸風險、市場風險、利率風險、流動性風險、操作風險、法律風險、合規風險和信譽風險作為衡量指標的框架。

(3) 與風險掛鈎的薪酬管理

員工的薪酬由「固定薪酬」和「浮動薪酬」兩部分組成。固薪和浮薪的比重在達致適度平衡的前提下，因應員工職級、角色、責任及職能而釐定。一般而言，員工職級愈高及/或責任愈大，浮薪佔總薪酬的比例愈大，以體現本集團鼓勵員工履行審慎的風險管理及落實長期財務的穩定性的理念。

如前所述，量度績效表現的因素，包括定量和定性的，也包括財務及非財務指標。

本銀行董事會主要根據本集團的財務績效表現、與本集團長期發展相關的非財務戰略性指標的完成情況，結合風險因素等作充分考慮後，審批本銀行浮薪資源總額。

在單位及員工層面方面，浮薪分配與單位及個人績效緊密掛鈎，有關績效的量度須包含風險調節因素。風險控制職能單位人員的績效及薪酬評定基於其核心職能目標的完成情況，獨立於所監控的業務範圍；對於前線單位的風險控制人員，則透過跨單位的匯報及考核機制確保其績效薪酬的合適性。單位的績效愈好及員工的工作表現愈優秀，員工獲得的浮薪愈高。

(4) 浮薪發放與風險期掛鈎，體現本集團的長遠價值創造

為實現薪酬與風險期掛鈎的原則，使相關風險及其影響可在實際發放薪酬之前有足夠時間予以充分確定，員工的浮薪在達到遞延發放的門檻條件下，按規定，以現金形式作遞延發放。就遞延發放的安排，本集團採取遞進的模式，員工職等愈高，遞延浮薪的比例愈大。遞延的年期為 3 年。

Corporate Governance (continued)

Remuneration and Incentive Mechanism (continued)

3. Key Features of the Remuneration and Incentive Mechanism (continued)

(2) Risk Adjustment of Remuneration

To put the principle of aligning performance and remuneration with risk into practice, based on the risk adjustment method of the Group, the key risk modifiers of the Bank have been incorporated into the performance management mechanism. Credit risk, market risk, interest rate risk, liquidity risk, operational risk, legal risk, compliance risk and reputation risk form the framework of the risk adjustment method.

(3) Risk-adjusted Remuneration Management

The remuneration of staff is composed of “fixed remuneration” and “variable remuneration”. The proportion of one to the other for individual staff members depends on job grades, roles, responsibilities and functions of the staff with the prerequisite that balance has to be struck between the fixed and variable portion, so as to encourage the staff to follow the philosophy of prudent risk management and sound long-term financial stability. Generally speaking, the higher the grading / responsibility of the individual staff, the bigger the portion of variable pay will be in his/her total remuneration.

As mentioned above, performance assessment criteria include quantitative and qualitative factors, as well as financial and non-financial indicators.

The size of the Variable Remuneration Pool of the Bank is determined by the Board of the Bank on the basis of its financial performance and the achievement of non-financial strategic business targets under the long-term development of the Group. Thorough consideration is also made to the risk factors in the determination process.

As far as individual units and individual staff are concerned, allocation of the variable remuneration is closely linked to the performance of the units, and that of each individual staff as well as the unit he/she is attached to, and the assessment of which should include risk modifiers. The performance and remuneration arrangement of risk control personnel are determined by the achievement of their core job responsibilities, which is independent from the business they oversee; for front-line risk controllers, a cross-departmental reporting and performance management system is applied to ensure the suitability of performance-based remuneration. The better the performance of the Department and the individual staff, the higher will be the variable remuneration for the individual staff.

(4) Linking the payout of the variable remuneration with the time horizon of the risk to reflect the long-term value creation of the Group

To work out the principle of aligning remuneration with the time horizon of risk and to ensure that sufficient time is allowed to ascertain the associated risk and its impact before the actual payout, payout of the variable remuneration of staff is required to be deferred in cash if such amount reaches certain prescribed threshold. The Group adopts a progressive approach towards deferral. The higher the job grade of the individual staff, the higher will be the proportion of deferral. Deferral period lasts for 3 years.

公司治理（續）

Corporate Governance (continued)

薪酬及激勵機制（續）

Remuneration and Incentive Mechanism (continued)

3. 薪酬及激勵機制的主要特色（續）

(4) 浮薪發放與風險期掛鈎，體現本集團的長遠價值創造（續）

遞延浮薪的歸屬與本集團長遠價值創造相連結。遞延浮薪的歸屬條件與本集團未來 3 年每年的績效及員工個人行為掛鈎，每年在績效（含財務及非財務）達到門檻條件的情況下，員工按遞延浮薪的歸屬比例歸屬當年的遞延浮薪。若本集團或單位的績效表現估算需作重大修正、員工被證實犯欺詐、瀆職或違反內控政策的情況下，本集團便會取消員工並未歸屬的遞延浮薪，不予發放。

與往年相比，上述這些薪酬措施的性質及類型在過去一年沒有原則性改變，因此對本行整體薪酬機制沒有重大影響。

3. Key Features of the Remuneration and Incentive Mechanism (continued)

(4) Linking the payout of the variable remuneration with the time horizon of the risk to reflect the long-term value creation of the Group (continued)

The vesting of the deferred variable remuneration is linked with the long-term value creation of the Group. The vesting conditions are linked to the yearly performance (financial and non-financial) of the Group in the next 3 years and the bahavior of the individual staff to the effect that the variable remuneration could only be vested to such extent as set for the relevant year in that 3-year period subject to the condition that the Group's performance has met the threshold requirement in the corresponding year. In case of material revision of the original estimates of the performance of the Group or individual units, or if a staff is found to commit fraud, or found to be of malfeasance or in violation of internal control policies, the unvested portion of the deferred variable remuneration of the relevant staff will be forfeited.

Compared with the previous years, there was no material change in the nature and type of above mentioned measures during the year, so it had no significant influence on the remuneration system of the Bank.

4. 薪酬政策的年度重檢

(1) 本集團的薪酬政策結合外部監管要求、市場情況、組織架構調整和風險管理要求等變化作年度重檢。

(2) 於年內對本銀行《薪酬及激勵政策》、《浮薪管理政策》做出重檢，以符合金管局有關指引，體現本銀行「有效激勵」及「穩健薪酬管理」的人力資源策略重點。

(3) 根據本銀行最新組織架構及業務策略，重檢《穩健的薪酬制度指引》所定義之「高級管理層」及「主要人員」等的界定方法及崗位清單。

4. Annual Review of Remuneration Policy

(1) The Remuneration Policy of the Group is subject to annual review with reference to changes on external regulatory requirements, market conditions, organisational structure and risk management requirements, etc.

(2) The review on the "Remuneration and Incentive Policy" and "Variable Remuneration Management Policy" of the Bank have been conducted during the year, so as to demonstrate the important message of human resources strategy by giving the balance of "effective incentive" and "prudent remuneration management", which is in line with HKMA guidance.

(3) Based on the latest organization structure and the business strategy of the Bank, the identification criteria & position lists of the "Senior Management" and "Key Personnel" and etc., as delineated in the "Guideline on a Sound Remuneration System", were also reviewed.

5. 薪酬披露

本集團已完全遵照金管局《穩健的薪酬制度指引》第三部分要求，披露本集團薪酬及激勵機制的相關資訊。

5. Disclosure on Remuneration

The Group has fully complied with the guideline in Part 3 of the "Guideline on a Sound Remuneration System" issued by the HKMA to disclose information in relation to our remuneration and incentive mechanism.

獨立核數師報告

KPMG

致集友銀行有限公司成員
（於香港註冊成立的有限公司）

意見

本核數師(以下簡稱「我們」)已審計列載於第 34 第 187 頁的集友銀行有限公司（以下簡稱「貴銀行」）及其附屬公司（以下統稱「貴集團」）的綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表和截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

客戶貸款的減值準備

請參閱綜合財務報表附註 2.14、4.1、11 和 22

關鍵審計事項	審計對策
於二零一九年十二月三十一日， 貴集團的客戶貸款為港幣 76,066,959,000 元，扣除預期信用損失總額港幣 629,243,000 元。其中 34%的客戶貸款與中國內地的信用風險有關。	與評估以攤銷成本計量的客戶貸款的減值準備相關的審計程序包括以下各項： - 了解並評估與以下項目有關的關鍵財務報告內部控制的設計、實施及操作成效：以攤銷成本計量的客戶貸款的審批、記錄和監管，信貸評級流程、預期信貸損失模型的提升、審批、監管、管治和驗證程序，以及減值準備的撥備計量；
由於全球經濟前景不明朗，銀行界的客戶貸款的減值準備繼續成為主要關注事項。	- 評價客戶貸款分類的準確性。我們已取得有關管理層如何應用金融工具準則的分類要求及相關分類結果的信息，並在抽樣基礎上評估了客戶貸款的合約現金流特徵以及與商業模式有關的文件；
倘未能恰當採用金融工具的分類和計量框架，預期信貸損失可能會存在重大錯誤陳述。因此， 貴集團客戶貸款的分類是否準確，將影響客戶貸款之減值準備的釐定。	- 使用專家評估管理層在釐定減值準備時所用的預期信貸損失模型的可靠性，包括評估預期信貸損失模型所用的關鍵參數及假設是否恰當，這包括所識別的損失階段，違約概率、違約損失率、違約風險承擔和貼現率，就前瞻性信息所作的調整以及管理層所作的其他調整；
貴集團已就計量金融資產（包括客戶貸款）的減值準備開發了自有模型。	- 通過在抽樣基礎上對比個別客戶貸款信息與相關協議及其他相關文件，評估預期信貸損失模型中的客戶貸款信息是否準確，以此評估預期信貸損失模型中的關鍵參數所用的數據是否完整及準確。對於源自外部數據的關鍵參數，我們採用抽樣方式將該等數據與公開可獲取的數據進行比較，以檢查該等數據的準確性；
尚未成為不良信貸的客戶貸款風險承擔於源生時被劃歸為第一階段，按照相當於 12 個月預期信貸損失的金額確認撥備。倘客戶貸款風險承擔的信貸風險與源生時相比大幅增加，則客戶貸款風險承擔將轉入第二階段。倘客戶貸款風險承擔成為不良信貸，則會劃入第三階段。對於被歸類為第二階段和第三階段的客戶貸款，應按照相當於合約期內之預期信貸損失的金額確認撥備。	- 對於涉及判斷的關鍵參數，從外部渠道獲得證據並將其與 貴集團的內部記錄（包括以往損失經驗和抵押品的類型）進行比較，以對輸入參數進行審慎評估。在這一過程中，我們通過與年初時的估計及輸入參數進行比較，就管理層對估計及輸入參數的修訂提出質詢，並考慮判斷的一致性。我們將模型中所運用的經濟因素與市場信息進行對比，以評估這些數據是否與市場及經濟發展相符；

獨立核數師報告（續）

客戶貸款及墊款的減值準備（續）

請參閱綜合財務報表附註 2.14、4.1、11 和 22

關鍵審計事項（續）	審計對策（續）
倘風險承擔的信貸風險大幅增加卻未被恰當識別，則預期信貸損失可能存在重大錯誤陳述，從而導致預期信貸損失的確認不準確。	- 對於預期信貸損失模型中所用的、源自系統生成的內部數據的關鍵參數，在抽樣基礎上將輸入數據與原始文件進行對比以評估輸入參數的準確性。我們使用本所的信息技術專家來評估對信貸評級流程有重要影響的信息系統控制，包括客戶貸款逾期報告的編制。我們還評估這些系統內的相關自動化應用程控，以及對這些相關系統的主要內部控制(包括對系統登入的控制以及對數據和變更管理的控制)在設計、實施和操作上的成效；
採用預期信貸損失模型釐定減值準備時須考慮若干關鍵參數及假設，包括所識別的損失階段，所估計的違約概率、違約損失率、違約風險承擔和貼現率，就前瞻性信息所作的調整以及其他調整因素。在選取該等參數及應用上述假設時，管理層須作出判斷。	- 對於已抽選的不良信貸的客戶貸款樣本，將持作抵押品的物業的價值與市場資訊進行比較，以評價管理層對該類物業價值的評估。我們還評價了抵押品的變現時間和方法以及現金流預測，對 貴集團回收方案的可行性提出了質詢，並對合同條款中的其他信貸提升進行了評價；
尤其是，減值準備的釐定在很大程度上取決於外部宏觀環境及 貴集團的內部信貸風險管理策略。預期信貸損失乃源自於對包括歷史損失、內部及外部信貸評級及其他調整因素的估計。	- 在識別信貸風險已大幅增加的風險承擔方面，採用抽樣的方式檢查客戶貸款逾期信息，就借款人的業務運營詢問信貸經理，檢查借款人的財務信息並查考有關借款人業務的市場信息，以評價管理層對於客戶貸款的信貸風險自初始確認以來是否已，或尚未，大幅增加以及客戶貸款是否已成為不良信貸的評估是否恰當；
管理層在釐定違約損失率的金額時亦會根據多項因素作出判斷。這些因素包括收回客戶貸款的方式、借款人的財務狀況、抵押品的可收回金額、索賠受償順序及其他債權人是否存在及其合作意向等。在評估持作抵押品的物業的價值時，管理層會參考合資格第三方評估師出具的估值報告，並考慮各種因素的影響，包括物業的市場價格、位置及用途。抵押品的法律效力、變現時間和方法亦會影響抵押品的可收回金額，並從而影響報告期末的減值準備金額。	- 在評估預期信貸損失計算的準確性方面，抽選信貸風險自初始確認以來尚未大幅增加或已大幅增加的客戶貸款樣本，同時根據上述參數及假設並使用預期信貸損失模型，分別重新計算該等樣本按照 12 個月內的信貸損失和合約期內的信貸損失計量的信貸損失準備金額，並將該計算結果與 貴集團的結果進行比較；
由於以攤銷成本計量的客戶貸款的減值準備所涉及的複雜性、管理層判斷以及內含的不確定性，同時由於其對 貴集團財務業績和資本的重大影響，我們將其認定為一項關鍵審計事項。	- 評估重要的手動調整以及預期信貸損失模型輸出值的疊加是否恰當；及
	- 評估以攤銷成本計量的客戶貸款的減值準備的列報與披露是否符合有關《香港財務報告準則》的要求。

評估金融工具的公平價值

請參閱綜合財務報表附註 2.12、5.1、21 和 23

關鍵審計事項	審計對策
以公平價值列賬的金融工具是 貴集團持有的重要資產之一。貴集團於二零一九年十二月三十一日持有此類金融工具的公平價值金額為港幣 45,388,156,000 元，其中在公平價值分級內第一級、第二級和第三級的金融工具公平價值分別為港幣 6,966,205,000 元、港幣 38,394,768,000 元及港幣 27,183,000 元。	與評估金融工具公平值相關的審計程序包括以下各項： - 評估 貴集團對金融工具估值及獨立價格驗證相關的內部控制的設計、實施和操作上的成效；
貴集團以公平值列賬的金融工具的估值以市場數據和估值模型為基礎，其中估值模型通常需要大量的參數輸入。大部分參數源自於高流動性市場中可獲取的數據。當可觀察的數據無法從高流動性市場獲取時，即公平值屬於第三層級的情形下，管理層便需提供估算，這當中會涉及管理層的重大判斷。	- 利用本所內部信息技術專家，評估處理金融工具相關交易的主要系統內部分自動化控制於設計、實施和操作上的成效。我們還評估了這些相關系統的關鍵內部控制（包括對系統登入的控制以及對數據和變更管理的控制）在設計、實施和操作上的成效；
此外， 貴集團已對特定的第二層級及第三層級金融工具開發了自有估值模型，這也會涉及管理層的重大判斷。	- 採用抽樣的方式，通過比較 貴集團採用的公平值與公開可獲取的市場數據，對公平值屬於第一層級及若干的第二層級的金融工具的估值作出評估；

獨立核數師報告（續）

評估金融工具的公平價值（續）

請參閱綜合財務報表附註 2.12、5.1、21 和 23

關鍵審計事項（續）	審計對策（續）
由於金融工具公平值的評估涉及一定複雜性，而部分金融工具亦涉及管理層的重大判斷，以及部分金融工具使用的參數的透明度較低而增加潛在錯誤風險，我們因此對金融工具公平值的評估認定為關鍵審計事項。	- 評估管理層所採用的金融工具估值法，以及評估估值時所使用的參數和假設； - 採用抽樣的方式，由本所內部估值專家對公平值屬於第二層級的金融工具進行獨立估值，並將我們的估值結果與 貴集團的估值結果進行比較。我們的程序包括制定估值模型、獨立獲取及驗證參數； - 評估綜合財務報表中與金融工具相關的披露是否符合有關《香港財務報告》的要求，恰當反映了 貴集團的金融工具估值風險。

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營， 或別無其他實際的替代方案。

稽核委員會協助董事履行監督 貴集團的財務報告過程的責任。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第 405 條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

獨立核數師報告（續）

核數師就審計綜合財務報表承擔的責任（續）

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與稽核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向稽核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與稽核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是方海雲 (Fong Hoi Wan)。

畢馬威會計師事務所
執業會計師
香港中環
遮打道十號
太子大廈八樓

二零二零年四月二十四日

Independent Auditor's Report

KPMG

Independent auditor's report to the members of
Chiyu Banking Corporation Limited
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Chiyu Banking Corporation Limited ("the Bank") and its subsidiaries ("the Group") set out on pages 34 to 187, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment allowances of advances to customers

Refer to notes 2.14, 4.1, 11 and 22 to the consolidated financial statements.

Key audit matter	**How the matter was addressed in our audit**
The Group's advances to customers as at 31 December 2019 amounted to HK$76,066,959,000, net of total expected credit losses ("ECL") of HK$629,243,000. 34% of the Group's advances to customers related to exposures in Mainland China.	Our audit procedures to assess the impairment allowances of advances to customers measured at amortised cost included the following: – understanding and assessing the design, implementation and operating effectiveness of key internal controls on financial reporting over the approval, recording and monitoring and restructuring of loans measured at amortised cost, the credit grading process, the ECL model enhancement, approval, monitoring, governance and validation process, and the measurement of impairment allowances;
Impairment allowances of advances to customers across the banking industry continue to be an area of concern and elevated focus due to the uncertain global economic outlook.	– evaluating the accuracy of the classification of advances to customers. We obtained information on how management applied the classification requirements of the financial instruments standard and the classification results and on a sample basis we assessed the contractual cash flow characteristics of advances to customers and relevant documents in relation to the business model;

Independent Auditor's Report (continued)

Impairment allowances of advances to customers (continued)

Refer to notes 2.14, 4.1, 11 and 22 to the consolidated financial statements.

Key audit matter (continued)	How the matter was addressed in our audit (continued)
ECL may be materially misstated if the classification and measurement framework for financial instruments is not properly adopted. Therefore, the determination of impairment allowances of advances to customers is subject to the accuracy of the classifications of the Group's advances to customers.	– involving specialists in assessing the reliability of the ECL model used by management in determining impairment allowances, including assessing the appropriateness of the key parameters and assumptions in the expected credit loss model, including the identification of loss stages, probability of default, loss given default, exposure at default, discount rate, adjustments for forward-looking information and other management adjustments;
The Group has developed its own model for measuring impairment allowances of financial assets including advances to customers.	– assessing the completeness and accuracy of data used for the key parameters in the expected credit loss model, by comparing individual loan information on a sample basis with the underlying agreements and other related documentation to assess the accuracy of the loan information in the ECL model. For key parameters derived from external data, we selected samples to inspect the accuracy of such data by comparing them with publicly available sources;
Loan exposures that are not already credit-impaired are classified as stage 1 on origination and a 12-month ECL provision is recognised. Loan exposures will transfer to stage 2 if there has been a significant increase in credit risk compared to origination. Loan exposures are classified as stage 3 if they become credit-impaired. A lifetime ECL provision is recognised for loans classified as stage 2 and stage 3.	– for key parameters involving judgement, critically assessing input parameters by seeking evidence from external sources and comparing it to the Group's internal records including historical loss experience and type of collateral. As part of these procedures, we challenged management's revisions to estimates and input parameters compared with the estimates and input parameters at the beginning of the year and considered the consistency of judgement. We compared the economic factors used in the models with market information to assess whether they were aligned with market and economic development;
ECL may be materially misstated if the exposures with a significant increase in credit risk are not properly identified, leading to inaccurate recognition of ECL.	– for key parameters used in the ECL model which were derived from system-generated internal data, assessing the accuracy of input data by comparing the input data with original documents on a sample basis. We involved our information technology specialists in assessing the information systems controls critical to the credit grading process, such as the compilation of the overdue reports for advances to customers. We also assessed the design, implementation and operating effectiveness of relevant automated application controls within these systems, as well as the key internal controls over these underlying systems, including controls over access to these systems and controls over data and change management;
The determination of impairment allowances using the expected credit loss model is subject to a number of key parameters and assumptions, including the identification of loss stages, estimates of probability of default, loss given default, exposures at default and discount rate, adjustments for forward-looking information and other adjustment factors. Management judgement is involved in the selection of those parameters and the application of the assumptions.	– for selected samples of advances to customers that are credit-impaired, evaluating management's assessment of the value of any collateral held by comparison with available market information. We also evaluated the timing and means of realisation of collateral, evaluated the forecast cash flows, challenged the viability of the Group's recovery plans and evaluated other credit enhancements that are integral to the contract terms;

Independent Auditor's Report (continued)

Impairment allowances of advances to customers (continued)

Refer to notes 2.14, 4.1, 11 and 22 to the consolidated financial statements.

Key audit matter (continued)

In particular, the determination of the impairment allowances is heavily dependent on the external macro environment and the Group's internal credit risk management strategy. The expected credit losses are derived from estimates including the historical losses, internal and external credit grading and other adjustment factors.

Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include available remedies for recovery, the financial situation of the borrower, the recoverable amount of collateral, the seniority of the claim and the existence and cooperativeness of other creditors. Management refers to valuation reports issued by qualified third party valuers and considers the influence of various factors including the market price, location and use when assessing the value of property held as collateral. The enforceability, timing and means of realisation of collateral can also have an impact on the recoverable amount of collateral and, therefore, the amount of impairment allowances as at the end of the reporting period.

We identified the impairment allowances of advances to customers measured at amortised cost as a key audit matter because of the complexity of the inherent uncertainty and management judgement involved and because of its significance to the financial results and capital of the Group.

How the matter was addressed in our audit (continued)

– in respect of identifying exposures with a significant increase in credit risk, evaluating the validity of management's assessment on whether the credit risk of the loan has, or has not, increased significantly since initial recognition and whether the loan is credit-impaired by selecting samples for which we checked loan overdue information, made enquiries of the credit managers about the borrowers' business operations, checked borrowers' financial information and researched market information about borrowers' businesses;

– in respect of assessing the accuracy of ECL calculation, recalculating the amount of impairment allowance for 12-month and life-time credit losses using the ECL model based on the above parameters and assumptions for a sample of advances to customers where the credit risk of the loan has not, or has, increased significantly since initial recognition, respectively and comparing to the results from the Group;

– assessing the appropriateness of material manual adjustments and overlays on ECL model outputs; and

– evaluating whether the presentation and disclosures on impairment allowances of advances to customers measured at amortised cost and the relevant disclosures meet the requirements in the prevailing accounting standards.

Assessment of the fair value of financial instruments

Refer to notes 2.12, 5.1, 21 and 23 to the consolidated financial statements.

Key audit matter

Financial instruments carried at fair value account for a significant portion of the Group's assets. As at 31 December 2019, the fair value of these financial instruments was HK$45,388,156,000 of which HK$6,966,205,000, HK$38,394,768,000 and HK$27,183,000 were classified as level 1, 2 and 3 financial instruments respectively.

The valuation of the Group's financial instruments, which are stated at their fair values, is based on a combination of market data and valuation models which often require a considerable number of inputs. Many of these inputs are obtained from readily available data for liquid markets. Where such observable data is not readily available, as in the case of level 3 financial instruments, estimates need to be developed which can involve significant management judgement.

How the matter was addressed in our audit

Our audit procedures to assess the fair value of financial instruments included the following:

– assessing the design, implementation and operating effectiveness of key internal controls over the valuation and independent price verification for financial instruments;

– for the key underlying systems used for the processing of transactions in relation to financial instruments we utilised our information technology specialists to assess the design, implementation and operating effectiveness of a selection of relevant automated controls within these systems. We also assessed the design, implementation and operating effectiveness of the key internal controls over these underlying systems, including controls over access to these systems and controls over data and change management;

Independent Auditor's Report (continued)

Assessment of the fair value of financial instruments (continued)

Refer to notes 2.12, 5.1, 21 and 23 to the consolidated financial statements.

Key audit matter (continued)

The Group has developed its own models to value certain level 2 and 3 financial instruments, which involves significant management judgement.

We identified assessment of the fair value of financial instruments as a key audit matter because of the degree of complexity involved in valuing certain financial instruments and because of the degree of judgement exercised by management in developing its own models and in determining the inputs used in the valuation models.

How the matter was addressed in our audit (continued)

– assessing the fair values of level 1 and certain level 2 financial instruments by comparing the fair values applied by the Group with publicly available market data, on a sample basis;

– evaluating the methodology adopted by management and assessing the reasonableness of the inputs and assumptions used by management in the valuations;

– engaging our internal valuation specialists to perform, on a sample basis, independent valuations of certain level 2 financial instruments and comparing these valuations with the Group's valuations. Our independent valuations included developing models, obtaining inputs independently and verifying the inputs obtained independently; and

– assessing whether the disclosures in the consolidated financial statements appropriately reflected the Group's exposure to financial instrument valuation risk with reference to the requirements of the prevailing accounting standards.

Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Fong Hoi Wan.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 April 2020

綜合收益表 Consolidated Income Statement

截至12月31日止年度	For the year ended 31 December	附註 Notes	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
利息收入	Interest income		**4,208,147**	2,546,178
以實際利息法計算的利息收入	Interest income calculated using the effective interest method		**4,192,248**	2,523,327
其他利息收入	Other interest income		**15,899**	22,851
利息支出	Interest expense		**(2,189,574)**	(987,748)
淨利息收入	**Net interest income**	6	**2,018,573**	1,558,430
服務費及佣金收入	Fee and commission income		**667,254**	394,830
服務費及佣金支出	Fee and commission expense		**(24,256)**	(24,011)
淨服務費及佣金收入	**Net fee and commission income**	7	**642,998**	370,819
淨交易性收益	Net trading gain	8	**25,941**	71,743
界定為以公平值變化計入損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss		**7,307**	465
其他金融資產之淨收益	Net gain on other financial assets	9	**69,489**	5,874
其他經營收入	Other operating income	10	**12,315**	12,408
提取減值準備前之淨經營收入	**Net operating income before impairment allowances**		**2,776,623**	2,019,739
減值準備淨撥備	Net charge of impairment allowances	11	**(345,345)**	(138,429)
淨經營收入	**Net operating income**		**2,431,278**	1,881,310
經營支出	Operating expenses	12	**(944,910)**	(671,060)
經營溢利	**Operating profit**		**1,486,368**	1,210,250
投資物業公平值調整之淨收益	Net gain from fair value adjustments on investment properties	13	**4,846**	18,440
出售／重估物業、器材及設備之淨收益／（虧損）	Net gain /(loss) from disposal / revaluation of properties, plant and equipment	14	**2,723**	(23,948)
除稅前溢利	**Profit before taxation**		**1,493,937**	1,204,742
稅項	Taxation	15	**(231,369)**	(202,295)
年度溢利	**Profit for the year**		**1,262,568**	1,002,447

本集團已於2019年1月1日採用經修訂的追溯法初步應用香港財務報告準則第16號。根據這種方法，比較信息是不會重列。

The Group has initially applied Hong Kong Financial Reporting Standard ("HKFRS") 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

第40至187頁之附註屬本財務報表之組成部分。

The notes on pages 40 to 187 are an integral part of these financial statements.

綜合全面收益表 Consolidated Statement of Comprehensive Income

截至12月31日止年度	For the year ended 31 December	附註 Notes	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
年度溢利	**Profit for the year**		**1,262,568**	1,002,447
其後不可重新分類至收益表內的項目：	Items that will not be reclassified subsequently to income statement:			
房產：	Premises:			
房產重估	Revaluation of premises	25	**27,006**	119,251
遞延稅項	Deferred tax	29	**(1,853)**	(16,953)
			25,153	102,298
以公平值變化計入其他全面收益之股份權益工具：	Equity instruments at fair value through other comprehensive income:			
公平值變化	Change in fair value	23	**15,108**	(2,466)
			40,261	99,832
其後可重新分類至收益表內的項目：	Items that may be reclassified subsequently to income statement:			
以公平值變化計入其他全面收益之債務工具：	Debt instruments at fair value through other comprehensive income:			
公平值變化	Change in fair value	23	**304,306**	(169,370)
因處置之轉撥重新分類至收益表	Release upon disposal reclassified to income statement	9	**(69,778)**	(6,061)
減值準備變化借記收益表	Change in impairment allowances charged to income statement		**12,116**	(4,439)
遞延稅項	Deferred tax	29	**(45,347)**	32,699
			201,297	(147,171)
貨幣換算差額	Currency translation difference		**(55,523)**	(71,895)
			145,774	(219,066)
年度除稅後其他全面收益	**Other comprehensive income for the year, net of tax**		**186,035**	(119,234)
年度全面收益總額	**Total comprehensive income for the year**		**1,448,603**	883,213
應佔全面收益總額：	**Total comprehensive income attributable to:**			
本銀行股東權益	Equity holders of the Bank		**1,448,603**	883,213

本集團已於2019年1月1日採用經修訂的追溯法初步應用香港財務報告準則第16號。根據這種方法，比較信息是不會重列。

The Group has initially applied HKFRS 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

第40至187頁之附註屬本財務報表之組成部分。

The notes on pages 40 to 187 are an integral part of these financial statements.

綜合財務狀況表 Consolidated Statement of Financial Position

於12月31日	As at 31 December	附註 Notes	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
資產	**ASSETS**			
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	19	**18,235,988**	15,446,012
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	20	**4,819,212**	6,302,563
衍生金融工具	Derivative financial instruments	21	**122,133**	122,680
客戶貸款及貿易票據	Advances to customers and trade bills	22	**76,986,891**	49,934,290
證券投資	Investment in securities	23	**46,908,420**	28,627,506
投資物業	Investment properties	24	**237,150**	233,350
物業、器材及設備	Properties, plant and equipment	25	**2,021,072**	1,738,569
遞延稅項資產	Deferred tax assets	29	**640**	12,298
其他資產	Other assets	26	**523,275**	455,359
資產總額	Total assets		**149,854,781**	102,872,627
負債	**LIABILITIES**			
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions		**17,747,463**	11,933,270
衍生金融工具	Derivative financial instruments	21	**40,361**	43,268
客戶存款	Deposits from customers	27	**116,291,434**	78,329,515
其他賬項及準備	Other accounts and provisions	28	**1,273,083**	746,311
應付稅項負債	Current tax liabilities		**195,776**	75,824
遞延稅項負債	Deferred tax liabilities	29	**183,675**	141,243
負債總額	Total liabilities		**135,731,792**	91,269,431
資本	**EQUITY**			
股本	Share capital	30	**3,245,980**	1,772,988
儲備	Reserves		**8,939,297**	7,892,496
本銀行股東應佔股本和儲備	Capital and reserves attributable to the equity holders of the Bank		**12,185,277**	9,665,484
額外資本工具	Additional equity instruments	31	**1,937,712**	1,937,712
資本總額	Total equity		**14,122,989**	11,603,196
負債及資本總額	Total liabilities and equity		**149,854,781**	102,872,627

本集團已於2019年1月1日採用經修訂的追溯法初步應用香港財務報告準則第16號。根據這種方法，比較信息是不會重列。

The Group has initially applied HKFRS 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

第40至187頁之附註屬本財務報表之組成部分。

The notes on pages 40 to 187 are an integral part of these financial statements.

經董事會於2020年4月24日通過核准並由以下人士代表簽署：

Approved by the Board of Directors on 24 April 2020 and signed on behalf of the Board by:

呂耀明	**鄭威**	**LYU Yaoming**	**ZHENG Wei**
董事	*董事*	*Director*	*Director*

綜合權益變動表　Consolidated Statement of Changes in Equity

		歸屬於本銀行股東 Attributable to equity holders of the Bank								
			儲備 Reserves							
		股本 Share Capital	房產重估儲備[1] Premises revaluation reserve[1]	公平價值儲備[2] Fair value reserve[2]	監管儲備[3] Regulatory reserve[3]	換算儲備[4] Translation reserve[4]	留存盈利 Retained earnings	總計 Total	額外資本工具 Additional equity instruments	資本總額 Total equity
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於 2019 年 1 月 1 日	At 1 January 2019	**1,772,988**	**1,224,732**	**(218,350)**	**414,377**	**(52,304)**	**6,524,041**	**9,665,484**	**1,937,712**	**11,603,196**
年度溢利	Profit for the year	-	-	-	-	-	1,262,568	1,262,568	-	1,262,568
其他全面收益：	Other comprehensive income:									
房產	Premises	-	25,153	-	-	-	-	25,153	-	25,153
以公平值變化計入其他全面收益之股份權益工具	Equity instruments at fair value through other comprehensive income	-	-	15,108	-	-	-	15,108	-	15,108
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	201,297	-	-	-	201,297	-	201,297
貨幣換算差額	Currency translation difference	-	-	1,164	-	(56,687)	-	(55,523)	-	(55,523)
全面收益總額	Total comprehensive income	-	25,153	217,569	-	(56,687)	1,262,568	1,448,603	-	1,448,603
發行普通股	Issuance of ordinary shares	1,472,992	-	-	-	-	-	1,472,992	-	1,472,992
轉撥至留存盈利	Transfer to retained earnings	-	-	-	105,610	-	(105,610)	-	-	-
股息	Dividends	-	-	-	-	-	(298,920)	(298,920)	-	(298,920)
支付額外資本工具持有者利息	Distribution to the holders of the additional equity instruments	-	-	-	-	-	(102,882)	(102,882)	-	(102,882)
因處置以公平值變化計入其他全面收益之股份權益工具之轉撥	Release upon disposal of equity instruments at fair value through other comprehensive income	-	-	1,369	-	-	(1,369)	-	-	-
於 2019 年 12 月 31 日	At 31 December 2019	**3,245,980**	**1,249,885**	**588**	**519,987**	**(108,991)**	**7,277,828**	**12,185,277**	**1,937,712**	**14,122,989**

處置以公平值變化計入其他全面收益之股份權益工具是由於該投資不再以有戰略目的而持有。

The release upon disposal of equity instruments at fair value through other comprehensive income was made because the investment was no longer to be held for strategic purpose.

本集團已於 2019 年 1 月 1 日採用經修訂的追溯法初步應用香港財務報告準則第 16 號。根據這種方法，比較信息是不會重列。

The Group has initially applied HKFRS 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

第 40 至 187 頁之附註屬本財務報表之組成部分。

The notes on pages 40 to 187 are an integral part of these financial statements.

綜合權益變動表（續） Consolidated Statement of Changes in Equity (continued)

		股本 Share capital	房產重估儲備[1] Premises revaluation reserve[1]	公平價值儲備[2] Fair value reserve[2]	監管儲備[3] Regulatory reserve[3]	換算儲備[4] Translation reserve[4]	留存盈利 Retained earnings	總計 Total	額外資本工具 Additional equity instruments	資本總額 Total equity
		歸屬於本銀行股東 Attributable to equity holders of the Bank								
			儲備 Reserves							
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於2018年1月1日之早期列賬	At 1 January 2018, as previously reported	300,000	1,122,434	(84,885)	325,391	20,003	5,942,842	7,625,785	1,937,712	9,563,497
應用香港財務報告準則第9號的調整	Adjustment on initial application of HKFRS 9	-	-	15,760	-	-	(4,413)	11,347	-	11,347
於2018年1月1日之重列	At 1 January 2018, as restated	300,000	1,122,434	(69,125)	325,391	20,003	5,938,429	7,637,132	1,937,712	9,574,844
年度溢利	Profit for the year	-	-	-	-	-	1,002,447	1,002,447	-	1,002,447
其他全面收益：	Other comprehensive income:									
房產	Premises	-	102,298	-	-	-	-	102,298	-	102,298
以公平值變化計入其他全面收益之股份權益工具	Equity instruments at fair value through other comprehensive income	-	-	(2,466)	-	-	-	(2,466)	-	(2,466)
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	(147,171)	-	-	-	(147,171)	-	(147,171)
貨幣換算差額	Currency translation difference	-	-	412	-	(72,307)	-	(71,895)	-	(71,895)
全面收益總額	Total comprehensive income	-	102,298	(149,225)	-	(72,307)	1,002,447	883,213	-	883,213
發行普通股	Issuance of ordinary shares	1,472,988	-	-	-	-	-	1,472,988	-	1,472,988
轉撥至留存盈利	Transfer to retained earnings	-	-	-	88,986	-	(88,986)	-	-	-
股息	Dividends	-	-	-	-	-	(225,000)	(225,000)	-	(225,000)
支付額外資本工具持有者利息	Distribution to the holders of the additional equity instruments	-	-	-	-	-	(102,849)	(102,849)	-	(102,849)
於2018年12月31日	At 31 December 2018	1,772,988	1,224,732	(218,350)	414,377	(52,304)	6,524,041	9,665,484	1,937,712	11,603,196

1. 房產重估儲備的建立及處理是根據重估房產所採用的會計政策。
2. 公平價值儲備包括持有以公平值變化計入其他全面收益金融工具直至被終止確認的累計公平價值變動淨額。
3. 除按香港財務報告準則第9號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至監管儲備作銀行一般風險之用（包括未來損失或其他不可預期風險）。
4. 換算儲備的建立及處理是根據附註2.4中外幣折算所採用的會計政策。

1. Premises revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for the revaluation of premises.
2. Fair value reserve comprises the cumulative net change in the fair value of financial instruments at fair value through other comprehensive income held until the financial instruments are derecognised.
3. In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKFRS 9.
4. Translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation in Note 2.4.

第40至187頁之附註屬本財務報表之組成部分。

The notes on pages 40 to 187 are an integral part of these financial statements.

綜合現金流量表 Consolidated Cash Flow Statement

截至12月31日止年度	For the year ended 31 December	附註 Notes	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
經營業務之現金流量	**Cash flows from operating activities**			
除稅前經營現金之流入／（流出）	Operating cash inflow / (outflow) before taxation	32(a)	**1,722,883**	(995,167)
支付香港利得稅	Hong Kong profits tax paid		**(40,342)**	(150,155)
支付海外利得稅	Overseas profits tax paid		**(66,027)**	(53,703)
經營業務之現金流入／（流出）淨額	**Net cash inflow / (outflow) from operating activities**		**1,616,514**	(1,199,025)
投資業務之現金流量	**Cash flows from investing activities**			
購入物業、器材及設備	Purchase of properties, plant and equipment	25	**(43,218)**	(120,462)
投資業務之現金流出淨額	**Net cash outflow from investing activities**		**(43,218)**	(120,462)
融資業務之現金流量	**Cash flows from financing activities**			
支付租賃租金之資本部份	Capital element of lease rentals paid		**(66,296)**	-
支付租賃租金之利息部份	Interest element of lease rentals paid		**(5,207)**	-
發行普通股本	Issue of ordinary share capital	30	**1,472,992**	1,472,988
支付本銀行股東之末期股息	Final dividend paid to the equity holders of the Bank	16	**(298,920)**	(225,000)
支付額外資本工具持有者利息	Distribution to the holders of the additional equity instruments	16	**(102,882)**	(102,849)
融資業務之現金流入淨額	**Net cash inflow from financing activities**		**999,687**	1,145,139
現金及等同現金項目增加／（減少）	Increase / (decrease) in cash and cash equivalents		**2,572,983**	(174,348)
於1月1日之現金及等同現金項目	Cash and cash equivalents at 1 January		**18,688,142**	19,012,716
匯率變動對現金及等同現金項目的影響	Effect of exchange rate changes on cash and cash equivalents		**(71,326)**	(150,226)
於12月31日之現金及等同現金項目	**Cash and cash equivalents at 31 December**	32(b)	**21,189,799**	18,688,142

本集團已於2019年1月1日採用經修訂的追溯法初步應用香港財務報告準則第16號。根據這種方法，比較信息是不會重列。

The Group has initially applied HKFRS 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

第40至187頁之附註屬本財務報表之組成部分。

The notes on pages 40 to 187 are an integral part of these financial statements.

1. 主要業務

本集團主要從事提供銀行及相關之金融服務。

本銀行是一家於香港成立的有限債務公司。公司註冊地址是香港中環德輔道中78號。

1. Principal activities

The Group is principally engaged in the provision of banking and related financial services.

The Bank is a limited liability company incorporated in Hong Kong. The address of its registered office is No.78 Des Vouex Road Central, Hong Kong.

2. 主要會計政策

用於編製本綜合財務報表之主要會計政策詳列如下。

除特別註明外，該等會計政策均被一致地應用於所有列示之財務年度中。

2.1 編製基準

本集團之綜合財務報表乃按照香港會計師公會頒佈之所有適用之香港財務報告準則編製，這個準則統稱包括所有適用之香港財務報告準則、香港會計準則及詮釋、香港一般採用的會計原則，並符合香港《公司條例》之規定。

本綜合財務報表乃按歷史成本法編製，惟就重估以公平值列賬之證券投資、以公平值變化計入損益之金融資產及金融負債（包括衍生金融工具）、以公平值列賬之貴金屬、以公平值列賬之投資物業及以公平值或重估值扣除累計折舊及累計減值損失後列賬之房產作出調整。

按照香港財務報告準則編製財務報表時，需採用若干重大之會計估算。管理層亦需於採用本集團之會計政策時作出有關判斷。當中涉及高度判斷、複雜之範疇、或對綜合財務報表而言屬重大影響之假設及估算，已載於附註3。

2. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the fair value revaluation of investment in securities at fair value through other comprehensive income, financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, precious metals at fair value, investment properties which are carried at fair value and premises which are carried at fair value or revalued amount less accumulated depreciation and accumulated impairment losses.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(a) 已於 **2019** 年 **1** 月 **1** 日起開始的會計年度強制性生效之準則及修訂

(a) Standards and amendments issued that are already mandatorily effective for accounting periods beginning on 1 January 2019

準則╱修訂 **Standards/Amendments**	內容 **Content**	起始適用之年度 **Applicable for financial years beginning on/after**
香港財務報告準則第 16 號 HKFRS 16	租賃 Leases	2019 年 1 月 1 日 1 January 2019
香港財務報告準則詮釋第 23 號 HK(IFRIC) – Int 23	所得稅之不確定性之處理 Uncertainty over Income Tax Treatments	2019 年 1 月 1 日 1 January 2019
香港財務報告準則於 2015 年至 2017 年期間年度改進 Annual improvements to HKFRSs 2015 – 2017 cycle		2019 年 1 月 1 日 1 January 2019

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.1 編製基準（續）

(a) 已於2019年1月1日起開始的會計年度強制性生效之準則及修訂（續）

與本集團相關之香港財務報告準則詳列如下：

- 香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋：香港《國際財務報告準則詮釋委員會詮釋》第4號「決定一項安排是否包含租賃」、HK(SIC)15，經營租賃-獎勵及HK(SIC)27，評估實質內容涉及租賃法律形式的交易。 它為承租人引入單一會計模式，要求承租人確認所有租賃的使用權資產和租賃負債，但租賃期限為12個月或以下的租賃（ "短期租賃" ）和低價值資產的租賃除外。 出租人會計要求仍按照香港會計準則第17號，大致維持不變。

- 香港財務報告準則第16號亦引入其他定量及定性的披露規定，旨在使財務報表使用者能評估租賃對企業財務狀況，財務績效及現金流量的影響。

- 本集團自2019年1月1日起應用香港財務報告準則第16號。本集團已選擇使用經修訂的追溯法，並已確認首次應用的累計影響於2019年1月1日權益的期初餘額進行調整。比較資料不會重列，繼續根據香港會計準則第17號報告匯報。

(i) 會計政策的修訂

(1) 租賃新定義

本集團以往在訂立合約時釐定某項安排是否屬於租賃或包含租賃是根據香港《國際財務報告準則詮釋委員會詮釋》第4號「決定一項安排是否包含租賃」。本集團現根據《香港財務報告準則》第16號的租賃定義釐定某項合約為是否屬於或包含租賃。在《香港財務報告準則》第16號下，倘某項合約為換取代價而給予在某段時間內對可識別資產使用的控制權，則該合約屬於租賃或包含租賃。

2.1 Basis of preparation (continued)

(a) Standards and amendments issued that are already mandatorily effective for accounting periods beginning on 1 January 2019 (continued)

Further information about those HKFRSs that are applicable to the Group is as follows:

- HKFRS 16 replaces HKAS 17, *Leases*, and the related interpretations, HK(IFRIC) 4, *Determining whether an arrangement contains a lease*, HK(SIC) 15, *Operating leases – incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

- HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

- The Group has initially applied HKFRS 16 from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

(i) Change in accounting policies

(1) New definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under HK(IFRIC) 4 *Determining whether an arrangement contains a lease*. The Group now assesses whether a contract is or contains a lease based on the definition of a lease. Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.1 編製基準（續）

2.1 Basis of preparation (continued)

(a) 已於2019年1月1日起開始的會計年度強制性生效之準則及修訂（續）

(a) Standards and amendments issued that are already mandatorily effective for accounting periods beginning on 1 January 2019 (continued)

(i) 會計政策的修訂（續）

(i) Change in accounting policies (continued)

(2) 承租人會計

本集團於租賃生效日期確認使用權資產及租賃負債。使用權資產初步按成本計量，其包括租賃負債的初始金額加上任何於生效日期或之前已付之租賃款項，及任何已付之初始直接成本。如適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或其所在的佑計成本之折讓現值，並減去任何已收之租賃激勵款項。

使用權資產其後按成本減任何累計折舊及減值損失計量，並對租賃的若干重新計量作出調整。倘使用權資產符合投資物業的定義，根據本集團的會計政策，該使用權初始按成本計量，其後按公平價值計量。

租賃負債初始按照生效日期尚未支付的租賃款項之現值計量，並採用租約隱含的利率或（倘該利率無法輕易釐定）本集團的增量借款利率。本集團一般以其增量借款利率用作貼現率。

租賃負債其後因租賃負債的利息成本而增加，並因所付租賃款項而減少。當未來租賃款項因指數或利率變動而有所改變，根據剩餘價值擔保預計應付的款項之估計出現變動、改變有關會否合理肯定行使購買或延長選擇權或是否合理肯定不會行使終止選擇權的評估時，租賃負債會重新計量。當租賃負債重新計量時，相應調整會在使用權資產之賬面值上調整，或要是使用權資產的賬面值已減至零時，該金額則記入損益賬內。

本集團運用判斷以釐定作為承租人若干包括續租權之租約的租期。本集團是否合理肯定行使該等選擇權的評估會影響租期，而租期則會對租賃負債及使用權資產的確認金額產生重大影響。

(2) Lessee accounting

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received.

The right-of-use asset is subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. When a right-of-use asset meets the definition of investment property, it is initially measured at cost, and subsequently at fair value, in accordance with the Group's accounting policies.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(a) 已於2019年1月1日起開始的會計年度強制性生效之準則及修訂（續）

(a) Standards and amendments issued that are already mandatorily effective for accounting periods beginning on 1 January 2019 (continued)

(i) 會計政策的修訂（續）

(i) Change in accounting policies (continued)

(3) 出租人會計

本集團作為經營租賃的出租人將其投資物業出租。作為出租人適用於本集團的會計政策與香港會計準則第17號下的會計政策大致維持不變。

(3) Lessor accounting

The Group leases out its investment property as the lessor of operating leases. The accounting policies applicable to the Group as a lessor remain substantially unchanged from those under HKAS 17.

(ii) 過渡性影響

於過渡時，在《香港會計準則》第17號下分為經營租賃的租賃，其租賃負債按餘下租賃款項根據本集團於2019年1月1日的增量借款利率折算為現值計量。使用權資產則按租賃負債的等值金額計量並調整任何預付或應計租賃款項的金額。本集團應用此方法於所有租賃。

(ii) Transitional impact

At transition, for leases classified as operating leases under HKAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Group applied this approach to all leases.

本集團將《香港財務報告準則》第16號於以往在《香港會計準則》第17號下分類為經營租賃的租賃時，採用以下務實權宜方法。

The Group used the following practical expedients when applying HKFRS 16 to leases previously classified as operating leases under HKAS 17.

- 應用豁免不就租期少於12個月的租賃確認使用權資產及負債。
- 於初始應用日期計量使用權資產時，豁除初始直接成本。
- 若合約包含延長或終止租賃的選擇權，則採用事後確認方法釐定租期。

- applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- used hindsight when determining the lease term if the contract contains option to extend or terminate the lease.

		2019年1月1日 1 January 2019 港幣千元 HK$'000
使用權資產列於物業、器材及設備	Right-of-use assets presented in properties, plant and equipment	117,730
租賃負債列於其他賬項及準備	Lease liabilities presented in other accounts and provisions	117,730

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(a) 已於 2019 年 1 月 1 日起開始的會計年度強制性生效之準則及修訂（續）

(a) Standards and amendments issued that are already mandatorily effective for accounting periods beginning on 1 January 2019 (continued)

(ii) 過渡性影響（續）

(ii) Transitional impact (continued)

於2019年1月1日應用於租賃負債的加權平均承租人增量借款利率為3.69%。

The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3.69%.

下表將2018年12月31日附註35（a）所披露的經營租賃承擔與2019年1月1日確認的租賃負債期初餘額核對：

The following table reconciles the operating lease commitments as disclosed in Note 35(a) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

		2019年1月1日 1 January 2019 港幣千元 HK$'000
於2018年12月31日的經營租賃承擔	Operating lease commitment at 31 December 2018	127,140
減：與免於資本化的租賃有關的承諾：	Less: commitments relating to leases exempt from capitalisation:	
- 短期租賃	- short-term leases	(78)
- 低價值資產租賃	- leases of low-value assets	(54)
		127,008
減：未來利息總支出	Less: total future interest expenses	(9,278)
於2019年1月1日確認的租賃負債	Lease liabilities recognised at 1 January 2019	117,730

- 香港財務報告準則詮釋第23號「所得稅之不確定性之處理」。此詮釋指出需判斷不確定稅務處理被稅務機關所接納的可能性，以反映及計量該不確定性對所得稅核算的影響。該詮釋將會追溯性實施，並容許提前採納。採納該詮釋對本集團的財務報表沒有重大影響。

- HK(IFRIC) – Int 23, "Uncertainty over Income Tax Treatments". The interpretation states that the effects of uncertainty in accounting for income taxes should be reflected and measured by determining how probable a taxation authority will accept an uncertain tax treatment. The interpretation is applied retrospectively. Early application is permitted. The application of this interpretation will not have a material impact on the Group's financial statements.

- 本集團沒有於本會計年度提前採納未生效的會計準則及詮釋。

- The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制生效及未被本集團於2019年提前採納之準則及修訂

(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2019

準則／修訂 **Standards/Amendments**	內容 **Content**	起始適用之年度 **Applicable for financial years beginning on/after**
香港財務報告準則第3號（經修訂）	業務之定義	2020年1月1日
HKFRS 3 (Amendment)	Definition of a business	1 January 2020
香港會計準則第1號及第8號（經修訂）	重大之定義	2020年1月1日
HKAS 1 and HKAS 8 (Amendment)	Definition of material	1 January 2020

本集團正在評估該等修訂對起始適用之年度可能產生的影響。按目前評估，採納該等修訂將不會對綜合財務報表造成任何重大影響。

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far the adoption of them is unlikely to have a significant impact to the consolidated financial statements.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.2 綜合財務報表

綜合財務報表包含本銀行及所有其附屬公司截至 12 月 31 日的財務報表。

附屬公司

附屬公司是指由本集團直接或非直接控制的企業（包括結構性實體）。控制體現為本集團涉及，或有權從參與被投資企業業務中取得可變動回報，並有權力通過被投資企業影響自身回報（即賦予本集團現行權力以指引被投資企業的相關活動）。當本銀行對被投資企業的直接或間接表決權或類似權利少於大多數時，本集團會考慮所有相關的事實及情況，以評估是否對該被投資企業存在控制權，包括：(a) 與被投資企業其他表決者的合約安排；(b) 由其他合約安排所產生的權利；及(c) 本集團的表決權及潛在表決權。附屬公司於控制權轉入本集團之日起完全納入合併，並於本集團的控制權終止當日不再納入合併。

(i) 非受共同控制的業務合併

收購非受共同控制之業務時，應以收購法進行會計處理。業務合併的代價乃集團因換取被收購方的控制權，而在收購當日所轉讓的資產的公平值、所產生的負債（包括或然代價安排）、以及所發行的權益。與收購相關的成本會於發生時於收益表內確認。

轉讓的代價、持有被收購方的非控制權益金額、以及本集團之前已持有被收購方之權益的公平值（如有）之總和，其高於收購日的被收購可識別資產及需承擔負債的淨值，被計量為商譽。如經評估後，被收購方的可識別淨資產的公平值高於轉讓的代價、持有被收購方的非控制權益金額、以及本集團之前已持有被收購方之權益的公平值（如有）之總和，多出的部分將即時於收益表內被確認為優惠收購收益。之後，需至少每年對商譽進行減值測試。

2.2 Consolidation

The consolidated financial statements include the financial statements of the Bank and all of its subsidiaries for the year ended 31 December.

Subsidiaries

Subsidiaries are entities (including structured entities), directly or indirectly, controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e. existing rights that give the Group the current ability to direct the relevant activities of the investee). When the Bank has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: (a) the contractual arrangement with the other vote holders of the investee; (b) rights arising from other contractual arrangements; and (c) the Group's voting rights and potential voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

(i) Business combinations not under common control

Acquisitions of businesses not under common control are accounted for using the acquisition method. The consideration transferred in a business combination is the fair values at the acquisition date of the assets transferred, the liabilities incurred (including contingent consideration arrangement) and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed in the income statement as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If after assessment, the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held interest in the acquiree (if any), the excess is recognised immediately in the income statement as a bargain purchase gain. Subsequently, goodwill is subject to impairment testing at least annually.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.2 綜合財務報表（續）

附屬公司（續）

(i) 非受共同控制的業務合併（續）

當集團於業務合併時轉讓的代價包含因或然代價安排而產生的資產或負債時，有關的或然代價將按收購日的公平值計量，並被視為業務合併時所轉讓代價的一部分。符合作為計量期間調整的或然代價的公平值變動，需以追溯方式進行調整，並需於商譽或優惠收購收益內進行相應的調整。計量期間調整是指於計量期間，取得與收購日已存在的事實或情況相關的額外資訊而產生的調整。計量期間為自收購日起計的一年之內。

以逐項收購為基準，本集團可選擇以公平值或按非控制權益之比例攤佔被收購方之可識別淨資產之公平值，來確認被收購方之非控制權益。

(ii) 受共同控制的業務合併

合併會計處理會被應用於合併受共同控制之公司。合併會計的原則是按被收購方之業務乃一直由收購方經營的假設，去合併受共同控制的公司。本集團的綜合財務報表之綜合業績，綜合現金流量及綜合財務狀況，會按本銀行與被收購方自最初受到共同控制後，即進行合併的假設而編製（即在合併日不需進行公平值調整）。在合併時的代價與賬面值的差額，將於權益內確認。在編製本集團的綜合財務報表時，對於所有本集團與被收購方之間的交易，不論是在合併前或是在合併後發生，其影響均會被對銷。除非被收購方的共同控制於其後日子開始，否則比較數據乃按被收購方之業務於收購開始日合併來列示。合併之交易成本會於收益表上被列支為費用。

(iii) 集團內部交易

集團內部交易、交易餘額、以及未實現收益已被對銷；除非能提供集團內交易所轉讓資產已發生減值的證據，否則未實現損失也將被對銷。如有需要，附屬公司的會計政策會作出適當調整，以確保本集團所採用會計政策的一致性。

2.2 Consolidation (continued)

Subsidiaries (continued)

(i) Business combinations not under common control (continued)

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at fair value at the acquisition date and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

(ii) Business combinations under common control

For a combination with a company under common control, the merger accounting method will be applied. The principle of merger accounting is a way to combine companies under common control as though the business of the acquiree had always been carried out by the acquirer. The Group's consolidated financial statements represent the consolidated results, consolidated cash flows and consolidated financial position of the Group as if any such combination had occurred from the date when the Bank and the acquiree first came under common control (i.e. no fair value adjustment on the date of combination is required). The difference between the consideration and carrying amount at the time of combination is recognised in equity. The effects of all transactions between the Group and the acquiree, whether occurring before or after the combination, are eliminated in preparing the consolidated financial statements of the Group. Comparative amounts are presented as if the acquiree had been combined at the start of the earliest period presented unless the acquiree first came under common control at a later date. The transaction costs for the combination will be expensed in the income statement.

(iii) Inter-company transactions

Inter-company transactions, balances and unrealised gains on transactions between the Group's companies are eliminated; unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.2 綜合財務報表（續）

附屬公司（續）

(iv) 投資附屬公司

於本銀行的財務狀況表內，對附屬公司的投資是以成本扣除減值損失準備列賬。本銀行按照已收及應收股息基準確認附屬公司之業績。當本銀行具有權利收取附屬公司的派息時，將於收益表內確認。

2.2 Consolidation (continued)

Subsidiaries (continued)

(iv) Investments in subsidiaries

In the Bank's statement of financial position, the investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Bank on the basis of dividends received and receivable. Dividend income from subsidiaries is recognised in the income statement when the right to receive payment is established.

2.3 分類報告

分類的經營業績與呈報予管理層的內部報告方式一致，本集團管理層乃本集團的總體營運決策核心，負責資源分配及對營運分類的表現評估。在釐定業務分類表現時，將會包括與各分類直接相關的收入及支出。

2.3 Segmental reporting

The operating result of segments are reported in a manner consistent with the internal reporting provided to the Group's senior management, which is the chief operating decision maker of the Group, that allocates resources and assesses the performance of operating segments. Income and expenses directly associated with each segment are included in determining operating segment performance.

2.4 外幣換算

本集團各企業的財務報表所載項目均按各企業於主要經濟環境營運的貨幣計量（「功能貨幣」）。本綜合財務報表以港幣列示，即本銀行之功能及呈列貨幣。

外幣交易均按交易或重新計量項目之估值當日的即期匯率換算為功能貨幣。外幣交易以交易日之匯率結算所引致的匯兌損益，以及以外幣為本位的貨幣性資產及負債按會計結算日的匯率換算的匯兌損益，均直接於收益表確認，惟於其他全面收益內遞延作為合資格淨投資對沖除外。

外幣換算的差異一般會在收益表確認。可是，以下項目產生的外幣換算的差異會在全面收益確認：

- 已選擇以公平值變化計入其他全面收益的股權投資；
- 指定以對沖且對沖有效的外國業務淨投資的金融負債；及
- 符合現金流量對沖的範圍，並且對沖是有效的。

2.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Bank's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or exchange rates at the end of the reporting period for items that are re-measured. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions using the exchange rates prevailing at the dates of the transactions and monetary assets and liabilities denominated in foreign currencies translated at the exchange rate at the end of the reporting period are recognised directly in the income statement, except when deferred in other comprehensive income as qualifying net investment hedges.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income ("OCI"):

- equity investments in respect of which an election has been made to present subsequent changes in fair value in OCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedge is effective.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.4 外幣換算（續）

有關通過損益以反映公平價值投資及衍生金融工具的匯兌差額分別包括於交易用途證券淨盈虧或指定通過損益以反映公平價值投資淨盈虧。其他有關貨幣性資產及負債的匯兌差額則於收益表之外匯交易及外匯交易產品項下列示。因折算已選擇將往後公平價值變動在其他全面收益列示的股份證券所產生的差額則於其他全面收益內確認，並在股東權益內分開累計。

所有本集團內非以港幣為功能貨幣的企業，其業績及財務狀況按以下方式換算為港幣：

- 資產及負債按會計結算日之收市匯率換算；
- 收入及支出按平均匯率換算；及
- 所有產生之換算差額通過其他全面收益於權益項目下之貨幣換算儲備內確認。

於綜合財務報表時，換算對外國企業之淨投資、借款及其他被界定為對沖此投資的貨幣工具所產生之換算差額需列入其他全面收益及分別累計於權益項目下之換算儲備中。當出售該外國企業投資時，此外幣兌換差額需列作為出售收益或虧損的一部分，並由權益中重新分類至收益表內。

2.4 Foreign currency translation (continued)

Exchange differences relating to investments at fair value through profit or loss (FVTPL) and derivative financial instruments are included in gains less losses from trading securities or financial instruments at fair value through profit or loss. All other exchange differences relating to monetary items are presented as gains less losses from foreign exchange and foreign exchange products in the income statement. Differences arising on translation of equity investments which an election has been made to present subsequent changes in fair value in other comprehensive income are recognised in other comprehensive income and accumulated separately in fair value reserve.

The results and financial position of all the Group entities that have a functional currency different from Hong Kong dollars are translated into Hong Kong dollars as follows:

- assets and liabilities are translated at the closing rate at the end of the reporting period;
- income and expenses are translated at average exchange rates; and
- all resulting exchange differences are recognised in the currency translation reserve in equity through other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, borrowings and other currency instruments designated as hedges of such investments are taken to other comprehensive income and are accumulated separately in equity in the translation reserve. When a foreign entity is disposed, such exchange differences are reclassified from equity to the income statement, as part of the gain or loss on sale.

2.5 衍生金融工具及對沖會計

衍生金融工具以衍生交易合同簽訂當日的公平值進行初始確認，並以公平值進行後續計量。公平值從活躍市場上的公開市場報價中取得，包括最近的市場交易，或通過使用估值方法，包括貼現現金流量分析模型、期權定價模型（如適用）。當公平值為正值時，衍生金融工具將被列為資產；當公平值為負值時，則被列為負債。

除非衍生金融工具已被界定為用作對沖，並且是屬於有效之對沖工具，則需按對沖會計之要求計量，否則，將被分類為持作交易用途，其公平值變動即時於收益表內確認。

2.5 Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and through the use of valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Derivatives are categorised as held for trading and changes in their fair value are recognised immediately in the income statement unless they are designated as hedges and are effective hedging instruments, then they are subject to measurement under the hedge accounting requirements.

2. 主要會計政策（續）

2.5 衍生金融工具及對沖會計（續）

本集團於交易發生時會記錄對沖工具與相關被對沖項目之關係、風險管理目的和進行各類對沖交易時所採取之策略。本集團並於對沖活動發生時及期間，評估有關衍生金融工具能否高度有效地抵銷相關被對沖項目之公平值或現金流變動，並作出記錄。此等乃符合採用對沖會計方法處理之先決條件。

淨投資對沖

對沖工具有效對沖部分的收益或虧損，會於其他全面收益內確認及於權益內累計；無效部分的收益或虧損即時於收益表內確認。之前於其他全面收益中累計的收益或虧損金額會列作出售收益或虧損的一部分，並於出售海外運作時被重新分類至收益表內。

2.6 金融工具之抵銷

若存在法律上可行使的權利，可對已確認入賬之項目進行抵銷，且有意以淨額方式結算，或將資產變現並同時清償債務，則金融資產及負債可予抵銷，並把淨額於財務狀況表內列賬。

2.7 利息收入及支出、服務費及佣金收入及支出

(1) 利息收入及支出

實際利率

所有附息金融工具的利息收入及支出按實際利息法在收益表以應計基準確認。

實際利率是在金融工具預計到期日，將其未來收到或付出的現金流貼現為金融資產或金融負債賬面值所使用的利率。

除信貸減值資產，當計算實際利率時，本集團在估計未來現金流時，會考慮金融工具內的所有合同條款，但不會考慮未來的信用損失。自購入日確認新購入的信貸減值金融資產，則會按已包括預期信用損失(即自購入日沒有預期信用損失減值)的預期未來現金流計算信用調整的實際利率。

計算實際利率的組成部份包括支付或收取的交易成本、費用和點子。交易成本包括購買時產生或發行金融資產或金融負債的成本。

2. Significant accounting policies (continued)

2.5 Derivative financial instruments and hedge accounting (continued)

The Group documents at inception the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at the hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. These criteria should be met before a hedge can be qualified to be accounted for under hedge accounting.

Net investment hedge

A gain or loss on the effective portion of the hedging instrument is recognised in other comprehensive income and accumulated in equity; a gain or loss on the ineffective portion is recognised immediately in the income statement. Accumulated gains and losses previously recognised in other comprehensive income are reclassified to the income statement upon disposal of the foreign operation as part of the gain or loss on disposal.

2.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.7 Interest income and expense and fee and commission income and expense

(1) Interest income and expense

Effective interest rate

Interest income and expense for all interest-bearing financial instruments are recognised in the income statement on an accruals basis using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. For financial assets that were purchased or originated credit-impaired on initial recognition, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses (i.e. no expected credit loss provision is required at initial recognition).

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. The transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.7 利息收入及支出、服務費及佣金收入及支出（續）

(1) 利息收入及支出（續）

攤餘成本及賬面值

金融資產或金融負債的攤餘成本是自初始確認日減本金償還、加或減以實際利息法計算因初始確認金額與到期時金額之間差異的累計攤銷金額及對已調整預期信用損失的金融資產。

金融資產的賬面值是未調整預期信貸損失的攤餘成本。

計算利息收入及支出

在計算利息收入及支出時，實際利率應用於資產的賬面值(當資產沒有信貸減值時)或以攤餘成本記錄的負債。

可是，自初始確認後變成信貸減值的金融資產，其利息收入是通過以金融資產的攤餘成本應用實際利率來計算。如果資產不再是信貸減值，其利息收入將回復至總額計算。

自初始確認時購買的信貸減值資產，利息收入是按照已調整信貸的實際利率對資產的攤餘成本而計算。即使資產的信用風險已改善，利息收入的計算是不可以回復至總額方式。

有關信貸減值的金融資產的資料，請見財務報表附註2.14。

(2) 服務費及佣金收入及支出

不屬於整體有效利息一部分的服務費及佣金收入及支出，例如行政費、資產管理費和託管服務費，通常在提供相關服務時，以應計基準按比例地於服務期間內確認。當銀團貸款安排已完成且本集團未保留任何貸款或按適用於其他銀團成員的相同實際利率保留部分貸款時，銀團貸款服務費確認為收入。

2.7 Interest income and expense and fee and commission income and expense (continued)

(1) Interest income and expense (continued)

Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were purchased or originated credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

For information on when financial assets are credit-impaired, please refer to Note 2.14.

(2) Fee and commission income and expense

Fee and commission income and expense that are not an integral part of the effective yield are recognised on an accrual basis ratably over the period when the related service is provided, such as administrative fee, asset management fee and custody services fee. Loan syndication fees are recognised as revenue when the related syndication arrangement has been completed and the Group has retained no part of the loan package for itself or has retained a part at the same effective interest rate as applicable to other participants.

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.8 金融資產

(1) 確認及最初計量

金融資產的確認是企業作為金融工具的合約方，購買及出售金融資產在交易日進行確認，即本集團承諾購買或出售有關資產。除以公平值計入損益的項目外，金融資產以其公平值作初始計量，需加上與收購或發行而直接產生的交易成本。

(2) 分類

本集團應用香港財務報告準則第9號將金融資產按以下類別進行分類：

- 以公平值變化計入損益；
- 以公平值變化計入其他全面收益；或
- 以攤銷成本計量。

金融資產的分類及其後的計量將視乎以下情況：

- 企業管理資產的業務模型；及
- 資產的現金流特徵。

(i) 債務證券

本集團持有的債務證券按以下類別進行分類：

- 若持有的投資主要收取其本金及利息的合約現金流為目的，該投資以攤銷成本計量。利息收入是以實際利息法計算利息收入。
- 該投資的業務模型旨在收集合約現金流及出售金融資產，而該工具本身符合收取本金及利息的合約現金流特徵，則該工具會以公平值變化計入其他全面收益進行計量。除預期信用損失記錄於損益表外、利息收入(按實際利息法計算)及外匯收益及虧損外，公平值變化會於其他全面收益進行確認。
- 若資產未能符合以攤銷成本計量或以公平值變化計入其他全面收益的條件，則該投資的公平值變化(包括：利息)將確認以公平值變化計入損益進行計量。

2.8 Financial assets

(1) Recognition and initial measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the assets. A financial asset is measured initially at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(2) Classification

The Group has applied HKFRS 9 and classifies its financial assets in the following measurement categories:

- fair value through profit and loss;
- fair value through other comprehensive income (FVOCI); or
- amortised cost.

Classification and subsequent measurement of financial assets depend on:

- the Group's business model for managing the asset; and
- the cash flow characteristics of the assets.

(i) Debt instruments

Debt instruments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- FVOCI, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses.
- FVTPL if the assets do not meet the criteria for being measured at amortised cost or FVOCI. Changes in the fair value of the investment (including interest) are recognised in profit or loss.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.8 金融資產（續）

(2) 分類（續）

(ii) 股份證券

股份證券是從發行人角度以符合股票定義發行的工具，該工具是沒有按合約支付的責任，並以發行人的淨資產的剩餘權益作證明。

除初始確認時，本集團管理層作出不可撤回的選擇，指定一項股份證券以公平值變化計入其他全面收益進行分類外，本集團其後將所有股份證券以公平值變化計入損益進行計量。本集團指定股份證券以公平值變化計入其他全面收益的政策是考慮持有該等投資的目的並非只賺取投資回報，當採用這項選擇時，公平值的盈利及虧損將於其他全面收益確認，亦不會於其後包括出售被重新分類至損益。減值準備(及減值準備的回撥)將不會與公平值變化獨立列示。當本集團有明確的權利收取股息，即代表這項投資的回報時，會繼續在損益表確認並於其他經營收入記錄。

以公平值變化計入損益的股份投資的盈利及虧損包括在收益表內的淨交易性收益內。

(iii) 業務模型的評估

本集團以最能反映業務模式及向管理層提供資訊，以組合層面持有資產的業務模式的目標去評估業務模型，考慮的資訊包括：

- 管理的策略是集中賺取合約上的利息收入、維持特定利率情況、匹配金融資產及為這些資產提供資金或通過出售資產而實現現金流的金融負債的期限；
- 如何評估組合的表現及匯報本集團管理層；
- 影響業務模型的風險(及在這個業務模型下持有的金融資產)以及如何管理這些風險；
- 業務經理如何獲得補償，例如補償是否根據其管理的資產公平值或已收取的合約現金流；及
- 過往期間的銷售頻率、數量、時間、銷售的原因及對將來銷售的預期等資訊。可是，銷售行為的資訊不能獨立地考慮，而是作為本集團實現管理金融資產及如何實現現金流的綜合評估的一部份。

2.8 Financial assets (continued)

(2) Classification (continued)

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Group subsequently measures all equity investments at fair value through profit or loss, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Group's policy is to designate equity investments as FVOCI when those investments that are not held for trading. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Gains and losses on equity investments at FVTPL are included in the "Net trading gain" line in the income statement.

(iii) Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.8 金融資產（續）

(2) 分類（續）

(iv) 評估合同現金流是否只有本金及利息的支付

就是次評估，「本金」是指在初始確認日的金融資產的公平值，「利息」被定義為貨幣的時間值、與特定時間內未償還本金相關的信貸風險、其他基本借貸風險及成本（例如：流動流險及行政成本），以及利差。

在評估合約現金流是否只有本金及利息時，本集團會考慮該工具的合約條款，包括評估金融資產是否包含可改變現金流金額及時間引致不符合條件的合約條件。在進行評估時，本集團會考慮：

- 可能改變現金流金額及時點的偶然事件；
- 槓桿特徵；
- 還款及延期條款；
- 限制本集團對特定資產的現金流索賠的條款(例如：無追溯權的資產安排)；及
- 修改對時間值考慮的特徵，例如：定期重設利率。

本集團持有可選擇建議在定期重設日修訂利率的長期固定利率的貸款組合。這項修訂權只限於修訂市場利率。借款人有權選擇接受新修訂利率或以本金及沒有處罰的方式下贖回貸款。本集團已確定這些貸款修訂利率的權利只考慮時間值、信貸風險、基礎貸款風險及因欠款而產生的相關費用，其合約現金流只有本金及利息。

(v) 重新分類

除本集團改變管理金融資產的業務模型外，在初始確認日後，金融資產其後不可重新分類。

2.8 Financial assets (continued)

(2) Classification (continued)

(iv) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money, e.g. periodical reset of interest rates.

The Group holds a portfolio of long-term fixed rate loans for which the Group has the option to propose to revise the interest rate at periodic reset dates. These reset rights are limited to the market rate at the time of revision. The borrowers have an option to either accept the revised rate or redeem the loan at par without penalty. The Group has determined that the contractual cash flows of these loans are solely payments of principal and interest because the option varies the interest rate in a way that is consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

(v) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.9 金融負債

本集團將其金融負債（財務擔保及貸款承擔除外）分類為按攤銷成本或按通過損益以反映公平值計量類別。

在以下任一情況下，本集團已將若干金融負債指定為按通過損益以反映公平值計量：

- 該負債是按公平值作內部管理、評估及呈報；或
- 該指定可抵銷或明顯減少可能產生的會計錯配。

2.9 Financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL.

The Group has designated certain financial liabilities as at FVTPL in either of the following circumstances:

- the liabilities are managed, evaluated and reported internally on a fair value basis; or
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.10 財務擔保合約

財務擔保合約是指簽發人在指定的債務人未能根據持有人與債務人之間的債務合約條款而履行還款責任時，需向持有人償付由此而產生之損失的指定付款。

財務擔保合約以合約簽發當日的公平值初始確認為金融負債，並列示於財務報表內的「其他賬項及準備」項下。及後，本集團之責任按以下兩者之較高者計量：(i)根據香港會計準則第37號「準備、或然負債及或然資產」釐定之金額；及(ii)初始確認之金額減按直線法於擔保有效期內確認之累計攤銷(如適用)。財務擔保合約負債的變動則於收益表中確認。

2.10 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a contract between the holder and the debtor.

Financial guarantee contracts are initially recognised as financial liabilities and reported under “Other accounts and provisions” in the financial statements at fair value on the date the guarantee was given. Subsequent to initial recognition, the Group’s liabilities under such guarantees are measured at the higher of (i) the amount determined in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” and (ii) the amount initially recognised less, where appropriate, accumulated amortisation recognised over the life of the guarantee on a straight-line basis. Any changes in the liability relating to financial guarantee contracts are taken to the income statement.

2.11 金融工具的終止確認

(1) 金融資產

當收取金融資產現金流的合同權利到期或該權利已轉移，即已轉換金融資產的所有風險及回報或本集團既未轉換亦未保留所有權上的所有風險及回報，且未有保留對該金融資產的控制時，本集團終止確認該金融資產。

於終止確認金融資產時，資產賬面值(或資產被終止確認的部份的賬面值)與(i)已收取的代價(包括獲得新資產減新負債)及(ii)任何已在其他綜合收益已確認的累計盈利及虧損的總和的差額會在利潤表確認。

2.11 Derecognition of financial instruments

(1) Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.11 金融工具的終止確認（續）

(1) 金融資產（續）

已確認其累計盈利/虧損在其他全面收益以公平值變化計入其他全面收益的股份證券，在終止確認該等資產時，不可在損益表進行確認。本集團建立或保留可轉讓該等資產的權益，可確認為獨立資產或負債。

本集團進行將資產負債表上的資產轉換的交易，欲保留轉讓資產中一部份或全部的風險及回報。在這情況下，轉移資產不可終止確認。

在本集團對該金融資產不轉移其風險、不轉移其回報及維持資產的擁有權的交易中，本集團在繼續參與的情況下，本集團繼續確認該資產，並在該情況考慮轉移資產的價格變化。

在某些交易下，本集團收取費用以保留對已轉移資產提供服務。若已符合終止確認的條件，該已轉移資產會終止確認。若服務費用比資產大或比負債少，則需將服務合約確認為資產或負債。

(2) 金融負債

當合約義務解除、取消或到期時，本集團終止確認金融負債。

2.12 公平值計量

本集團於每個會計結算日以公平值計量房產及投資物業、貴金屬及部分金融工具。公平值是指在估值日當期集團可接觸的主要交易市場或最有利之市場狀況下，市場參與者進行有序交易出售資產或轉移負債之價格。

計量資產或負債公平值運用的假設為市場參與者在其最佳經濟利益的情況下，所採用的資產或負債計價。

非金融資產之公平值計量為考慮市場參與者使用該資產所產生的最高及最佳經濟利益，或出售予另一市場參與者而該參與者可產生的最高及最佳經濟利益。

2.11 Derecognition of financial instruments (continued)

(1) Financial assets (continued)

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognised the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

(2) Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

2.12 Fair value measurement

The Group measures its premises and investment properties, precious metals and certain financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in its principal market or the most advantageous market accessible by the Group at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.12 公平值計量（續） 2.12 Fair value measurement (continued)

若資產或負債所處之市場並不活躍，本集團會在合適並有足夠數據的情況下，採用估值方法釐定其公平值，包括運用當時之公平市場交易、貼現現金流量分析、期權定價模型及其他市場參與者通用之估值方法，並會盡可能使用市場上可觀察的相關參數，避免使用不可觀察的參數。

If the market for assets or liabilities is not active, the Group uses valuation techniques, including the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants, that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.13 貴金屬 2.13 Precious metals

貴金屬包括黃金、銀及其他貴金屬。貴金屬以其公平值作初始確認和其後重估。貴金屬於進行市場劃價後所產生之收益或虧損，將包括於淨交易性收益／虧損內。

Precious metals comprise gold, silver and other precious metals. Precious metals are initially recognised and subsequently re-measured at fair value. Mark-to-market gains or losses on precious metals are included in net trading gain/loss.

2.14 金融資產減值 2.14 Impairment of financial assets

本集團確認以下非以公平值變化計入損益的金融工具的預期信貸損失的損失準備：
- 屬於債務證券的金融資產；
- 租賃應收賬款；
- 已發出的財務擔保合約；
- 已發出的貸款承擔；及
- 合同資產。

The Group recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued;
- loan commitments issued; and
- contract asset.

股份證券沒有確認減值損失。

No impairment loss is recognised on equity investments.

本集團以三階段方法去量度未來12個月或整個存續期的減值準備如下：

The Group measures loss allowances for 12-month or lifetime ECL using a 3-stage approach as follows:

階段 Stage	描述 Description	減值損失 Impairment Loss
1	履行中 Performing	12個月內預期信貸損失 12-month ECL
2	履行中但於報告日，信貸風險自初始確認以來已顯著增加 Performing but with credit risk increased significantly at reporting date since its initial recognition	合約期內之預期信貸損失 Lifetime ECL
3	不良 Non-performing	合約期內之預期信貸損失 Lifetime ECL

12個月內之預期信貸損失指金融工具在報告日後的12個月內，所有潛在違約事件所導致的信貸損失。

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

2. 主要會計政策（續）

2.14 金融資產減值（續）

計量預期信貸損失

預期信貸損失是一個信貸損失的概率在加權後的估算值，計算方法如下：

- 在報告日，未有信用減值的金融資產：按所有短缺現金的折現值計算(即：根據合約應付實體的現金流與本集團預期收取的現金流的差額)；
- 在報告日，已發生信用減值的金融資產：賬面值與未來預計的現金流的折現值差額；
- 未提取的貸款承擔：本集團因已提取承諾而應付的現金流的折現值與本集團預期會收取的現金流的差額；及
- 財務擔保合約：償還持有人的預期付款減本集團預期收回的金額。

在評估債務投資是否受到信貸虧損時，本集團考慮以下因素：

- 市場對債券收益率所反映的信譽的評估；
- 評級機構對信譽的評估；
- 該國家進入資本市場發行新債務的能力；
- 債務重組的可能性，導致持有人因自願或強制性債務減免而遭受損失；
- 為作為向該國提供 "最後貸款人" 而建立的國際支助機制，以及公開聲明中反映的政府和機構使用這些機制的意圖。這些包括評估這些機制的深度，不論政治意圖如何，是否有能力達到所需標準。

2. Significant accounting policies (continued)

2.14 Impairment of financial assets (continued)

Measurement of ECL

ECL are a probability-weighted estimates of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

In making an assessment of whether an investment in debt is credit-impaired, the Group considers the following factors:

- the market's assessment of creditworthiness as reflected in the bond yields;
- the rating agencies' assessments of creditworthiness;
- the country's ability to access the capital markets for new debt issuance;
- the probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness;
- the international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.14 金融資產減值（續）

計量預期信貸損失（續）

資產負債表內的減值準備披露如下：

- 按攤銷成本計量的金融資產：從資產帳面總額中扣除；
- 貸款承諾及應收開出保函：一般視作準備；
- 如果金融工具同時包括已提取及未提取部分，而集團無法將貸款承諾部分的減值準備與提取部分的減值準備分開確定：本集團對這兩個部分提出合併減值準備。合併數額是從提取部分的帳面總額中扣除。減值準備超過提取部分總額的餘額將視作準備；及
- 以公平值計入其他全面收益的債務證券：這些以公平值記錄的資產不會在資產負債表確認任何減值損失。可是，其減值準備會確認在以公平值變化計入其他全面收益之金融資產儲備並進行披露。

註銷

如果沒有合理的預期收回全部或部分金融資產，貸款和債務證券將被註銷（部分或全部）。一般情況下是當本集團確定借款人沒有資產或收入來源而產生足夠的現金流來償還欠款。這項評估是考慮個別項目而進行。

收回已註銷的金額將會包括收益表及全面收益表的金融工具減值準備。

已註銷的金融資產仍會按本集團的收回呆賬政策及規定進行處理。

2.14 Impairment of financial assets (continued)

Measurement of ECL (continued)

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in impairment losses on financial instruments in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due.

2. 主要會計政策（續）

2.14 金融資產減值（續）

非完整應收開出保函

本集團評估應收開出保函是考慮該保函以組成部份還是獨立計算的金融資產。本集團進行評估時考慮的因素包括：

- 該債務工具的隱含在合約條款內的應收開出保函；
- 在法律及法例規定下的債務工具的應收開出保函；
- 在投入債務工具的同時並在考慮債務工具的情況下訂立的應收開出保函；及
- 由借款人的母公司或借款人集團內的其他公司提供的應收開出保函。

如果本集團確定應收開出保函是金融資產的一個組成部分，則與金融資產初始確認有關的任何應付溢價將被視為獲取該擔保的交易成本。本集團在衡量債務工具的公允價值和衡量減值準備時會考慮其保障。

如果本集團確定應收開出保函不是債務工具的一個組成部分，則確認代表任何提前支付擔保溢價的資產和信用損失的賠償權利。預付保費資產只有在擔保風險既沒有發生信用減值，也沒有在獲得應收開出保函時信用風險顯著增加的情況下才會被確認。這些資產在 "其他資產" 中確認 (見附註26)。本集團在損益表中 "其他金融資產減值損失"減值準備淨撥備。

已發生信用減值的金融資產

於各報告日，本集團評估按攤銷成本列賬的金融資產及按通過其他全面收益以反映公平值列賬的債務金融資產是否為信貸不良。當發生一宗或多宗對金融資產的估計未來現金流造成不利影響的事件，則該金融資產屬信貸不良。

2. Significant accounting policies (continued)

2.14 Impairment of financial assets (continued)

Non-integral financial guarantee contracts

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group considers the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in other assets (see Note 26). The Group presents gains or losses on a compensation right in profit or loss in the line item 'net charge of impairment allowances'.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.14 金融資產減值（續）

已發生信用減值的金融資產（續）

金融資產出現信貸減值的證據包括但不限於以下可觀察數據：

- 借款人或發行人出現重大財政困難；
- 違反合約，如拖欠或逾期事件；
- 本集團根據其他情況下不會考慮的條款重組貸款或墊款；
- 借款人很可能會破產或進行其他財務重組；或
- 因財務困難引致活躍市場消失。

因借款人的財政狀況惡化而重訂條款的貸款，除有證據證明無法收取合約現金流的風險已顯著減低且並無其他減值跡象外，通常被視為信貸不良。此外，逾期90日或以上的貸款被視為已減值。

重組後的金融資產

如果由於借款人的財政困難而重新談判或修改金融資產的條款，或將現有金融資產更換為新的金融資產，則對金融資產是否應取消確認和計量減值準備進行以下評估：

- 如果預期的重組不會導致對現有資產的取消確認，那麼在計算現有資產的現金短缺時，將修改後的金融資產產生的預期現金流量應包括在內。
- 如果預期的重組將導致取消確認現有資產，那麼新資產的預期公平值在取消確認時被視為現有金融資產的最終現金流。金額包括在計算現有金融資產的現金短缺時，從預期取消確認之日至使用現有金融資產最初有效利率的報告日折現值。

2.14 Impairment of financial assets (continued)

Credit-impaired financial assets (continued)

Evidence that a financial asset is credit-impaired includes but not limited to the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered impaired.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.15 對附屬公司之投資及非金融資產之減值

如因發生事件或情況已改變，並顯示資產之賬面值或將無法被收回，則會進行減值重檢。潛在減值跡象包括運用資產之科技、市場、經濟或法律環境已出現明顯變壞或資產價值大幅或長期下跌至低於其成本值。「大幅」是以投資的原成本值作評價，而「長期」是以公平值低於其原成本值之時期作評價。

資產的賬面值超逾其可收回金額的部分會被確認為減值損失。可收回金額是指資產的公平值扣除出售成本後與其使用價值的較高者。為作出減值評估，資產乃按其最小的可分開識別現金流（現金產出單元）層次分類。於每一財務報告日，會對已發生減值的資產進行重檢以確定需否回撥。

在本銀行的財務狀況表，如果附屬公司宣派的股息超過其在該宣派年度的全面收益總額，或其在本銀行的賬面值超過在其綜合財務狀況表內已包括商譽的淨資產值時，則需要做投資減值測試。

2.15 Impairment of investment in subsidiaries and non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Potential indications of impairment may include significant adverse changes in the technological, market, economic or legal environment in which the assets operate or whether there has been a significant or prolonged decline in value below their cost. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

In the Bank’s statement of financial position, impairment testing of the investment in a subsidiary is also required upon receiving dividend from that entity if the dividend exceeds the total comprehensive income of that entity concerned in the period the dividend is declared or if the carrying amount of that entity in the Bank’s statement of financial position exceeds the carrying amount of that entity’s net assets including goodwill in its consolidated statement of financial position.

2.16 投資物業

持作賺取長期租金收益或資本增值或兩者兼備者，且並非集團旗下各公司所佔用之物業，均列作投資物業。出租予本集團內公司之物業，於個別公司之財務報表中分類為投資物業，及於同期的綜合財務報表中分類為房產。若經營租賃之土地符合投資物業之其他定義，則會列作為投資物業。有關之經營租賃會作為融資租賃處理。所付租賃款項按附註 2.18 所述進行會計處理。

投資物業初始以成本值（包括相關交易成本）計量。經初始確認後，投資物業按公平值計量。

只有在與項目相關的未來經濟利益很有可能流入本集團，並能夠可靠地計量其成本的情況下，本集團才會將其後續支出計入為資產賬面值之一部分。該等後續支出以扣除減值後之成本列賬，並包括於投資物業的賬面值內。若其後開始產生經濟利益，則以公平值計量。至於所有其他修理及維護費用，均需於產生時確認於當期收益表內。

2.16 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the companies in the Group, are classified as investment properties. Properties leased out within Group companies are classified as investment properties in individual companies’ financial statements and as premises in consolidated financial statements in the comparative period. Land held under operating lease is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it is a finance lease. Lease payments were accounted for as described in Note 2.18.

Investment properties are recognised initially at cost, including related transaction costs. After initial recognition, investment properties are measured at fair value.

Subsequent expenditure is charged to the asset’s carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The item is stated at cost less impairment and is included in the carrying amount of investment properties. Once the item begins to generate economic benefits, it is then measured at fair value. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.16 投資物業（續）

任何公平值之變動會直接於收益表內確認。

若投資物業改為自用，會被重新分類為房產，其於重新分類日之公平值會成為其會計賬上的成本值。若房產項目因其用途改變而成為投資物業，則根據香港會計準則第16號「物業、器材及設備」將此項目於轉分類日之賬面值與其公平值之間的差額作為房產重估，確認於其他全面收益內。惟若公平值增值抵銷以往之重估損失或減值損失，該增值則於收益表內確認，並以過往已確認的損失金額為限。

2.16 Investment properties (continued)

Any changes in fair value are recognised directly in the income statement.

If an investment property becomes owner-occupied, it is reclassified as premises, and its fair value at the date of reclassification becomes its cost for accounting purposes. If an item of premises becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in other comprehensive income as a revaluation of premises under HKAS 16 "Property, Plant and Equipment". However, if a fair value gain reverses a previous revaluation loss or impairment loss, the gain is recognised in the income statement up to the amount previously debited.

2.17 物業、器材及設備

物業主要為分行及辦公樓房產。房產需定期但最少每年以取自外間獨立估價師之公平值扣除任何隨後發生之累計折舊及資產減值損失列示。重估當日之累計折舊額需先沖銷資產之賬面總額，沖減後之淨額則重新調整至該資產之重估值。相隔期間由董事參考相近物業之公開市值以檢討房產之賬面值，如董事認為該房產價值有重大變動則會作出相應調整。

房產重估後之賬面增值通過其他全面收益撥入房產重估儲備中。與同一個別資產早前之增值作對銷之減值部分，通過其他全面收益於房產重估儲備中扣減；餘下之減值額則確認於收益表內。其後任何增值將撥入收益表（以早前扣減之金額為限），然後撥至房產重估儲備內。出售房產時，房產重估儲備中與先前估值有關之已實現部分，將從房產重估儲備撥轉至留存盈利。

所有器材及設備，包括租賃物業所產生的使用權資產，並非由本集團為物業權益的註冊持有人及器材及設備的租賃（附註2.18），均以歷史成本扣除累計折舊及減值損失列賬。歷史成本包括因取得及安裝該項目而直接產生之費用。

與資產有關的後續支出，只有當其產生的未來經濟利益很可能流入本集團，並且該支出能夠可靠地計量時，才能將其計入資產的賬面價值或作為單獨的一項資產進行確認（如適當）。該等後續支出以扣除減值後之成本列賬直至其開始產生經濟利益，之後則根據相關資產之後續計量基準進行計量。所有其他修理及維護費用均在發生時計入當期收益表。

2.17 Properties, plant and equipment

Properties are mainly branches and office premises. Premises are stated at fair value based on periodic, at least annually, valuations by external independent valuers less any subsequent accumulated depreciation and impairment losses. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. In the intervening periods, the directors review the carrying amount of premises, by reference to the open market value of similar properties, and adjustments are made when there has been a material change.

Increases in the carrying amount arising on revaluation of premises are credited to the premises revaluation reserve through other comprehensive income. Decreases that offset previous increases of the same individual asset are charged against premises revaluation reserve through other comprehensive income; all other decreases are expensed in the income statement. Any subsequent increases are credited to the income statement up to the amount previously debited, and then to the premises revaluation reserve. Upon disposal of premises, the relevant portion of the premises revaluation reserve realised in respect of previous valuations is released and transferred from the premises revaluation reserve to retained earnings.

All plant and equipment, including right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest and leases of underlying plant and equipment (Note 2.18), are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition and installation of the items.

Subsequent costs are included in an asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The item is stated at cost less impairment until it begins to generate economic benefits, then the item is subsequently measured according to the measurement basis of its respective assets class. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.17 物業、器材及設備（續）

折舊以直線法，將資產之成本值或重估值於其如下估計可用年限內攤銷：

- 物業　　按政府土地租約年期
- 器材及設備　2至15年

本集團在每個會計結算日重檢資產的可用年限，並已按適當情況作出調整。

在每個會計結算日，源自內部及外界之資料均會被用作評定物業、器材及設備是否出現減值之跡象。如該跡象存在，則估算資產之可收回價值，及在合適情況下將減值損失確認以將資產減至其可收回價值。該等減值損失在收益表內確認，但假若某資產乃按估值列賬，而減值損失又不超過同一資產之重估盈餘，此等損失則當作重估減值。可收回價值指該資產之公平值扣除出售成本後之金額，與其使用價值之較高者。減值損失會按情況於房產重估儲備或收益表內回撥。

出售之收益或虧損是按扣除稅項及費用之出售淨額與有關資產賬面值之差額而釐定，並於出售日在收益表內確認。任何有關重估盈餘會由房產重估儲備撥轉至留存盈利，不會重新分類至收益表內。

2.17 Properties, plant and equipment (continued)

Depreciation is calculated on the straight-line method to write down the cost or revalued amount of such assets over their estimated useful lives as follows:

- properties　over the life of government land leases
- plant and equipment　2 to 15 years

The useful lives of assets are reviewed, and adjusted if appropriate, as at the end of each reporting period.

At the end of each reporting period, both internal and external sources of information are considered to determine whether there is any indication that properties, plant and equipment, are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such an impairment loss is recognised in the income statement except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Impairment loss is reversed through the premises revaluation reserve or the income statement as appropriate.

Gains or losses on disposals are determined as the difference between the net disposal proceeds and the carrying amount, relevant taxes and expenses. These are recognised in the income statement on the date of disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained earnings and is not reclassified to the income statement.

2.18 租賃

(1) 自2019年1月1日起適用的政策

除租賃期限為12個月或以下的短期租賃和低價值資產租賃外，本集團於租賃生效日期確認使用權資產及租賃負債。當本集團就低價值資產訂立租賃時，本集團會就逐項租賃來決定是否資本化。未資本化的相關的租賃付款在租賃期內系統化地確認為支出。使用權資產初步按成本計量，其包括租賃負債的初始金額加上任何於生效日期或之前已付之租賃款項，及任何已付之初始直接成本。如適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或其所在的佑計成本之折讓現值，並減去任何已收之租賃激勵款項。

使用權資產其後按成本減任何累計折舊及減值損失計量，並對租賃的若干重新計量作出調整。倘使用權資產符合投資物業的定義，根據本集團的會計政策，該使用權初始按成本計量，其後按公平價值計量。

2.18 Leases

(1) Policy applicable from 1 January 2019

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. When a right-of-use asset meets the definition of investment property, it is initially measured at cost, and subsequently at fair value, in accordance with the Group's accounting policies.

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.18 租賃（續）

2.18 Leases (continued)

(1) 自2019年1月1日起適用的政策（續）

(1) Policy applicable from 1 January 2019 (continued)

租賃負債初始按照生效日期尚未支付的租賃款項之現值計量，並採用租約隱含的利率或（倘該利率無法輕易釐定）本集團的增量借款利率。本集團一般以其增量借款利率用作貼現率。

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

租賃負債其後因租賃負債的利息成本而增加，並因所付租賃款項而減少。當未來租賃款項因指數或利率變動而有所改變，根據剩餘價值擔保預計應付的款項之估計出現變動、改變有關會否合理肯定行使購買或延長選擇權或是否合理肯定不會行使終止選擇權的評估時，租賃負債會重新計量。當租賃負債重新計量時，相應調整會在使用權資產之賬面值上調整，或要是使用權資產的賬面值已減至零時，該金額則記入損益賬內。

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

本集團運用判斷以釐定作為承租人若干包括續租權之租約的租期。本集團是否合理肯定行使該等選擇權的評估會影響租期，而租期則會對租賃負債及使用權資產的確認金額產生重大影響。

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

(2) 2019年1月1日前適用的政策

(2) Policy applicable before 1 January 2019

(1) 經營租賃

經營租賃是指實質上由出租人保留擁有資產之絕大部分風險及回報之租賃。經營租賃之總租金款額（扣除自出租人收取之任何回扣額），將於租賃期內以直線法在收益表中確認。或然租金以該支出產生的會計期間列作費用。

若經營租賃於租約到期前已結束，任何需繳付予出租人之罰款將於結束發生當月於收益表內確認為支出。經營租賃之租金收入在租約期內以直線法確認。

(1) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The total payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. Contingent rental payable is recognised as expense in the accounting period in which they are incurred.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place. Rental income from operating leases is recognised on a straight-line basis over the lease term.

(2) 融資租賃

如承租人已實質上獲得了所有風險及回報，該資產的租賃應歸類為融資租賃。由於位於香港之土地的最低租約付款的現值（即成交價）已實質上等同於土地的公平值，因此香港政府土地的租賃被歸類為融資租賃，尤如屬無期業權。

(2) Finance leases

Leases of assets where lessee have obtained substantially all the risks and rewards of ownership are classified as finance leases. Government land leases in Hong Kong are classified as finance leases as the present value of the minimum lease payments (i.e. transaction price) of the land amounted to substantially all of the fair value of the land as if it were freehold.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.18 租賃（續）

(2) 2019年1月1日前適用的政策（續）

(2) 融資租賃（續）

融資租賃會在租賃開始時，按租賃資產之公平值與其最低租約付款的現值之較低者予以資產化。每期租金均會分配於負債及財務費用，以達至一個固定息率於融資餘額上。相應的租賃責任，在扣除財務費用後，會計入其他負債。按融資租賃方法購入的投資物業以公平值列賬。

當資產按融資租賃租出，租金的現值會被確認為應收款項。租賃收入是以投資淨額方法於租賃期內確認，以反映固定的回報率。

2.18 Leases (continued)

(2) Policy applicable before 1 January 2019 (continued)

(2) Finance leases (continued)

Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other liabilities. Investment properties acquired under finance leases are carried at their fair value.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. Lease income is recognised over the term of the lease using net investment method, which reflects a constant periodic rate of return.

2.19 現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目指按原來到期日，於購入日期起計三個月內到期之結餘，包括現金、銀行及其他金融機構之結餘、短期票據及被分類為投資證券及存款證之票據。

2.19 Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise balances with original maturity less than three months from the date of acquisition, including cash, balances with banks and other financial institutions, short-term bills and notes classified as investment securities and certificates of deposit.

2.20 準備

當本集團因為已發生之事件而須承擔法律性或推定性之現有責任，而解除該責任時有可能消耗有經濟利益之資源，需在責任金額能夠可靠地作出估算之情況下，為確認有關責任而撥備。

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.21 僱員福利

(1) 退休福利成本

本集團根據認可職業退休計劃或強積金計劃之定額供款退休計劃作出供款，集團僱員均可參與。在職業退休計劃下，集團與僱員之供款按僱員基本薪金之百分比計算，在強積金計劃下該等供款則按強積金規例計算。退休福利計劃成本代表本集團應向此等計劃支付之供款，會於產生時在收益表支取。僱員於全數享有其應得之集團供款部分前退出此職業退休計劃，因而被沒收之本集團供款，會被本集團用作扣減其目前供款負擔或根據職業退休計劃信託契據條款沖減其開支。

退休計劃之資產與本集團之資產分開持有，並由獨立管理基金保管。

(2) 有償缺勤

僱員獲享之年度休假及病假在累積時確認，本集團會對僱員服務至會計結算日所累積，但尚未使用之年度休假及預計所需支付之病假作出估算及撥備。

除病假及經特別批准之年度休假外，其他有償缺勤均不允許累積。若僱員於獲享有償缺勤之年度內未能悉數享用該等可用缺勤，剩餘之可用缺勤將被取消。除未到期之休假外，僱員於離職時亦無權收取現金以彌補任何未被使用之可用缺勤。

(3) 獎金計劃

若因僱員提供之服務而令集團產生法律性或推定性之現有責任，而該責任之金額亦能可靠地作出估算，集團需確認該預期之獎金支出並以負債列賬。如獎金計劃之負債金額重大，且預期會於 12 個月後才被償付，會以貼現處理。

2.21 Employee benefits

(1) Retirement benefit costs

The Group contributes to defined contribution retirement schemes under either recognised ORSO schemes or MPF schemes that are available to the Group's employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries for the ORSO schemes and in accordance with the MPF rules for MPF schemes. The retirement benefit scheme costs are charged to the income statement as incurred and represent contributions payable by the Group to the schemes. Contributions made by the Group that are forfeited by those employees who leave the ORSO scheme prior to the full vesting of their entitlement to the contributions are used by the Group to reduce the existing level of contributions or to meet its expenses under the trust deed of the ORSO schemes.

The assets of the schemes are held in independently-administered funds separate from those of the Group.

(2) Leave entitlements

Employee entitlements to annual leave and sick leave are recognised when they accrue to employees. A provision is made for the estimated liability for unused annual leave and the amount of sick leave expected to be paid as a result of services rendered by employees up to the end of the reporting period.

Compensated absences other than sick leave and special approved annual leaves are non-accumulating; they lapse if the current period's entitlement is not used in full. Except for unexpired annual leaves, they do not entitle employees to a cash payment for unused entitlement on leaving the Group.

(3) Bonus plans

The expected cost of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans that are expected to be settled longer than twelve months will be discounted if the amounts are significant.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.22 本期及遞延所得稅項

在有關期間的稅務支出包括本期及遞延稅項。除因有關項目於其他全面收益或直接記於權益而需分別於其他全面收益或直接於權益內確認其稅項外，稅項於收益表內確認。

基於溢利而需支付之所得稅，是根據本銀行及附屬公司在營運及產生應課稅收入之司法管轄地區於會計結算日已執行或實際會執行之適用稅法計算，並於溢利產生當期確認為本期所得稅項支出。

所有因綜合財務報表內資產及負債之稅務基礎與其賬面值之暫時性差異而產生之遞延所得稅項均以資產負債表負債法提撥。遞延所得稅項是按會計結算日已執行或實際會執行之稅率及稅法，及預期於相關之遞延所得稅資產實現時或遞延所得稅負債需清付時所適用之稅率計算。

主要之暫時性差異源於資產減值準備、房產及設備之折舊、以及若干資產之重估，包括以公平值變化計入其他全面收益的金融工具及房產。除業務合併外，若資產或負債在交易初始確認時，並未有對會計損益或應課稅損益構成影響，則無需確認遞延所得稅項。

所有因應課稅暫時性差異而產生之遞延所得稅負債均會被確認。當未來之應課稅利潤預計可被用作抵扣可抵扣之暫時性差異、結轉之未使用稅務抵免及未使用稅務虧損時，因該等可抵扣之暫時性差異、結轉之未使用稅務抵免及未使用稅務虧損而產生之遞延所得稅資產將全部被確認。

遞延所得稅項乃記於收益表內。但因以公平值變化計入其他全面收益的金融工具的公平值的重新計量及對房產之重估記入其他全面收益內，故由此產生的遞延所得稅項也記入其他全面收益內，並於以後隨著相關遞延收益和虧損的確認而一同確認在收益表中。

投資物業的遞延稅項負債或遞延稅項資產的計算方法是假設該等投資物業是通過出售來回收其重估賬面值及採用相關的稅率計算。

2.22 Current and deferred income taxes

Tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in OCI or directly in equity. In these cases, the tax is also recognised in other comprehensive income or directly in equity respectively.

Income tax payable on profits, based on the applicable tax law enacted or substantially enacted at the end of the reporting period in each jurisdiction where the Bank and the subsidiaries operate and generate taxable income, is recognised as a current income tax expense in the period in which profits arise.

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from asset impairment provisions, depreciation of premises and equipment, and revaluation of certain assets including financial instruments at FVOCI and premises. However, the deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax liabilities are provided in full on all taxable temporary differences. Deferred income tax assets are recognised on all deductible temporary differences, the carry forward of any unused tax credits and unused tax losses to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax is charged or credited in the income statement except for deferred income tax relating to fair value re-measurement of financial instruments at FVOCI and revaluation of premises which are charged or credited to other comprehensive income, in which case the deferred income tax is also credited or charged to other comprehensive income and is subsequently recognised in the income statement together with the realisation of the deferred gain and loss.

Deferred tax liability or deferred tax asset arising from investment property is determined based on the presumption that the revaluation amount of such investment property will be recovered through sale with the relevant tax rate applied.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

2. 主要會計政策（續）

2. Significant accounting policies (continued)

2.23 收回資產

收回資產按其收回日之公平值扣除出售成本後之淨值及有關貸款之攤餘成本之較低者列賬。有關貸款及應收款及有關已提準備於財務狀況表中予以註銷。其後，收回資產取其成本及公平值扣除出售成本後之淨值中之較低者計量，並被確認為「收回資產」，包括於「其他資產」項下。

2.23 Repossessed assets

Repossessed assets are initially recognised at the lower of their fair value less costs to sell and the amortised cost of the related outstanding loans on the date of repossession, and the related loans and advances together with the related impairment allowances are derecognised from the statement of financial position. Subsequently, repossessed assets are measured at the lower of their cost and fair values less costs to sell and are reported as "Repossessed assets" included in "Other assets".

2.24 信託業務

本集團一般以信託人或其他授託人身分，代表個人、信託及其他機構持有或管理資產。由於該等資產並不屬於本集團，該等資產及據此而產生之任何收益或虧損，將不計入本財務報表內。

2.24 Fiduciary activities

The Group commonly acts as a trustee, or in other fiduciary capacities, that result in its holding or managing assets on behalf of individuals, trusts and other institutions. These assets and any gains or losses arising thereon are excluded from these financial statements, as they are not assets of the Group.

2.25 或然負債及或然資產

或然負債是指由過去已發生的事件引起的可能需要履行的責任，其存在將由一宗或多宗本集團所不能完全控制的未來不確定事件出現與否來確認。或然負債也可能是由於過去已發生事件而引致的現有責任，但由於估計不會導致經濟利益的流出或因不能可靠地計量責任金額，故未有被確認。

或然負債不會被確認為準備，但會在財務報表附註中加以披露。如情況發生變化，使經濟利益的流出變得很有可能時，則會將其確認為準備。

或然資產是指由過去已發生的事件引起的可能產生之資產，其存在將由一宗或多宗本集團所不能完全控制的未來不確定事件出現與否來確認。

或然資產不會被確認，但如有可能收到經濟利益時，會在財務報表附註中披露。若將會收到之經濟利益可被實質確定時，將確認為資產。

2.25 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised as a provision but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When the inflow is virtually certain, it will be recognised as an asset.

綜合財務報表附註（續）

2. 主要會計政策（續）

2.26 有關連人士

就此等財務報表而言，與本集團關聯人士是指：

(a) 個人或該個人之近親家庭成員，如該個人在以下情況下視為與本集團有關聯：
- (i) 可控制或共同控制本集團；
- (ii) 對本集團有重大影響力；或
- (iii) 是本集團或本集團之母公司的主要管理人員之成員。

(b) 在以下任何情況下一企業會視為與本集團有關聯：
- (i) 該企業及本集團皆是同一集團成員（即每一間母公司、附屬公司及同系附屬公司與其他有關聯）。
- (ii) 一企業是另一企業的聯營公司或合營公司（或該聯營公司或合營公司與該另一企業均屬同一集團）。
- (iii) 兩個企業是同一第三者的合營公司。
- (iv) 一企業是一第三者的合營公司而另一企業則是該第三者的聯營公司。
- (v) 該企業是提供福利予本集團或與本集團有關聯之企業的僱員離職後之福利計劃。
- (vi) 該企業受在(a)項中所辨識的個人所控制或共同控制。
- (vii) 在(a)(i)項中所辨識的個人而該個人對該企業有重大影響力，或該個人是該企業（或是該企業的母公司）的主要管理人員之成員。
- (viii) 該企業或是其集團中一部分之任何成員，而提供主要管理人員服務予本集團或本集團之母公司。

個人的近親家庭成員指可影響，或受該個人影響，他們與該企業交易的家庭成員。

Notes to the Consolidated Financial Statements (continued)

2. Significant accounting policies (continued)

2.26 Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

(a) a person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) an entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint venture of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. 應用會計政策時之重大會計估計及判斷

在編製綜合財務報表時，管理層對集團會計政策的應用及匯報的資產、負債、收入及支出作出判斷、估計及假設。實際結果可能與估計不同。

(a) 估計不穩定因素的主要來源

附註4.1E和附註5載述有關減值及金融工具的公平值的假設及其風險因素。估計不穩定因素的主要來源如下：

(i) 減值損失

附註4.1E載述金融工具的減值包括決定預期信貸損失模型的參數及納入前瞻性資料。

(ii) 金融工具的估值

本集團對金融工具的估值的會計政策已記錄在附註5。金融工具的公平值由認可交易所提供市場報價或由經紀/交易商提供非交易所進行交易的報價。

3. Critical accounting estimates and judgements in applying accounting policies

In preparing the consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

(a) Key sources of estimation uncertainty

Note 4.1E and Note 5 contain information about the assumptions and their risk factors relating to impairment and fair values of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Impairment losses

Note 4.1E: impairment of financial instruments involves determining inputs into the ECL measurement model, including incorporation of forward-looking information.

(ii) Valuation of financial instruments

The Group's accounting policy for valuation of financial instruments is included in Note 5. The fair value of the financial instruments is mainly based on the quoted market price on a recognised stock exchange or a price quoted from a broker/dealer for non-exchanged traded financial instruments.

3. 應用會計政策時之重大會計估計及判斷（續）

(b) 本集團應用會計政策的重要會計判斷

本集團應用會計政策的若干重要會計判斷如下：

(i) 金融資產的分類

附註 2.8(2)(iii)及 2.8(2)(iv)：評估持有資產的業務模型及評估金融資產的合約條款是否為未償還金額的本金及利息。

(ii) 計算預期信貸損失

附註 4.1E：製訂準則以評估金融資產自初始確定後的信貸風險是否顯著增加，評估納入前瞻性信息以計算預期信貸損失和選擇模型以計算預期信貸損失。

(iii) 確認遞延稅項資產

按未使用的稅務虧損及減值準備而確認之遞延稅項資產，乃以預計可被運用作抵扣該等虧損之應課稅溢利金額為限。釐定遞延稅項資產的確認金額，需要管理層作出重大判斷，包括基於未來最有可能產生應課稅溢利的時間及其金額。

按未使用的稅務抵免確認遞延稅項資產。在釐定需確認之遞延稅項資產的金額時，需根據對可運用的稅務抵免之估算及收回此等已確認之遞延稅項資產的可能性而作出重大的會計判斷。

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(b) Critical accounting judgements in applying the Group's accounting policies

Certain critical accounting judgements in applying the Group's accounting policies are described below:

(i) Classification of financial assets

Note 2.8(2)(iii) and Note 2.8(2)(iv): assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

(ii) Measurement of ECL

Note 4.1E: establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward looking information into measurement of ECL and selection of models used to measure ECL.

(iii) Recognition of deferred tax assets

Deferred tax assets on unused tax losses and impairment allowances are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Deferred tax assets on unused tax credits are recognised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the estimation of available tax credits and the possibility to recover such deferred tax assets recognised.

4. 金融風險管理

本集團因從事各類業務而涉及金融風險。主要金融風險包括信貸風險、市場風險(包括外匯風險及利率風險）及流動資金風險。本附註概述本集團的這些風險承擔，以及其目標、風險管理的管治架構、政策與程序及量度這些風險的方法。

金融風險管理架構

本集團風險管理管治架構覆蓋業務發展的全部過程，以保證在業務經營中的各類風險都能得到有效管理及控制。本集團擁有完善的風險管理架構，並有一套全面的風險管理政策及程序，用以識別、量度、監察及控制可能出現的各類風險。本集團亦定期重檢及更新風險管理政策及程序，以配合市場及業務策略的轉變。不同層面的風險承擔者分別負責與其相關的風險管理責任。

董事會代表著股東的利益，是本集團風險管理的最高決策機構，並對風險管理負最終責任。董事會在其屬下委員會的協助下，負責確定本集團的風險管理策略，並確保本集團具備有效的風險管理系統以落實執行有關策略。

風險管理委員會是董事會成立的常設委員會，負責監察本集團的各類風險；審批重大的風險管理政策，並監督其執行。總裁辦公會(授信審批)負責對超過行政總裁審批許可權或行政總裁交由總裁辦公會的信貸申請進行審批。稽核委員會協助董事會履行內部監控系統的監控職責。

行政總裁負責管理本集團各類風險，在董事會授權範圍內審批重大風險承擔或交易。首席風險官負責協助行政總裁管理本集團各類風險，在其授權範圍內審批重大的風險承擔或交易。在風險管理部及財務管理部的支援下，首席風險官負責協助行政總裁履行對各類風險日常管理的職責，提出新的風險管理策略、項目和措施以配合監管要求的變化，從而更好地監察及管理新業務、產品及營運環境轉變而引致的風險。首席風險官及風險管理部總經理還在授權範圍內負責審核重大風險承擔或交易。高級管理層在董事會批准的風險管理政策分層原則下，亦需負責審批其主管業務範圍的風險管理辦法。

4. Financial risk management

The Group is exposed to financial risks as a result of engaging in a variety of business activities. The principal financial risks are credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. This note summarises the Group's exposures to these risks, as well as its objectives, risk management governance structure, policies and processes for managing and the methods used to measure these risks.

Financial risk management framework

The Group's risk management governance structure is designed to cover all business processes and ensures various risks are properly managed and controlled in the course of conducting business. The Group has a robust risk management organisational structure with a comprehensive set of policies and procedures to identify, measure, monitor and control various risks that may arise. These risk management policies and procedures are regularly reviewed and updated to reflect changes in markets and business strategies. Various groups of risk takers assume their respective responsibilities for risk management.

The Board of Directors, representing the interests of shareholders, is the highest decision-making authority of the Group and has the ultimate responsibility for risk management. The Board, with the assistance of its committees, has the primary responsibility for the formulation of risk management strategies and ensuring that the Group has an effective risk management system to implement these strategies.

The Risk Management Committee (RC), a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, approving significant risk management policies and monitoring their implementation. The CEO Executive Meeting (Credit Approval) is responsible for approving credit transactions exceeding Chief Executive (CE) 's authority or referred by CE. The Audit Committee assists the Board in fulfilling its role in overseeing the internal control system.

The CE is responsible for managing the Group's various types of risks, and material risk exposures or transactions within his authority delegated by the Board of Directors. The Chief Risk Officer (CRO) assists the CE in managing the Group's various types of risks, and approving material risk exposures or transactions within his authority. With the support from Risk Management Department (RMD) and Financial Management Department (FMD), the CRO assists the CE in fulfilling his responsibilities for the day-to-day management of risks and initiating new risk management strategies, projects and measures that will enable the Group to better monitor and manage new risk issues or areas that may arise from time to time from new businesses, products and changes in the operating environment. He will also take appropriate initiatives in response to regulatory changes. The CRO and the General Manager of RMD are also responsible for reviewing material risk exposures or transactions within their delegated authority. In accordance with the principle of setting the hierarchy of risk management policies approved by the Board, the senior management is also responsible for approving the detailed risk management policies of their responsible areas.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

金融風險管理架構（續）

本集團的不同單位都有其相應的風險管理責任。業務單位是風險管理的第一道防線，而風險管理單位則獨立於業務單位，負責各類風險的日常管理，以及草擬、檢查和更新各類風險管理政策和程序。

本集團建立了合適的內部控制程序，包括設立權責分立清晰的組織架構，以監察業務運作是否符合既定政策、程序及限額。適當的匯報機制也充分地使監控職能獨立於業務範疇，同時促成機構內適當的職責分工，有助營造適當的內部控制環境。

產品開發及風險監控

為了提高風險評估及監控工作的有效性，本集團建立了一套完善的產品開發及風險監控管理制度。在產品開發過程中，本集團各單位具有清晰的職責及分工，並制定了適當的風險盡職審查程序。

根據董事會及管理層提出的發展目標，產品管理單位負責提出相應的業務發展和產品開發計劃，進行具體的產品開發工作。風險管理單位負責在產品開發過程中進行獨立風險評估。

只有在風險管理單位滿意盡職審查結果及獲單位主管或管理層審批同意後，有關產品才可推出市場。

4.1 信貸風險

信貸風險指因客戶或交易對手未能或不願意履行償債責任而造成損失的風險。本集團的交易賬和銀行賬、以及資產負債表內和表外之交易均存在這種風險。信貸風險主要來自借貸、貿易融資及資金業務。

信貸風險管理架構

本集團制定了一套全面的信貸風險管理政策與程序和恰當的信貸風險限額，用以管理及控制信貸風險。本集團定期重檢及更新該等政策與程序及信貸風險限額，以配合市場及業務策略的轉變。

本集團的組織架構制定了明確的授權及職責，以監控遵守政策、程序及限額的情況。

4. Financial risk management (continued)

Financial risk management framework (continued)

Various units of the Group have their respective risk management responsibilities. Business units act as the first line of defence while risk management units, which are independent from the business units, are responsible for the day-to-day management of different kinds of risks. Risk management units have the primary responsibilities for drafting, reviewing and updating various risk management policies and procedures.

The Group has put in place appropriate internal control systems, including establishment of an organisation structure that sets clear lines of authority and responsibility for monitoring compliance with policies, procedures and limits. Proper reporting lines also provide sufficient independence of the control functions from the business areas, as well as adequate segregation of duties throughout the organisation which helps to promote an appropriate internal control environment.

Product development and risk monitoring

To ensure the effectiveness of risk assessment and monitoring, the Group has a comprehensive product development and risk monitoring system where roles and responsibilities of all related units are clearly defined and proper due diligence processes on product development are in place.

In accordance with the strategic objectives set by the Board and the management, respective product management units are responsible for formulating business and product development plans, and proceeding to specific product development activities. Various risk management units are responsible to conduct independent risk assessment in the product development process.

Products can only be launched upon completion of the product due diligence process to the satisfaction of all risk management units and approval from designated unit heads/the management.

4.1 Credit risk

Credit risk is the risk of loss caused by customers or counterparties who are unable to or unwilling to meet their contractual obligations. Credit risk exists in the trading book and banking book, as well as on- and off-balance sheet transactions of the Group. It arises principally from lending, trade finance and treasury businesses.

Credit risk management framework

The Group has formulated a comprehensive set of credit risk management policies and procedures, and appropriate credit risk limits to manage and control credit risk that may arise. These policies, procedures and credit risk limits are regularly reviewed and updated to cope with changes in market conditions and business strategies.

The Group's organisation structure establishes well-defined authorities and responsibilities for monitoring compliance with policies, procedures and limits.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4. Financial risk management (continued)

4.1 信貸風險（續）

4.1 Credit risk (continued)

信貸風險管理架構（續）

風險評估部及風險管理部負責信貸風險管理工作。本集團的不同單位都有其相應的信貸風險管理責任。業務單位是風險管理的第一道防線，而風險評估部及風險管理部則獨立於業務單位，負責信貸風險的日常管理，對信貸風險的識別、量度、監督和控制做獨立的盡職調查，確保有效的制約與平衡，以及草擬、檢查和更新信貸風險管理政策與程序。

行政總裁在董事會授予之權限內按管理需要轉授權予相關下級人員。本集團按照信貸業務性質、評級、交易風險的程度、信貸風險承擔大小，設置信貸業務的審批權限。

信貸風險評估及監控

因應迅速變化的市場情況，本集團已持續重檢信貸策略，並對關注的組合開展嚴格的信貸重檢。

貸款

不同客戶、交易對手或交易會根據其風險程度採用不同的信貸審批及監控程序。信貸評審委員會由信貸和其他業務專家組成，負責對重大信貸申請進行獨立評審。非零售風險承擔信貸申請由風險管理單位進行獨立審核、客觀評估，並確定債務人評級（按照違約概率程度）和授信等級（按照違約損失率程度）以支持信貸審批；零售信貸交易包括零售小企業貸款、住宅按揭貸款及私人貸款等採取零售內部評級系統進行信貸風險評估。本集團會應用貸款分類級別、債務人評級、授信等級和損失預測結果（如適用）於支持信貸審批。

本集團亦會應用貸款分類級別、債務人評級和損失預測結果（如適用）於支持信貸監控、信貸風險報告及分析。對於非零售風險承擔，本集團會對較高風險的客戶採取更頻密的評級重檢及更密切的監控；對於零售風險承擔則會在組合層面應用每月更新的內部評級及損失預測結果進行監察，對識別為高風險組別客戶，會進行更全面檢討。

本集團使用的內部評級總尺度表能與標準普爾(Standard & Poor's)外部信貸評級相對應。該內部評級總尺度表結構符合《銀行業（資本）規則》的要求。

Credit risk management framework (continued)

Risk Assessment Department (RAD) and RMD are responsible for credit risk management. Various units of the Group have their respective credit risk management responsibilities. Business units act as the first line of defence. Both RAD and RMD, which are independent from the business units, is responsible for the day-to-day management of credit risks and has the primary responsibility for providing an independent due diligence through identifying, measuring, monitoring and controlling credit risk to ensure an effective checks and balances, as well as drafting, reviewing and updating credit risk management policies and procedures.

The Board of Directors delegates credit approval authority to the CE. The CE can further delegate to the subordinates within his limit authorised by the Board of Directors. The Group sets the limits of credit approval authority according to the credit business nature, rating, the level of transaction risk, and the extent of the credit exposure.

Credit risk measurement and control

In view of the rapidly changing market conditions, the Group has been continuously revisiting its credit strategies and conducting rigorous reviews on the concerned portfolios.

Advances

Different credit approval and control procedures are adopted according to the level of risk associated with the customer, counterparty or transaction. The Credit Risk Assessment Committee, comprising experts from credit and other functions, is responsible for making an independent assessment of material credit applications. Credit applications for non-retail exposures are independently reviewed and objectively assessed by risk management units. Obligor ratings (in terms of probability of default) and facility ratings (in terms of loss given default) are assigned to these portfolios to support credit approval. Retail internal rating systems are deployed in the risk assessment of retail credit transactions, including small business retail exposures, residential mortgage loans and personal loans. Loan grades, obligor and facility ratings as well as loss estimates (if applicable) are used to support credit approval.

The Group also uses loan grades, obligor ratings and loss estimates (if applicable) to support credit monitoring, reporting and analysis of credit risk information. For non-retail exposures, more frequent rating review and closer monitoring are required for higher-risk customers. For retail exposures, monthly updated internal ratings and loss estimates are used for credit monitoring on a portfolio basis. More comprehensive review is required for obligors being identified under high-risk pools.

The Group adopts an internal master rating scale that can be mapped to Standard & Poor's external credit ratings. The structure of internal master rating scale is in compliance with the requirement of the Banking (Capital) Rules.

4. 金融風險管理（續）

4. Financial risk management (continued)

4.1 信貸風險（續）

4.1 Credit risk (continued)

信貸風險評估及監控（續）

Credit risk measurement and control (continued)

<u>貸款（續）</u>

<u>**Advances (continued)**</u>

風險管理部定期提供信貸風險管理報告，並按風險管理委員會及董事會的特別要求，提供專題報告，以供其持續監控信貸風險。

RMD provides regular credit management information reports and ad hoc reports to the RC and Board of Directors to facilitate their continuous monitoring of credit risk.

本集團也會按照行業、地區、客戶或交易對手等維度識別信貸風險集中度，並監察交易對手信貸風險、信貸資產組合質素、信貸風險集中度的變化，定期向本集團管理層匯報。

In addition, the Group identifies credit concentration risk by industry, geography, customer and counterparty. The Group monitors changes to counterparty credit risk, quality of the credit portfolio and credit risk concentrations, and reports regularly to the Group's Management.

本集團參照金管局貸款分類制度的指引，實施信貸資產的五級分類如下：

The Group adopts loan grading criteria which divides credit assets into five categories with reference to the HKMA's guidelines, as below:

「合格」是指借款人目前有履行還款責任的貸款，同時全數償還利息及本金的機會也不成疑問。

"Pass" represents loans where the borrower is current in meeting its repayment obligations and full repayment of interest and principal is not in doubt.

「關注」是指借款人正面對困難，可能會影響本集團收回貸款的本金及利息。現時並未預期出現最終損失，但如不利情況持續，有可能出現最終損失。

"Special Mention" represents loans where the borrower is experiencing difficulties which may threaten the Group's position. Ultimate loss is not expected at this stage but could occur if adverse conditions persist.

「次級」是指借款人正出現明顯問題，以致可能影響還款的貸款。

"Substandard" represents loans where the borrower displays a definable weakness that is likely to jeopardise repayment.

「呆滯」是指不大可能全數收回，而本集團在扣除抵押品的可變現淨值後預計會承受本金和／或利息虧損的貸款。

"Doubtful" represents loans where collection in full is improbable and the Group expects to sustain a loss of principal and/or interest, taking into account the net realisable value of the collateral.

「虧損」是指用盡所有追討欠款方法後（如變賣抵押品、提出法律訴訟等）仍被視為無法收回的貸款。

"Loss" represents loans which are considered uncollectible after all collection options (such as the realisation of collateral or the institution of legal proceedings) have been exhausted.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4. Financial risk management (continued)

4.1 信貸風險（續）

4.1 Credit risk (continued)

信貸風險評估及監控（續）

Credit risk measurement and control (continued)

<u>債務證券及衍生產品</u>

對於債務證券投資，本集團會應用債務人評級或外部信貸評級、通過評估證券相關資產的質素及設定客戶或證券發行人信貸限額，以管理債務證券的信貸風險；對於衍生產品，本集團會採用客戶限額及採用與貸款一致的審批及監控程序管理信貸風險，並制定持續監控及止損程序。

結算風險主要來自交易對手相關外匯交易，以及來自任何以現金、證券或股票支付但未能如期相應收回該交易對手的現金、證券或股票的衍生產品交易。本集團對各交易對手或客戶制定每日結算限額，以涵蓋任何單一日子因本集團的交易而產生的所有結算風險。

<u>Debt securities and derivatives</u>

For investments in debt securities, the obligor ratings or external credit ratings, assessment of the underlying assets and credit limits setting on customer or security issuer basis are used for managing credit risk associated with the investment. For derivatives, the Group sets customer limits to manage the credit risk involved and follows the same approval and control processes as applied for advances. Ongoing monitoring and stop-loss procedures are established.

Settlement risk arises mainly from foreign exchange transactions with counterparties and also from derivatives transactions in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty or customer to cover all settlement risk arising from the Group's market transactions on any single day.

<u>抵押品及其他改善信貸條件</u>

本集團制定抵押品估值及管理的信貸風險管理政策與程序，明確抵押品的接受準則、法律有效力、貸款與估值比率、估值折扣比率、估值及保險等規定。本集團須定期重估抵押品價值，並按抵押品種類、授信性質及風險狀況而採用不同的估值頻率及方式。物業是本集團主要押品，本集團已建立機制利用指數以組合形式對物業進行估值。個人貸款以物業、存款及證券作為主要抵押品；工商貸款則主要以物業、證券、應收賬項、存款及機器作押。

對於由第三者提供擔保的貸款，本集團會評估擔保人的財政狀況、信貸記錄及履約能力。

於2019年12月31日，本集團並無持有任何允許於借款人未違約情況下出售或再抵押之抵押品（2018年：無）。

<u>Collateral held as security and other credit enhancements</u>

The valuation and management of collateral have been documented in the credit risk management policies and procedures which cover acceptance criteria, validity of collateral, loan-to-value ratio, haircut ratio, valuation and insurance, etc. The collateral is revalued on a regular basis, though the frequency and the method used varies with the type of collateral involved and the nature and the risk of the underlying credit. The Group has established a mechanism to update the value of its main type of collateral, real estate properties, with the use of public indices on a portfolio basis. In the personal sector, the main types of collateral are real estate properties, cash deposits and securities. In the commercial and industrial sector, the main types of collateral are real estate properties, securities, receivables, cash deposits and machinery.

For loans guaranteed by a third party, the Group will assess the guarantor's financial condition, credit history and ability to meet obligations.

As at 31 December 2019, the Group did not hold any collateral that it was permitted to sell or re-pledge in the absence of default by the borrower (2018: Nil).

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4. Financial risk management (continued)

4.1 信貸風險（續）

4.1 Credit risk (continued)

A. 信貸風險承擔

本集團之最高信貸風險承擔是未考慮任何抵押品或其他改善信貸條件的最大風險承擔。對於資產負債表內資產，最高信貸風險承擔相等於其賬面值。對於開出擔保函，最高信貸風險承擔是被擔保人要求本集團代為償付債務的最高金額。對於貸款承擔及其他信貸有關負債，最高信貸風險承擔為授信承諾的全額。

以下為所持抵押品及其他改善信貸條件的性質及其對本集團各類金融資產的覆蓋程度：

<u>在銀行及其他金融機構的結餘及定期存放</u>

考慮到交易對手的性質，一般會視為低風險承擔。因此一般不會就此等資產尋求抵押品。

<u>證券投資</u>

一般不會就債務證券尋求抵押品。

<u>衍生金融工具</u>

本集團傾向以國際掉期及衍生工具協會出版的主協議（「ISDA 主協議」）作為衍生工具業務的協議文件。該 ISDA 主協議為敍做場外衍生交易提供合約框架，並載有於發生違約事件或終止事件後終止交易時所採用之淨額結算條款。此外，亦會視乎需要考慮於 ISDA 主協議之附約中附加信貸支持附件(CSA)。根據信貸支持附件，抵押品會按情況由交易一方轉交另一方(如適用)，以減少風險承擔。

<u>客戶貸款及貿易票據、或然負債及承擔</u>

一般抵押品種類已載於第 78 頁。本集團根據對客戶貸款及貿易票據、或然負債及承擔的個別風險承擔的評估，考慮適當之抵押品。或然負債及承擔之主要組合及性質已載於附註 33，就不需事先通知的無條件撤銷之承諾，如客戶的信貸質素下降，本集團會評估撤回其授信額度的需要性。於 2019 年 12 月 31 日，有抵押品覆蓋之或然負債及承擔為 26.44%（2018 年：29.36%）。

A. Credit exposures

The maximum credit exposure is the worst case scenario of exposure to the Group without taking into account any collateral held or other credit enhancements. For on-balance sheet assets, the maximum exposure to credit risk equals their carrying amount. For letters of guarantee issued, the maximum exposure to credit risk is the maximum amount that the Group could be required to pay if the guarantees are called upon. For loan commitment and other credit related liabilities, the maximum exposure to credit risk is the full amount of the committed facilities.

The nature of the collateral held and other credit enhancements and their financial effect to the different classes of the Group's financial assets are as follows:

<u>Balances and placements with banks and other financial institutions</u>

These exposures are generally considered to be low risk due to the nature of the counterparties. Collateral is generally not sought on these assets.

<u>Investment in securities</u>

Collateral is generally not sought on debt securities.

<u>Derivative financial instruments</u>

The Master Agreement published by the International Swaps and Derivatives Association, Inc. ("ISDA Master Agreement") is the preferred agreement for documenting derivatives activities of the Group. It provides the contractual framework under which dealing activities of over-the-counter ("OTC") transactions are conducted, and sets out close-out netting provisions upon termination following the occurrence of an event of default or a termination event. In addition, if deemed necessary, Credit Support Annex ("CSA") will be included to form part of the Schedule to the ISDA Master Agreement. Under a CSA, collateral is passed from one counterparty to another, as appropriate, to mitigate the exposures.

<u>Advances to customers and trade bills, contingent liabilities and commitments</u>

The general types of collateral are disclosed on page 78. Advances to customers and trade bills, contingent liabilities and commitments are collateralised to the extent considered appropriate by the Group taking account of the risk assessment of individual exposures. The components and nature of contingent liabilities and commitments are disclosed in Note 33. Regarding the commitments that are unconditionally cancellable without prior notice, the Group would assess the necessity to withdraw the credit line in case where the credit quality of a borrower deteriorates. For contingent liabilities and commitments, 26.44% (2018: 29.36%) is covered by collateral as at 31 December 2019.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析 B. Credit quality analysis

(a) 總客戶貸款及貿易票據的信貸質素 (a) Credit quality of advances to customers and trade bills

下列關於客戶貸款和貿易票據之信貸質素分析是以賬面值列示。

The following tables set out information about the credit quality of advances to customers and trade bills. The amounts in the table represent gross carrying amount.

		2019			
按攤銷成本的客戶總貸款	Advances to customers at amortised cost	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	74,473,819	753,406	-	75,227,225
需要關注	Special Mention	4,333	539,201	-	543,534
次級	Substandard	-	-	96,089	96,089
呆滯	Doubtful	-	-	182,289	182,289
虧損	Loss	-	-	17,822	17,822
減值準備	Loss allowance	(326,066)	(18,309)	(284,868)	(629,243)
賬面值	Carrying amount	74,152,086	1,274,298	11,332	75,437,716

		2018			
按攤銷成本的客戶總貸款	Advances to customers at amortised cost	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	47,273,923	718,270	-	47,992,193
需要關注	Special Mention	-	229,016	-	229,016
次級	Substandard	-	-	105,671	105,671
呆滯	Doubtful	-	-	142,578	142,578
虧損	Loss	-	-	8,910	8,910
減值準備	Loss allowance	(139,832)	(17,599)	(189,268)	(346,699)
賬面值	Carrying amount	47,134,091	929,687	67,891	48,131,669

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析 B. Credit quality analysis

(a) 總客戶貸款及貿易票據的信貸質素（續） (a) Credit quality of advances to customers and trade bills (continued)

		2019			
按攤銷成本的貿易票據	Trade bills at amortised cost	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	1,553,101	-	-	1,553,101
減值準備	Loss allowance	(3,926)	-	-	(3,926)
賬面值	Carrying amount	1,549,175	-	-	1,549,175

		2018			
按攤銷成本的貿易票據	Trade bills at amortised cost	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	1,804,245	-	-	1,804,245
減值準備	Loss allowance	(1,624)	-	-	(1,624)
賬面值	Carrying amount	1,802,621	-	-	1,802,621

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析 B. Credit quality analysis

(b) 除總客戶貸款及貿易票據外的資產信貸質素

下列關於在銀行及其他金融機構的結餘及存款之信貸質素分析是以賬面值列示。

(b) Credit quality of financial assets other than advances to customers and trade bills

The following table sets out information about the credit quality of balances and placements with banks and other financial institutions. The amounts in the table represent gross carrying amount.

		2019			
存放央行、銀行及其他金融機構的結餘及存款	Balances and placements with central banks, banks and other financial institutions	**12 個月的預期信貸虧損 12-month ECL**	**非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired**	**信貸減值的終身預期虧損 Lifetime ECL credit-impaired**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
合格	Pass	**22,774,206**	**-**	**-**	**22,774,206**
減值準備	Loss allowance	**(484)**	**-**	**-**	**(484)**
賬面值	Carrying amount	**22,773,722**	**-**	**-**	**22,773,722**

		2018			
存放央行、銀行及其他金融機構的結餘及存款	Balances and placements with central banks, banks and other financial institutions	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	21,572,238	-	-	21,572,238
減值準備	Loss allowance	(325)	-	-	(325)
賬面值	Carrying amount	21,571,913	-	-	21,571,913

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析（續） B. Credit quality analysis (continued)

(b) 除總客戶貸款及貿易票據外的資產信貸質素（續）

下表列出強制及界定為以公平值變化計入損益的債務證券的信用質素。在無發行評級的情況下，則會按發行人的評級報告。

(b) Credit quality of financial assets other than advances to customers and trade bills (continued)

The following tables present the credit quality of debt securities mandatorily measured and designated at FVTPL. In the absence of such issue ratings, the ratings designated for the issuers are reported.

	2019					
	Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
	Aaa	Aa1 to Aa3	A1 to A3	Lower than A3	Unrated	Total
	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
強制性以公平值變化計入損益之金融資產 Financial assets mandatorily measured at FVTPL	-	-	28,999	71,488	47,663	148,150
界定為以公平值變化計入損益之金融資產 Financial assets designated at FVTPL	-	-	158,116	39,959	172,532	370,607
	-	-	187,115	111,447	220,195	518,757

	2018					
	Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
	Aaa	Aa1 to Aa3	A1 to A3	Lower than A3	Unrated	Total
	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
強制性以公平值變化計入損益之金融資產 Financial assets mandatorily measured at FVTPL	-	-	-	-	-	-
界定為以公平值變化計入損益之金融資產 Financial assets designated at FVTPL	-	-	154,449	39,215	170,940	364,604
	-	-	154,449	39,215	170,940	364,604

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析（續） B. Credit quality analysis (continued)

(b) 除總客戶貸款及貿易票據外的資產信貸質素（續）

(b) Credit quality of financial assets other than advances to customers and trade bills (continued)

債務證券及存款證交易的信貸風險管理手法，與本集團管理企業及銀行借貸的方法一致及風險級別是適用於設有個別對手限額的對手。

Credit risk of treasury transactions is managed in the same way as the Group manages its corporate and bank lending risk and risk gradings are applied to the counterparties with individual counterparty limits set.

於報告期結束日，按照發行評級分析之債務證券及存款證的信貸質素分析如下：

At the end of the reporting period, the credit quality of investment in debt securities analysed by designation of external credit assessment institution, Moody's Investor Services, or equivalent, is as follows:

		2019			
按攤銷成本計量的債務證券及存款證	Debt securities and certificate of deposits at amortised cost	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
Aaa	Aaa	-	-	-	-
Aa1 至 Aa3	Aa1 to Aa3	113,448	-	-	113,448
A1 至 A3	A1 to A3	1,095,282	-	-	1,095,282
A3 以下	Lower than A3	435,465	-	-	435,465
無評級	Unrated	-	-	-	-
減值準備	Loss allowance	(1,798)	-	-	(1,798)
賬面值	Carrying amount	1,642,397	-	-	1,642,397

		2018			
按攤銷成本計量的債務證券及存款證	Debt securities and certificate of deposits at amortised cost	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
Aaa	Aaa	-	-	-	-
Aa1 至 Aa3	Aa1 to Aa3	115,445	-	-	115,445
A1 至 A3	A1 to A3	1,132,189	-	-	1,132,189
A3 以下	Lower than A3	423,601	-	-	423,601
無評級	Unrated	-	-	-	-
減值準備	Loss allowance	(334)	-	-	(334)
賬面值	Carrying amount	1,670,901	-	-	1,670,901

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析（續） B. Credit quality analysis (continued)

(b) 除總客戶貸款及貿易票據外的資產信貸質素（續）

(b) Credit quality of financial assets other than advances to customers and trade bills (continued)

2019

以公平值變化計入全面收益的債務證券及存款證	Debt securities and certificate of deposits at FVOCI	12個月的預期信貸虧損 12-month ECL 港幣千元 HK$'000	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired 港幣千元 HK$'000	信貸減值的終身預期虧損 Lifetime ECL credit-impaired 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
Aaa	Aaa	**6,947,971**	**-**	**-**	**6,947,971**
Aa1 至 Aa3	Aa1 to Aa3	**9,990,944**	**-**	**-**	**9,990,944**
A1 至 A3	A1 to A3	**20,178,046**	**-**	**-**	**20,178,046**
A3 以下	Lower than A3	**6,184,284**	**-**	**-**	**6,184,284**
無評級	Unrated	**1,418,838**	**-**	**-**	**1,418,838**
賬面值	Carrying amount	**44,720,083**	**-**	**-**	**44,720,083**
減值準備	Loss allowance	**26,400**	**-**	**-**	**26,400**

2018

以公平值變化計入全面收益的債務證券及存款證	Debt securities and certificate of deposits at FVOCI	12個月的預期信貸虧損 12-month ECL 港幣千元 HK$'000	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired 港幣千元 HK$'000	信貸減值的終身預期虧損 Lifetime ECL credit-impaired 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
Aaa	Aaa	2,630,256	-	-	2,630,256
Aa1 至 Aa3	Aa1 to Aa3	4,691,281	-	-	4,691,281
A1 至 A3	A1 to A3	11,041,190	-	-	11,041,190
A3 以下	Lower than A3	5,910,737	-	-	5,910,737
無評級	Unrated	2,229,634	-	-	2,229,634
賬面值	Carrying amount	26,503,098	-	-	26,503,098
減值準備	Loss allowance	14,428	-	-	14,428

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析（續） B. Credit quality analysis (continued)

(b) 除總客戶貸款及貿易票據外的資產信貸質素（續）

(b) Credit quality of financial assets other than advances to customers and trade bills (continued)

		2019			
其他金融資產	Other financial assets	**12個月的預期信貸虧損 12-month ECL**	**非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired**	**信貸減值的終身預期虧損 Lifetime ECL credit-impaired**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
合格	Pass	**312,153**	**-**	**-**	**312,153**
需要關注	Special Mention	**-**	**10**	**-**	**10**
次級	Substandard	**-**	**-**	**-**	**-**
呆滯	Doubtful	**-**	**-**	**432**	**432**
虧損	Loss	**-**	**-**	**699**	**699**
減值準備	Loss allowance	**(306)**	**-**	**(735)**	**(1,041)**
賬面值	Carrying amount	**311,847**	**10**	**396**	**312,253**

		2018			
其他金融資產	Other financial assets	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	339,583	8	-	339,591
需要關注	Special Mention	-	-	-	-
次級	Substandard	-	-	1,819	1,819
呆滯	Doubtful	-	-	534	534
虧損	Loss	-	-	125	125
減值準備	Loss allowance	(120)	-	(1,305)	(1,425)
賬面值	Carrying amount	339,463	8	1,173	340,644

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

B. 信貸質素分析（續） B. Credit quality analysis (continued)

(b) 除總客戶貸款及貿易票據外的資產信貸質素（續）

(b) Credit quality of financial assets other than advances to customers and trade bills (continued)

		2019			
貸款及應收款的貸款承諾應數開出保函	Loan commitments and financial guarantee contracts issued	**12 個月的預期信貸虧損 12-month ECL**	**非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired**	**信貸減值的終身預期虧損 Lifetime ECL credit-impaired**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
合格	Pass	**12,578,378**	**3,817**	**-**	**12,582,195**
需要關注	Special Mention	**-**	**47,084**	**-**	**47,084**
次級	Substandard	**-**	**-**	**-**	**-**
呆滯	Doubtful	**-**	**-**	**8,597**	**8,597**
虧損	Loss	**-**	**-**	**-**	**-**
賬面值	Carrying amount	**12,578,378**	**50,901**	**8,597**	**12,637,876**
減值準備	Loss allowance	**(26,802)**	**(1)**	**-**	**(26,803)**

		2018			
貸款及應收款的貸款承諾應數開出保函	Loan commitments and financial guarantee contracts issued	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
合格	Pass	11,289,208	70,204	-	11,359,412
需要關注	Special Mention	-	81,660	-	81,660
次級	Substandard	-	-	-	-
呆滯	Doubtful	-	-	8,597	8,597
虧損	Loss	-	-	-	-
賬面值	Carrying amount	11,289,208	151,864	8,597	11,449,669
減值準備	Loss allowance	(8,427)	(22)	-	(8,449)

有明確到期日之貸款，若其本金或利息已逾期及仍未償還，則列作逾期貸款。須定期分期償還之貸款，若其中一次分期還款已逾期及仍未償還，則列作逾期處理。須即期償還之貸款若已向借款人送達還款通知，但借款人未按指示還款，或貸款一直超出借款人獲通知之批准貸款限額，亦列作逾期處理。

Advances with a specific repayment date are classified as overdue when the principal or interest is past due and remains unpaid. Advances repayable by regular instalments are classified as overdue when an instalment payment is past due and remains unpaid. Advances repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instruction or when the advances have remained continuously exceeded the approved limit that was advised to the borrower.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

C. 風險集中度 C. Concentration risk

(a) 在沒有抵押品或其他信用改進前的最高信用風險

(a) Maximum exposure to credit risk before collateral held or other credit enhancement

有關綜合財務狀況表以內的資產的最高信用風險如下：

Maximum exposure to credit risk relating to assets in the consolidated statements of financial position are as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
存放央行、銀行及其他金融機構的結餘	Balances with central banks, banks and other financial institutions	**17,954,510**	15,269,350
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	**4,819,212**	6,302,563
衍生金融工具	Derivative financial instruments	**122,133**	122,680
強制性以公平值變化計入損益之證券投資	Investment in securities mandatorily measured at fair value through profit or loss	**148,150**	-
界定為以公平值變化計入損益之證券投資	Investment in securities designated at fair value through profit or loss	**370,607**	364,604
以公平值變化計入其他全面收益之債務證券投資	Investment in debt securities at fair value through other comprehensive income	**44,720,083**	26,503,098
以攤餘成本計量之證券投資	Investment in securities at amortised cost	**1,642,397**	1,670,901
客戶貸款及貿易票據	Advances to customers and trade bills	**76,986,891**	49,934,290
		146,763,983	100,167,486

有關綜合財務狀況表以外的項目的最高信用風險如下：

Maximum exposure to credit risk relating to items unrecorded in the consolidated statements of financial position are as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
直接信貸替代項目	Direct credit substitutes	**5,147**	10,005
與交易有關之或然負債	Transaction-related contingencies	**24,771**	30,801
與貿易有關之或然負債	Trade-related contingencies	**475,735**	604,858
除不需事先通知的無條件撤銷之承諾	Commitments excluding those that are unconditionally cancellable without prior notice	**4,645,828**	3,652,073
		5,151,481	4,297,737

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

C. 風險集中度（續） C. Concentration risk (continued)

(b) 按行業分類之客戶貸款總額 (b) Sectoral analysis of gross advances to customers

以下關於客戶貸款總額之行業分類分析，其行業分類乃參照有關貸款及墊款之金管局報表的填報指示而編製。

The following analysis of the gross advances to customers by industry sector is based on the categories with reference to the completion instructions for the HKMA return of loans and advances.

		2019				
		客戶貸款總額 Gross advances to customers 港幣千元 HK$'000	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	減值分類 Impaired 港幣千元 HK$'000	第三階段之減值準備 Stage 3 impairment allowances 港幣千元 HK$'000	第一及第二階段之減值準備 Stage 1 & 2 impairment allowances 港幣千元 HK$'000
在香港使用之貸款	Loans for use in Hong Kong					
工商金融業	Industrial, commercial and financial					
- 物業發展	- Property development	2,948,523	34.74%	-	-	11,265
- 物業投資	- Property investment	2,990,725	74.68%	20	-	10,444
- 金融業	- Financial concerns	3,714,601	24.46%	-	-	17,381
- 股票經紀	- Stockbrokers	1,023,915	7.48%	-	-	2,123
- 批發及零售業	- Wholesale and retail trade	6,201,435	85.16%	-	-	6,445
- 製造業	- Manufacturing	1,510,084	13.47%	-	-	4,169
- 運輸及運輸設備	- Transport and transport equipment	635,218	36.93%	-	-	470
- 休閒活動	- Recreational activities	14,440	100.00%	-	-	20
- 資訊科技	- Information technology	76,715	5.64%	-	-	1,076
- 其他	- Others	4,172,343	59.13%	11	-	7,366
個人	Individuals					
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	34,610	100.00%	-	-	49
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	3,322,481	100.00%	3,239	-	2,557
- 其他	- Others	7,803,061	97.51%	187	-	89,501
在香港使用之貸款總額	Total loans for use in Hong Kong	34,448,151	67.97%	3,457	-	152,866
貿易融資	Trade finance	1,500,565	81.32%	100,339	100,339	2,544
在香港以外使用之貸款	Loans for use outside Hong Kong	40,118,243	13.50%	192,404	184,529	188,965
客戶貸款總額	Gross advances to customers	76,066,959	39.50%	296,200	284,868	344,375

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

C. 風險集中度（續） C. Concentration risk (continued)

(b) 按行業分類之客戶貸款總額（續） (b) Sectoral analysis of gross advances to customers (continued)

		2018 客戶貸款總額 Gross advances to customers 港幣千元 HK$'000	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	減值分類 Impaired 港幣千元 HK$'000	第三階段之減值準備 Stage 3 impairment allowances 港幣千元 HK$'000	第一及第二階段之減值準備 Stage 1 & 2 impairment allowances 港幣千元 HK$'000
在香港使用之貸款	Loans for use in Hong Kong					
工商金融業	Industrial, commercial and financial					
- 物業發展	- Property development	2,827,961	59.39%	-	-	7,351
- 物業投資	- Property investment	3,386,914	99.82%	21	-	4,237
- 金融業	- Financial concerns	3,257,733	18.94%	-	-	21,878
- 股票經紀	- Stockbrokers	909,296	8.64%	-	-	2,842
- 批發及零售業	- Wholesale and retail trade	3,790,704	85.64%	-	-	5,432
- 製造業	- Manufacturing	1,056,826	24.02%	-	-	2,854
- 運輸及運輸設備	- Transport and transport equipment	448,768	99.98%	-	-	3,246
- 休閒活動	- Recreational activities	37,260	100.00%	-	-	26
- 資訊科技	- Information technology	467,658	2.33%	-	-	143
- 其他	- Others	4,729,181	64.46%	17,832	2,133	5,594
個人	Individuals					
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	37,146	100.00%	-	-	19
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	2,825,257	100.00%	5	-	1,314
- 其他	- Others	3,745,888	94.59%	352	329	7,401
在香港使用之貸款總額	Total loans for use in Hong Kong	27,520,592	69.79%	18,210	2,462	62,337
貿易融資	Trade finance	1,054,516	73.24%	80,602	80,251	1,911
在香港以外使用之貸款	Loans for use outside Hong Kong	19,903,260	28.32%	158,347	106,555	93,183
客戶貸款總額	Gross advances to customers	48,478,368	52.84%	257,159	189,268	157,431

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

C. 風險集中度（續） C. Concentration risk (continued)

(c) 按地理區域分類之客戶貸款總額 (c) Geographical analysis of gross advances to customers

下列關於客戶貸款之地理區域分析是根據交易對手之所在地，並已顧及風險轉移因素。若客戶貸款之擔保人所在地與客戶所在地不同，則風險將轉移至擔保人之所在地。

The following geographical analysis of advances to customers is based on the locations of the counterparties, after taking into account the transfer of risk. For an advance to customer guaranteed by a party situated in a country different from the customer, the risk will be transferred to the country of the guarantor.

		2019				
		客戶貸款總額 **Total advances to customers**	逾期貸款 **Overdue advances**	減值分類貸款 **Impaired advances**	第三階段之減值準備 **Stage 3 impairment allowances**	第一及第二階段之減值準備 **Stage 1 & 2 impairment allowances**
		港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**
香港	Hong Kong	**44,810,458**	**673,783**	**189,376**	**188,526**	**208,876**
中國內地	Mainland China	**26,231,080**	**117,457**	**104,751**	**96,342**	**118,006**
其他	Others	**5,025,421**	**2,073**	**2,073**	**-**	**17,493**
		76,066,959	**793,313**	**296,200**	**284,868**	**344,375**

		2018				
		客戶貸款總額 Total advances to customers	逾期貸款 Overdue advances	減值分類貸款 Impaired advances	第三階段之減值準備 Stage 3 impairment allowances	第一及第二階段之減值準備 Stage 1 & 2 impairment allowances
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
香港	Hong Kong	39,787,907	277,438	107,509	91,403	120,254
中國內地	Mainland China	5,273,038	51,680	147,631	97,865	19,986
其他	Others	3,417,423	2,094	2,019	-	17,191
		48,478,368	331,212	257,159	189,268	157,431

		2019	2018
		港幣千元 **HK$'000**	港幣千元 HK$'000
減值或特定分類貸款佔客戶貸款總額百份比	% of impaired or classified advances to total advances to customers	**0.39%**	0.53%
減值或特定分類貸款的抵押品市值	Market value of collateral held against impaired or classified advances	**49,458**	318,122

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

D. 押品和其他增信

本集團已制訂各類可接受的抵押品的指引，並釐定相關估值參數。本集團會定期檢討指引及抵押品估值參數，以確保信貸風險管理的成效。

本集團客戶貸款及墊款的抵押品範圍視乎客戶類別及所提供產品而定。抵押品類別包括住宅物業（以物業按揭形式）、其他物業、其他登記抵押資產、現金存款、備用信用證及擔保。除持有用作反向回購及證券借貸活動的抵押品外，在銀行及其他金融機構的結存及存款，以及銀行貸款及墊款一般不需要抵押品。

在收回減值貸款及墊款時，本集團會通過法庭程序或借款人自願交出擁有權收回抵押品。該等收回資產於財務狀況表中以「其他資產」列賬（附註 26）。倘從收回資產所得之追收額超出相關風險承擔時，則會使用盈餘資金償還借款人優先次序較低的已抵押貸款或退回予借款人。

D. Collateral held and other credit enhancements

The Group has established guidelines on the acceptability of various classes of collateral and determined the corresponding valuation parameters. The guidelines and collateral valuation parameters are subject to regular reviews to ensure their effectiveness over credit risk management.

The extent of collateral coverage over the Group's loans and advances to customer depends on the type of customers and the product offered. Types of collateral include residential properties (in the form of mortgages over property), other properties, other registered securities over assets, cash deposits, standby letters of credit and guarantees. Collateral generally is not held over balances and placements with banks and other financial institutions, and loans and advances to banks, except when securities are held as part of reverse repurchase and securities borrowing activity.

The Group takes possession of collateral through court proceedings or voluntary delivery of possession by the borrowers during the course of the recovery of impaired loans and advances. These repossessed assets are reported in the statement of financial position within "other assets" (Note 26). If the recovery from the repossessed assets exceeds the corresponding exposure, the surplus fund is made available either to repay the borrower's other secured loans with lower priority or is returned to the borrower.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

D. 押品和其他增信（續） D. Collateral held and other credit enhancements (continued)

持有用作非貸款及墊款金融資產的抵押品，是按照工具之性質決定。除以一籃子金融資產作抵押的資產融資證券及相類似工具外，債務證券、庫券及其他認可票據一般俱屬無抵押的。然而，信貸風險可能隱含於相關工具的條款內或於相關工具的公平值中反映。

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured with the exception of asset-based securities and similar instruments, which are secured by pools of financial assets. However the credit risk may be implicit in the terms or reflected in the fair value of the corresponding instruments.

ISDA 的主合約為本集團處理衍生交易文件的優先合約，當中涵蓋合約框架，而在合約框架之下，本集團可進行一系列的場外產品交易活動，如其中一方違約或發生其他預先協定的終止事件，則按合約約束參與者以淨額結算合約涵蓋的所有未履行交易。本集團亦會在簽訂 ISDA 的主合約的同時，與交易對手簽訂信貸附約，據此，抵押品可於訂約方之間轉交，以降低出現在未履約情況下的內在市場或然交易對手風險。

The Group's preferred agreement for documenting derivatives activity is the ISDA Master Agreement which covers the contractual framework within which dealing activity across a full range of over-the-counter products is conducted and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement, if either party defaults or following other pre-agreed termination events. It is also common for the Group to execute a Credit Support Annex in conjunction with the ISDA Master Agreement with the counterparty under which collateral is passed between the parties to mitigate the market contingent counterparty risk inherent in the outstanding position.

對於或然負債及可無條件取消的承擔（附註33），如本集團對客戶的信貸質素有疑慮，則會評估是否需要撤回信貸額。因此，本集團面臨重大信貸風險機會視為微乎其微。對於不可無條件取消的承擔，本集團會視乎客戶類別及所提供產品評估是否需要進行抵押。

For contingent liabilities and commitments that are unconditionally cancellable (Note 33), the Group will assess the necessity to withdraw the credit line when there is a concern over the credit quality of the customers. Accordingly, the exposure to significant credit risk is considered as minimal. For commitments that are not unconditionally cancellable, the Group assesses the necessity of collateral depending on the type of customer and the product offered.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4.1 信貸風險（續）

E. 預期信貸損失增加額

計算減值準備的參數、假設及技術

詳見附註2.14的會計政策。

信貸風險顯著增加

當確認一項金融工具是否存在違約風險顯著增加時，本集團會考慮相關合理及可靠信息，該等訊息是相關又無需投入過多成本精力獲得的。這包括定量和定性信息和分析，是基於集團的歷史經驗和專家的信貸評估。

評估的目的是通過比較來確定信貸風險暴露是否已顯著增加：

- 截至報告日的剩餘存續期的違約概率（PD）；及
- 在初始確認風險時估計的該時點的剩餘存續期 PD（在預付款預期變更時的相關調整）。

4. Financial risk management (continued)

4.1 Credit risk (continued)

E. Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment

See accounting policy in Note 2.14.

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4.1 信貸風險（續）

E. 預期信貸損失增加額（續）

信貸風險級別

本集團基於違約風險預測數據及應用經驗判斷，將每項風險承擔分配對應到不同的信貸風險等級。信貸風險等級是用代表違約風險的定性和定量因素來定義。這些因素取決於風險敞口的性質和借款人的類型。

通過信貸風險等級的定義和校准，使違約發生風險隨著信貸風險的惡化而呈指數增長，例如，信貸風險等級 1 和 2 之間的違約風險差異小於信貸風險等級 2 和 3 之間的風險等級差異。

首次確認借款人的信貸風險等級是基於借款人可得到的信息。之後通過持續監控風險敞口，進而調整信貸風險等級。監控通常涉及以下數據的使用。

4. Financial risk management (continued)

4.1 Credit risk (continued)

E. Amounts arising from ECL (continued)

Credit risk grades

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

信貸風險級別（續） Credit risk grades (continued)

企業敞口 Corporate exposures	零售敞口 Retail exposures	全部敞口 All exposures
• 定期審查客戶材料時獲得的信息，比如審計報告、管理會計、預算規劃等。特別關注的例子如：毛利率、財務杠杆率、債務覆蓋率、遵守貸款契約、管理層質量、高級管理層變更	• 內部收集的客戶行為數據	• 付款記錄 - 包括逾期狀態以及一系列有關支付比率的變量
• Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes	• Internally collected data on customer behaviour – e.g. utilisation of credit card facilities	• Payment record – this includes overdue status as well as a range of variables about payment ratios
• 信貸參考機構的數據，新聞報道，外部信貸評級的變化	• 可負擔性指標	• 授予限額的使用
• Data from credit reference agencies, press articles, changes in external credit ratings	• Affordability metrics	• Utilisation of the granted limit
• 借款人相應的債券和信貸違約掉期（CDS）價格（如果有）	• 信貸參考機構的外部數據，包括行業標准信貸評分	• 延期還款的申請和批准
• Quoted bond and credit default swap (CDS) prices for the borrower where available	• External data from credit reference agencies, including industry-standard credit scores	• Requests for and granting of forbearance
• 借款人所處的政治，監管和技術環境或其業務活動的實際和預期的重大變化		• 業務，財務和經濟狀況的現有和未來預測變化
• Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities		• Existing and forecast changes in business, financial and economic conditions

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

違約概率期限結構的產生

信貸風險等級是決定風險暴露期限結構的主要輸入。本集團根據司法管轄或地區分析、產品和借款人的類型以及信用風險評級收集信用風險暴露的表現和違約信息。對於某些組合，還使用從外部信貸評級機構購買的信息。

本集團採用統計模型對收集的數據進行計量分析，並根據風險暴露產生成剩餘存續期的違約概率估算，以及預期结果會如何隨時間推移而產生的變化。

該分析包括識別和校準違約率變化與關鍵宏觀經濟因素變化之間的關係，以及對某些其他因素（例如寬容經驗）對違約風險影響的深入分析。對於大多數風險暴露，主要的宏觀經濟指標包括：本地經濟生產總值增長，基準利率和失業率。對於特定行業和/或地區的暴露，分析可能會擴展到相關房地產價格。

本集團制定“基本情景”下未來的發展方向，以及其他可行、具代表性範圍的預測方案（見下文關於納入前瞻性信息的討論）。然後，本集團使用這些預測來調整其對違約概率的估算。

Generating the term structure of PD

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by jurisdiction or region and by type of product and borrower as well as by credit risk grading. For some portfolios, information purchased from external credit reference agencies is also used.

The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors as well as in-depth analysis of the impact of certain other factors (e.g. forbearance experience) on the risk of default. For most exposures, key macro-economic indicators include: GDP growth, benchmark interest rates and unemployment. For exposures to specific industries and/or regions, the analysis may extend to relevant real estate prices.

The Group formulates a “base case” view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios (see discussion below on incorporation of forward-looking information). The Group then uses these forecasts to adjust its estimates of PDs.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

決定信貸風險是否顯著增加

決定信貸風險是否顯著增加的準則因投資組合而異，包含違約概率的定量轉變及定性因素、以及逾期原因。

就本集團採用的定量模型而言，當確定剩餘存續期的違約概率增加超過預定範圍時，則會被認定為特定敞口的信貸風險自初始確認以來已顯著增加。

憑藉其專家信貸判斷(如適用)，以及相關歷史經驗，本集團可根據其認為具體的特定定性指標確定信貸風險顯著增加，且其影響可能無法及時並充分反映在其定量分析中。

作為一項底線要求，本集團認為當資產出現逾期超過 30 天應考慮為信貸風險的顯著增加。逾期天數通過計算自最早到期日期以來尚未收到全額付款的天數來確定。確定到期日時不考慮借款人可能獲得的任何寬限期。

Determining whether credit risk has increased significantly

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Group's quantitative modelling, the remaining lifetime PD is determined to have increased by more than a predetermined range.

Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Group considers that a significant increase in credit risk occurs when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

決定信貸風險是否顯著增加（續）

本集團通過定期監控用於識別信貸風險顯著增加的標準的有效性，以確認：

- 該準則能夠在風險敞口出現違約前識別信貸風險的顯著增加；
- 當資產出現 30 天的逾期時將與該標準的時點中一致；及
- 12 個月的違約概率（第 1 階段）和存續期內的違約概率（第 2 階段）之間的轉換時，沒有不必要的損失準備波動。

Determining whether credit risk has increased significantly (continued)

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria align with the point in time when an asset becomes 30 days past due; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (stage 1) and lifetime PD (stage 2).

經調整之金融資產

貸款的合同條款可能會因多種原因而被修改，包括市場條件變化，客戶保留以及與客戶當前或潛在信貸狀況惡化無關的其他因素。

當金融資產的條款被修改且修改未導致終止確認時，決定資產的信貸風險有否顯著增加可根據下列比較反映：

- 其在報告日基於修改條款後的剩餘存續期的違約概率；及
- 根據初始確認時的數據和原始合同條款估算的剩餘存續期的違約概率。

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

經調整之金融資產（續）

本集團向有財務困難的客戶（稱為寬容行動）進行重組協議，以最大程度地增加收回的機會並將違約風險降至最低。根據集團的寬容政策，如果債務人目前債務違約或者違約風險很高，並有證據表明債務人已盡一切合理努力按原合同付款，且債務人預計能夠滿足修訂後的條款的條件下，銀行則可有選擇性地給予貸款寬容。

修訂後的條款通常包括延長到期日、改變利息支付時間和修改貸款契約條款。零售和企業貸款均受寬容政策的約束。

對於經調整之金融資產，違約概率的估算反映了該調整是否改善或恢復了本集團收取利息和本金的能力以及本集團之前的類似寬容行動的經驗。作為此流程的一部分，本集團根據修改後的合同條款評估借款人的還款表現，並考慮各種行為指標。

一般來說，寬容是信貸風險顯著增加的定性指標，對給予寬容的資產可能構成信貸減值風險/違約的證據。若風險敞口不再被視為信貸減值/違約，或者違約概率被認為已經減少，使得損失準備的計算為等於12個月預期信貸損失的金額，客戶需要在一段時間內表現出持續良好的還款表現。

Modified financial assets (continued)

The Group renegotiates loans to customers in financial difficulties (referred to as forbearance activities) to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy.

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the Group's previous experience of similar forbearance action. As part of this process, the Group evaluates the borrower's payment performance against the modified contractual terms and considers various behavioural indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired / in default. A customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be credit-impaired / in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECL.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

違約定義

當出現以下情況時，本集團認為該金融資產違約：

- 在本集團沒有採取追究擔保品變現的行為下（如有任何擔保），借款人不大可能全額支付其對本集團的信貸責任；或
- 借款人逾期履行其任何重大信貸責任超過90天。一旦客戶違反超出可使用的透支額度或可使用的透支額度少於現時餘欠的則視為逾期。

在評估借款人是否違約時，本集團會考慮以下指標：

- 定性 – 違反合同；
- 定量 – 例如逾期狀態及不支付同一發行人對本集團的另一項責任；及
- 基於內部開發及從外部獲得的信息。

評估金融工具是否違約及其重要性的輸入可會隨著時間的推移而變化，以反映情況的變化。

本集團採用之違約定義很大程度上與監管資本用途所適用的定義一致。

Definition of default

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative – e.g. breaches of covenant;
- quantitative – e.g. overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The definition of default largely aligns with that applied by the Group for regulatory capital purposes.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

納入前瞻性信息

本集團將前瞻性資料納入其評估自首次確認後金融工具的信貸風險是否大幅增加及其預期信貸損失的評估。本集團制定了相關經濟因素未來發展方向的“基本情景”展望以及其他具代表性範圍的可能預測方案。該過程涉及開發兩個或更多其他經濟情景並考慮每個結果的相對概率。外部信息包括本集團經營所在國家的政府機構和金融管理局，經合組織和國際貨幣基金組織等超國家組織以及選定的私營機構和學術預測機構所發佈的經濟數據和預測。

基本情景是指最大可能的結果，並與本集團用於戰略規劃和預算等其他目的的資料保持一致。 其他情景是指更樂觀和更悲觀的結果。本集團定期對更極端的衝擊進行壓力測試，以校準其對這些其他代表性情景的決定。

本集團已識別並記錄每個金融工具組合的信貸風險及信貸損失的主要因素，並使用歷史數據分析估計宏觀經濟因素與信貸風險及信貸損失之間的關係。

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Group formulates a ‘base case’ view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Group operates, supranational organisations such as the Organisation for Economic Co-operation and Development (OECD) and the International Monetary Fund, and selected private-sector and academic forecasters.

The “base case” represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of these other representative scenarios.

The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

納入前瞻性信息（續）

經濟情景包含以下關鍵指標的預測。

Incorporation of forward-looking information (continued)

The economic scenarios included the forecast of the following key indicators.

		2019	2018
香港實際本地生產總值增長率	Hong Kong Real GDP Growth Rate	**-1.3% to 2.6%**	1.7% to 3.0%
中國實際國內生產總值增長率	China Real GDP Growth Rate	**5.1% to 5.7%**	6.0% to 6.7%
中國失業率	China Unemployment Rate	**3.6%**	3.75% to 3.9%
香港金融管理局 - 香港貸款、墊款	HKMA Hong Kong Loans & Advances	**3.0% to 5.9%**	0.1% to 10.9%
香港住宅物業物價指數	Hong Kong Residential Property Price Index	**-0.9% to 5.5%**	-11.9% to 9.0%
香港私人消費	Hong Kong Private Consumption	**-1.8% to 3.0%**	2.8% to 7.3%

計算預期信貸損失

計算預期信貸損失的關鍵輸入以下變量：

- 違約概率；
- 違約損失率；及
- 違約風險承擔。

這些參數通常來自內部開發的統計模型和其他歷史數據。通過調整這些參數來反映上述的前瞻性信息。

違約概率是於特定日期的估算值，其基於統計評級模型計算，並使用針對各類交易對手和風險敞口的評級工具進行評估。這些統計模型基於內部編制的數據，包括定量和定性因素。在可用的情況下，市場數據也可用於推知大型企業交易對手的違約概率。 如果交易對手或風險暴露在評級類別之間遷移，則這將導致相關違約概率的估計發生變化。違約概率是根據風險承擔的合約到期日和估計的提前償付率估算。

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

計算預期信貸損失（續）

違約損失率指在發生違約的情況下可能損失的程度。本集團根據違約交易對手的歷史索賠恢復率估算違約損失率。違約損失率模型考慮結構、抵押品、索賠的級別、交易對手行業和金融資產任何不可或缺的抵押品的恢復成本。對於零售物業抵押的貸款，貸款與押品價值比率是決定違約損失率的關鍵參數。違約損失率估計針對不同的經濟情景進行重新校準，對於房地產貸款，則反映房地產價格的可能變化。

違約風險承擔是指發生違約時的預期風險敞口。本集團從交易對手現時的風險敞口和合約項下允許的當前金額變化（包括攤銷）來推算違約風險承擔。金融資產的違約風險承擔是其賬面總額。 對於貸款承諾和財務擔保，違約風險承擔包括已提取的金額和在歷史觀察和前瞻性預測估算下，根據合同未來可能提取的金額。對於某些金融資產，違約風險承擔是通過使用情景和統計技術在不同時間點對可能範圍內的風險敞口結果進行建模來確認。

Measurement of ECL (continued)

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured by retail property, LTV ratios are a key parameter in determining LGD. LGD estimates are recalibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortisation. The EAD of a financial asset is its gross carrying amount. For lending commitments and financial guarantees, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

計算預期信貸損失（續）

如上所述，對於信貸風險未顯著增加的金融資產最多使用 12 個月的違約概率，本集團會考慮暴露於信貸風險下的最大合約期內（包括任何借款人的延期選項）的違約風險來衡量預期信貸損失，即使出於風險管理目的，本集團會考慮更長的期限。 最長合約期限延續至本集團有權要求償還貸款或終止貸款承諾或擔保的日期。

然而，對於包括貸款和未提取承諾部分的零售透支，如果本集團要求客戶還款和取消未提取的承諾額度時未能限制本集團風險敞口於合同通知期內的信貸損失，則本集團採用超過最長合同期的時間來計算預期信貸損失。這些貸款沒有固定期限或還款結構，並且是集體管理的。本集團可立即取消這些貸款，但此合約權利並非在日常管理中強制執行，而只有在本集團意識到信貸層面的信貸風險增加時才會執行。該較長期限的估算考慮本集團預期採取的信貸風險管理行為，這些行為有助於減低預期信貸損失。這其中包括減少限額，取消信貸和/或將餘額轉為具有固定還款條款的貸款。

Measurement of ECL (continued)

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Group considers a longer period. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment or guarantee.

However, for retail overdrafts that include both a loan and an undrawn commitment component, the Group measures ECL over a period longer than the maximum contractual period if the Group's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Group can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Group becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Group expects to take and that serve to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

計算預期信貸損失（續）

當構建模型的參數在集體的基礎上進行，金融工具根據一些共同的風險特徵進行組合分類，包括：

- 金融工具類別；
- 信貸風險評級；
- 抵押品種類；
- 零售抵押貸款的貸款價值比；
- 初始確認日；
- 剩餘到期日；
- 行業；及
- 借款人的地理位置。

為確保特定組別內的風險敞口保持適當的同質性，組別均需進行定期重檢。

對於本集團歷史數據有限的投資組合，外部基準資料用於補充內部數據。

Measurement of ECL (continued)

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that include:

- instrument type;
- credit risk grading;
- collateral type;
- LTV ratio for retail mortgages;
- date of initial recognition;
- remaining term to maturity;
- industry; and
- geographic location of the borrower.

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

減值準備對賬

下表列示金融工具的類別劃分減值準備的期初結餘與期末結餘的對賬。此對賬是以交易層面比較1月1日至12月31日的情況。

Loss allowance reconciliation

The following tables show reconciliations from the opening to the closing balance of the impairment allowance by class of financial instrument. The reconciliation is prepared by comparing the position of impairment allowance between 1 January and 31 December at transaction level.

		2019			
客戶總貸款	Advances to customers	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	139,832	17,599	189,268	346,699
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	191	(191)	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	(9,722)	9,722	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	(291)	(11,506)	11,797	-
新購入的金融資產	New financial assets originated	208,291	149	-	208,440
已終止確認的金融資產	Financial assets that have been derecognised	(41,630)	(377)	(69,260)	(111,267)
註銷	Write-offs	-	-	(27,019)	(27,019)
模型變動	Changes in models	-	-	-	-
折現減值準備回撥	Unwind of discount of loans impairment loss	-	-	3,414	3,414
外匯調整及其他變動	Foreign exchange and other movements	400	(110)	(4,403)	(4,113)
減值準備的重新計量	Net remeasurement of loss allowance	28,995	3,023	181,071	213,089
於12月31日	Balance at 31 December	326,066	18,309	284,868	629,243

		2018			
客戶總貸款	Advances to customers	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	147,159	8,049	70,424	225,632
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	1,166	(1,166)	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	(4,683)	4,683	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	(300)	(513)	813	-
新購入的金融資產	New financial assets originated	80,297	3,528	-	83,825
已終止確認的金融資產	Financial assets that have been derecognised	(36,315)	(4,545)	(514)	(41,374)
註銷	Write-offs	-	-	(24,926)	(24,926)
模型變動	Changes in models	-	-	-	-
折現減值準備回撥	Unwind of discount of loans impairment loss	-	-	2,071	2,071
外匯調整及其他變動	Foreign exchange and other movements	(169)	(571)	(2,143)	(2,883)
減值準備的重新計量	Net remeasurement of loss allowance	(47,323)	8,134	143,543	104,354
於12月31日	Balance at 31 December	139,832	17,599	189,268	346,699

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

減值準備對賬（續） Loss allowance reconciliation (continued)

		2019			
貿易票據	Trade bills	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於 1 月 1 日	Balance at 1 January	**1,624**	**-**	**-**	**1,624**
轉至 12 個月的預期信貸虧損	Transfer to 12-month ECL	**-**	**-**	**-**	**-**
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	**-**	**-**	**-**	**-**
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	**-**	**-**	**-**	**-**
新購入的金融資產	New financial assets originated	**3,733**	**-**	**-**	**3,733**
已終止確認的金融資產	Financial assets that have been derecognised	**(1,624)**	**-**	**-**	**(1,624)**
註銷	Write-offs	**-**	**-**	**-**	**-**
模型變動	Changes in models	**-**	**-**	**-**	**-**
外匯調整及其他變動	Foreign exchange and other movements	**(58)**	**-**	**-**	**(58)**
減值準備的重新計量	Net remeasurement of loss allowance	**251**	**-**	**-**	**251**
於 12 月 31 日	Balance at 31 December	**3,926**	**-**	**-**	**3,926**

		2018			
貿易票據	Trade bills	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於 1 月 1 日	Balance at 1 January	121	-	-	121
轉至 12 個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	4,136	-	-	4,136
已終止確認的金融資產	Financial assets that have been derecognised	(121)	-	-	(121)
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	(152)	-	-	(152)
減值準備的重新計量	Net remeasurement of loss allowance	(2,360)	-	-	(2,360)
於 12 月 31 日	Balance at 31 December	1,624	-	-	1,624

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

減值準備對賬（續） Loss allowance reconciliation (continued)

以攤餘成本列賬之債務證券及存款證	Debt securities and Certificate of deposits at amortised cost	2019 12個月的預期信貸虧損 12-month ECL 港幣千元 HK$'000	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired 港幣千元 HK$'000	信貸減值的終身預期虧損 Lifetime ECL credit-impaired 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於1月1日	Balance at 1 January	**334**	**-**	**-**	**334**
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	**-**	**-**	**-**	**-**
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	**-**	**-**	**-**	**-**
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	**-**	**-**	**-**	**-**
新購入的金融資產	New financial assets originated	**41**	**-**	**-**	**41**
已終止確認的金融資產	Financial assets that have been derecognised	**(16)**	**-**	**-**	**(16)**
註銷	Write-offs	**-**	**-**	**-**	**-**
模型變動	Changes in models	**-**	**-**	**-**	**-**
外匯調整及其他變動	Foreign exchange and other movements	**(13)**	**-**	**-**	**(13)**
減值準備的重新計量	Net remeasurement of loss allowance	**1,452**	**-**	**-**	**1,452**
於12月31日	Balance at 31 December	**1,798**	**-**	**-**	**1,798**

以攤餘成本列賬之債務證券及存款證	Debt securities and Certificate of deposits at amortised cost	2018 12個月的預期信貸虧損 12-month ECL 港幣千元 HK$'000	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired 港幣千元 HK$'000	信貸減值的終身預期虧損 Lifetime ECL credit-impaired 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於1月1日	Balance at 1 January	-	-	-	-
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	572	-	-	572
已終止確認的金融資產	Financial assets that have been derecognised	-	-	-	-
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	(1)	-	-	(1)
減值準備的重新計量	Net remeasurement of loss allowance	(237)	-	-	(237)
於12月31日	Balance at 31 December	334	-	-	334

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

減值準備對賬（續） Loss allowance reconciliation (continued)

		2019			
以公平值變化計入其他全面收益之債務證券及存款證	Debt securities and Certificate of deposits at FVOCI	**12個月的預期信貸虧損 12-month ECL**	**非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired**	**信貸減值的終身預期虧損 Lifetime ECL credit-impaired**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
於1月1日	Balance at 1 January	**14,428**	**-**	**-**	**14,428**
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	**-**	**-**	**-**	**-**
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	**-**	**-**	**-**	**-**
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	**-**	**-**	**-**	**-**
新購入的金融資產	New financial assets originated	**9,344**	**-**	**-**	**9,344**
已終止確認的金融資產	Financial assets that have been derecognised	**(4,986)**	**-**	**-**	**(4,986)**
註銷	Write-offs	**-**	**-**	**-**	**-**
模型變動	Changes in models	**-**	**-**	**-**	**-**
外匯調整及其他變動	Foreign exchange and other movements	**(144)**	**-**	**-**	**(144)**
減值準備的重新計量	Net remeasurement of loss allowance	**7,758**	**-**	**-**	**7,758**
於12月31日	Balance at 31 December	**26,400**	**-**	**-**	**26,400**

		2018			
以公平值變化計入其他全面收益之債務證券及存款證	Debt securities and Certificate of deposits at FVOCI	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	18,829	-	-	18,829
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	8,766	-	-	8,766
已終止確認的金融資產	Financial assets that have been derecognised	(3,576)	-	-	(3,576)
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	38	-	-	38
減值準備的重新計量	Net remeasurement of loss allowance	(9,629)	-	-	(9,629)
於12月31日	Balance at 31 December	14,428	-	-	14,428

綜合財務報表附註(續)Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理(續) 4. Financial risk management (continued)

4.1 信貸風險(續) 4.1 Credit risk (continued)

E. 預期信貸損失增加額(續) E. Amounts arising from ECL (continued)

減值準備對賬(續) Loss allowance reconciliation (continued)

存放央行、銀行及其他金融機構的結餘及存款	Balances and placements with central banks, banks and other financial institutions	2019 12個月的預期信貸虧損 12-month ECL 港幣千元 HK$'000	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired 港幣千元 HK$'000	信貸減值的終身預期虧損 Lifetime ECL credit-impaired 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於1月1日	Balance at 1 January	325	-	-	325
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	485	-	-	485
已終止確認的金融資產	Financial assets that have been derecognised	(318)	-	-	(318)
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	-	-	-	-
減值準備的重新計量	Net remeasurement of loss allowance	(8)	-	-	(8)
於12月31日	Balance at 31 December	484	-	-	484

存放央行、銀行及其他金融機構的結餘及存款	Balances and placements with central banks, banks and other financial institutions	2018 12個月的預期信貸虧損 12-month ECL 港幣千元 HK$'000	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired 港幣千元 HK$'000	信貸減值的終身預期虧損 Lifetime ECL credit-impaired 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於1月1日	Balance at 1 January	323	-	-	323
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	640	-	-	640
已終止確認的金融資產	Financial assets that have been derecognised	(323)	-	-	(323)
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	(19)	-	-	(19)
減值準備的重新計量	Net remeasurement of loss allowance	(296)	-	-	(296)
於12月31日	Balance at 31 December	325	-	-	325

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

減值準備對賬（續） Loss allowance reconciliation (continued)

		2019			
其他金融資產	Other financial assets	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	120	-	1,305	1,425
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	-	-	175	175
已終止確認的金融資產	Financial assets that have been derecognised	-	-	-	-
註銷	Write-offs	-	-	(960)	(960)
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	(12)	-	(9)	(21)
減值準備的重新計量	Net remeasurement of loss allowance	198	-	224	422
於12月31日	Balance at 31 December	306	-	735	1,041

		2018			
其他金融資產	Other financial assets	12個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	631	-	-	631
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	-	-	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	(6)	-	6	-
新購入的金融資產	New financial assets originated	16	-	-	16
已終止確認的金融資產	Financial assets that have been derecognised	(10)	-	-	(10)
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	(2)	-	(1)	(3)
減值準備的重新計量	Net remeasurement of loss allowance	(509)	-	1,300	791
於12月31日	Balance at 31 December	120	-	1,305	1,425

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

E. 預期信貸損失增加額（續） E. Amounts arising from ECL (continued)

減值準備對賬（續） Loss allowance reconciliation (continued)

		2019			
貸款承諾及應收開出保函	Loan commitments and financial guarantee contracts issued	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	**8,427**	**22**	**-**	**8,449**
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	**-**	**-**	**-**	**-**
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	**(1)**	**1**	**-**	**-**
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	**-**	**-**	**-**	**-**
新購入的金融資產	New financial assets originated	**14,049**	**-**	**-**	**14,049**
已終止確認的金融資產	Financial assets that have been derecognised	**(1,551)**	**(22)**	**-**	**(1,573)**
註銷	Write-offs	**-**	**-**	**-**	**-**
模型變動	Changes in models	**-**	**-**	**-**	**-**
外匯調整及其他變動	Foreign exchange and other movements	**(21)**	**1**	**-**	**(20)**
減值準備的重新計量	Net remeasurement of loss allowance	**5,899**	**(1)**	**-**	**5,898**
於12月31日	Balance at 31 December	**26,802**	**1**	**-**	**26,803**

		2018			
貸款承諾及應收開出保函	Loan commitments and financial guarantee contracts issued	12 個月的預期信貸虧損 12-month ECL	非信貸減值的終身預期虧損 Lifetime ECL not credit-impaired	信貸減值的終身預期虧損 Lifetime ECL credit-impaired	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於1月1日	Balance at 1 January	15,305	-	-	15,305
轉至12個月的預期信貸虧損	Transfer to 12-month ECL	-	-	-	-
轉至非信貸減值的終身預期虧損	Transfer to lifetime ECL not credit-impaired	(1)	1	-	-
轉至信貸減值的終身預期虧損	Transfer to lifetime ECL credit-impaired	-	-	-	-
新購入的金融資產	New financial assets originated	5,248	-	-	5,248
已終止確認的金融資產	Financial assets that have been derecognised	(9,807)	-	-	(9,807)
註銷	Write-offs	-	-	-	-
模型變動	Changes in models	-	-	-	-
外匯調整及其他變動	Foreign exchange and other movements	(110)	(1)	-	(111)
減值準備的重新計量	Net remeasurement of loss allowance	(2,208)	22	-	(2,186)
於12月31日	Balance at 31 December	8,427	22	-	8,449

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險 4.2 Market risk

市場風險是指因金融市場價格（匯率、利率、股票價格、商品價格）波動導致銀行外匯、利率、股票和商品持倉值出現變化而可能給本集團帶來的損失。本集團採取適中的市場風險偏好，實現風險與收益的平衡。市場風險管理的目標，是根據本集團的風險偏好和資金業務發展策略，依靠完善的風險管理制度和相關管理手段，有效管理本集團業務中可能產生的市場風險，促進資金業務健康發展。

Market risk refers to the risk of loss arising from movements in the value of foreign exchange, interest rate, equity and commodity positions held by the Group due to the volatility of financial market price (foreign exchange rate, interest rate, equity price, commodity price). The Group adopts a moderate market risk appetite to achieve a balance between risk and return. The Group's objective in managing market risk is to secure healthy growth of the treasury business, by effective management of potential market risk in the Group's business, according to the Group's overall risk appetite and strategy of treasury business on the basis of a well-established risk management regime and related management measures.

本集團按照風險管理企業管治原則管理市場風險，董事會及風險管理委員會、高級管理層和職能部／單位，各司其職，各負其責。財務管理部是負責市場風險管理的主責單位，協助高級管理層履行日常管理職責，獨立監察本集團的市場風險狀況以及管理政策和限額執行情況，並確保整體和個別的市場風險均控制在可接受的風險水平內。

In accordance with the Group’s corporate governance principles in respect of risk management, the Board and RC, senior management and functional departments/units perform their duties and responsibilities to manage the Group’s market risk. FMD is mainly responsible for managing market risk, assisting senior management to perform their day-to-day duties, independently monitoring the market risk profile and compliance of management policies and limits of the Group, and ensuring that the aggregate and individual market risks are within acceptable levels.

本銀行設有市場風險指標及限額，用於識別、計量、監測和控制市場風險。主要風險指標和限額包括但不限於風險值、止損額、敞口額、壓力測試以及敏感性分析等。主要風險指標和限額視管理需要劃分為三個層級，分別由風險管理委員會、資產負債管理委員會及財務管理部總經理批准，業務單位必須在批核的市場風險指標和限額範圍內開展業務。

The Bank sets up market risk indicators and limits to identify, measure, monitor and control market risk. Major risk indicators and limits include but are not limited to VAR, Stop Loss, Open Position, Stress Testing and Sensitivity Analysis etc. To meet management requirements, major risk indicators and limits are classified into three levels, and are approved by the RC, Asset and Liability Management Committee (ALCO) and the General Manager of FMD respectively. Business units are required to conduct their business within approved market risk indicators and limits.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

A. 風險值 A. VAR

本銀行採用風險值量度一般市場風險，並定期向風險管理委員會和高級管理層報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去兩年歷史市場數據為參照，計算 99% 置信水平下及 1 天持有期內集團層面的風險值，並設定本集團的風險值限額。

The Bank uses the VAR to measure and report general market risks to the RC and senior management on a periodic basis. The Group adopts a uniformed VAR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VAR of the Group over a one-day holding period with a 99% confidence level, and sets up the VAR limit of the Group.

下表詳述本銀行一般市場風險持倉的風險值[1]。

The following table sets out the VAR for all general market risk exposure[1] of the Bank.

		年份 Year	於12月31日 At 31 December	全年最低數值 Minimum for the year	全年最高數值 Maximum for the year	全年平均數值 Average for the year
			港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
全部市場風險之風險值	VAR for all market risk	**2019**	**793**	**73**	**798**	**426**
		2018	705	54	716	270
匯率風險之風險值	VAR for foreign exchange risk	**2019**	**793**	**73**	**798**	**426**
		2018	704	54	716	270
利率風險之風險值	VAR for interest rate risk	**2019**	**-**	**-**	**1**	**-**
		2018	1	-	1	-

註：

1. 不包括外匯結構性敞口的風險值。

Note:

1. Structural FX positions have been excluded.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4. Financial risk management (continued)

4.2 市場風險（續）

4.2 Market risk (continued)

A. 風險值（續）

A. VAR (continued)

雖然風險值是量度市場風險的一項重要指標，但也有其局限性，例如：

- 採用歷史市場數據估計未來動態未能顧及所有可能出現的情況，尤其是一些極端情況；
- 1 天持有期的計算方法假設所有頭盤均可以在一日內套現或對沖。這項假設未必能完全反映市場風險，尤其在市場流通度極低時，可能未及在 1 天持有期內套現或對沖所有頭盤；
- 根據定義，當採用 99% 置信水平時，即未有考慮在此置信水平以外或會出現的虧損；及
- 風險值是以營業時間結束時的頭盤作計算基準，因此並不一定反映交易時段內的風險。

本銀行充分了解風險值指標的局限性，因此，制定了壓力測試指標及限額以評估和管理風險值不能涵蓋的市場風險。市場風險壓力測試包括按不同風險因素改變的嚴峻程度所作的敏感性測試，以及對歷史事件的情景分析，如 1994 債券市場危機、1997 亞洲金融風暴以及 2008 金融海嘯等。

Although a valuable guide to market risk, VAR should always be viewed in the context of its limitations. For example:

- the use of historical market data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;
- the use of a one-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;
- the use of a 99% confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and
- VAR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

The Bank recognises these limitations by formulating stress test indicators and limits to assess and manage the market risk uncovered by VAR. The stress testing programme of the market risk includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1994 Bond Market Crash, 1997 Asian Financial Crisis and 2008 Financial Tsunami, etc.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

B. 外匯風險 B. Currency risk

本集團的資產及負債集中在港元、美元及人民幣等主要貨幣。為確保外匯風險承擔保持在可接受水平，本集團利用風險限額（例如頭盤及風險值限額）作為監控工具。此外，本集團致力於減少同一貨幣的資產與負債錯配，並通常利用外匯合約（例如外匯掉期）管理由外幣資產負債所產生的外匯風險。

The Group's assets and liabilities are denominated in major currencies, particularly the HK dollar, the US dollar and Renminbi. To ensure the currency risk exposure of the Group is kept to an acceptable level, risk limits (e.g. Position and VAR limit) are used to serve as a monitoring tool. Moreover, the Group seeks to minimise the gap between assets and liabilities in the same currency. Foreign exchange contracts (e.g. FX swaps) are usually used to manage FX risk associated with foreign currency-denominated assets and liabilities.

於報告期結束日，本集團的以下結構性持倉淨額不低於結構性外幣淨持倉總額 10%：

The Group had the following net structural positions which were not less than 10% of the total net structural foreign currency position at the end of the reporting period:

		2019		
		港幣千元等值 Equivalent in thousand of HK$		
		美元 **US Dollars**	人民幣 **Renminbi**	外幣總額 **Total foreign currencies**
結構性倉盤淨額	Net structural position	**1,933,901**	**1,691,215**	**3,625,116**

		2018		
		港幣千元等值 Equivalent in thousand of HK$		
		美元 US Dollars	人民幣 Renminbi	外幣總額 Total foreign currencies
結構性倉盤淨額	Net structural position	1,944,791	1,079,684	3,024,475

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

C. 利率風險 C. Interest rate risk

利率風險是指因利率水平、資產負債期限結構等要素發生變動而可能導致銀行整體收益和經濟價值承受損失的風險。本集團的利率風險承擔主要來自結構性持倉。結構性持倉的主要利率風險類別為：

- 缺口風險：因不同到期期限的票據的利率變動所產生的風險。缺口風險的程度視乎有關利率的期限結構的變動，是否一致地出現在整個收益率曲線(平行風險)或不同期限各有不同(非平行風險)；

- 息率基準風險：不同交易的定價基準不同，令資產的收益率和負債的成本可能會在同一重訂價格期間以不同的幅度變化；及

- 期權風險：由利率期權衍生工具或資產、負債及／或表外工具所包含具有選擇權的元素引起，可更改相關現金流的水平及時間。期權風險可按其特點進一步區分為自動化期權風險及習性期權風險。

本集團風險管理架構同樣適用於利率風險管理。根據董事會批准的《銀行賬利率風險管理政策》，資產負債管理委員會具體履行管理集團利率風險的職責。財務管理部主責利率風險管理，在金融市場部的配合下，協助資產負債管理委員會開展日常的利率風險管理工作，包括但不限於起草管理政策，選擇管理方法，設立風險指標和限額，評估目標資產負債平衡表，監督利率風險管理政策與限額執行情況，向高級管理層以及風險管理委員會提交利率風險管理報告等。

Interest rate risk means the risks to a bank's earnings and economic value arising from movements in interest rate and term structures of the bank's asset and liability positions. The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are:

- gap risk: gap risk is the risk arising from the changes in the interest rates on instruments of different maturities. The extent of gap risk depends on whether changes to the term structure of interest rates occur consistently across the yield curve (parallel risk) or differentially by period (non-parallel risk);

- basis risk: different pricing basis for different transactions resulting that the yield on assets and cost of liabilities may change by different amounts within the same repricing period; and

- option risk: option risk arises from interest rate option derivatives or from optional elements embedded in an authorised institution's assets, liabilities and/or off-balance sheet instruments, where the authorised institutions or its customer can alter the level and timing of their cash flows. Option risk can be further characterised into automatic option risk and behavioural option risk.

The Group's risk management framework applies also to interest rate risk management. The ALCO exercises its oversight of interest rate risk in accordance with the "Banking Book Interest Rate Risk Management Policy" approved by the Board. FMD is responsible for interest rate risk management. With the cooperation of Financial Markets Department, FMD assists the ALCO to perform day-to-day interest rate risk management. Its roles include, but are not limited to, the formulation of management policies, selection of methodologies, setting of risk indicators and limits, assessment of target balance sheet, monitoring of the compliance with policies and limits, and submission of interest rate risk management reports to the senior management and the RC, etc.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4. Financial risk management (continued)

4.2 市場風險（續）

4.2 Market risk (continued)

C. 利率風險（續）

C. Interest rate risk (continued)

本集團設定利率風險指標及限額，用於識別、計量、監測和控制利率風險。主要風險指標和限額包括但不限於重訂價缺口、利率基準風險、基點現值(PVBP)、淨利息波動比率(NII)、經濟價值波動比率(EV)等。主要風險指標和限額劃分不同層級，按不同層級分別由風險管理委員會、資產負債管理委員會及財務管理部總經理批准。承擔利率風險的各業務單位必須在利率風險指標限額範圍內開展相關業務。本集團推出銀行賬新產品或新業務前，相關單位須先執行風險評估程序，包括評估其潛在的利率風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行利率風險造成重大影響，須上報風險管理委員會審批。

The Group sets out interest rate risk indicators and limits to identify, measure, monitor and control interest rate risk. The indicators and limits include, but are not limited to, repricing gap limits, basis risk, price value of a basis point (PVBP), net interest income sensitivity ratio (NII), economic value sensitivity ratio (EV), etc. The indicators and limits are classified into different levels, which are approved by the RC, ALCO and the General Manager of FMD accordingly. Risk-taking business units are required to conduct their business within the boundary of the interest rate risk limits. Before launching a new product or business in the banking book, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying interest rate risk and consideration of the adequacy of current risk monitoring mechanism. Any material impact on interest rate risk noted during the risk assessment process will be submitted to the RC for approval.

淨利息波動比率(NII)和經濟價值波動比率(EV)反映利率變動對集團淨利息收入和資本基礎的影響，是本集團管理利率風險的重要風險指標。前者衡量利率變動導致的淨利息收入變動佔當年預期淨利息收入的比率；後者衡量利率變化對銀行經濟價值（即按市場利率折算的資產、負債及表外業務預測現金流的淨現值）的影響佔最新資本基礎的比率。風險管理委員會為這兩項指標設定限額，用來監測和控制本集團銀行賬利率風險。

NII and EV assess the impact of interest rate movement on the Group's net interest income and capital base. They are the Group's key interest rate risk indicators. The former assesses the impact of interest rate movement on net interest income as a percentage to the projected net interest income for the year. The latter assesses the impact of interest rate movement on economic value (i.e. the net present value of cash-flows of assets, liabilities and off-balance sheet items discounted using market interest rate) as a percentage to the latest capital base. Limits are set by the RC on these two indicators to monitor and control the Group's banking book interest rate risk.

本集團採用情景分析和壓力測試方法，評估不利市況下銀行賬可能承受的利率風險。情景分析和壓力測試同時用於測試儲蓄存款客戶擇權及按揭客戶提早還款對銀行淨利息收入和經濟價值的影響。

The Group uses scenario analyses and stress tests to assess the banking book interest rate risk that the Group would face under adverse circumstances. Scenario analyses and stress tests are also used to assess the impact on net interest income and economic value arising from the optionality of savings deposits and the prepayment of mortgage loans.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

C. 利率風險（續） C. Interest rate risk (continued)

下表概述了本集團於 12 月 31 日之資產負債表內的利率風險承擔。表內以賬面值列示資產及負債，並按合約重訂息率日期或到期日（以較早者為準）分類。

The tables below summarise the Group's on-balance sheet exposure to interest rate risk as at 31 December. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing date and maturity date.

		2019						
		一個月內 Up to 1 month 港幣千元 HK$'000	一至三個月 1 to 3 months 港幣千元 HK$'000	三至十二個月 3 to 12 months 港幣千元 HK$'000	一至五年 1 to 5 years 港幣千元 HK$'000	五年以上 Over 5 years 港幣千元 HK$'000	不計息 Non-interest bearing 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
資產	**Assets**							
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	13,924,513	-	-	-	-	4,311,475	18,235,988
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	3,506,091	1,313,121	-	-	-	4,819,212
衍生金融工具	Derivative financial instruments	-	-	-	-	-	122,133	122,133
客戶貸款及貿易票據	Advances to customers and trade bills	53,135,176	9,958,833	12,747,625	1,118,133	27,124	-	76,986,891
證券投資	Investment in securities							
– 強制性以公平值變化計入損益之證券	– securities mandatorily measured at FVTPL	12,536	55,340	20,549	53,407	6,318	-	148,150
– 界定為以公平值變化計入損益之證券	– securities designated at FVTPL	-	-	-	214,401	156,206	-	370,607
– 以公平值變化計入其他全面收益之證券	– securities at FVOCI	4,753,137	7,967,402	9,618,909	22,380,635	-	27,183	44,747,266
– 以攤餘成本計量之證券	– securities at amortised cost	-	705,422	93,230	843,745	-	-	1,642,397
投資物業	Investment properties	-	-	-	-	-	237,150	237,150
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	2,021,072	2,021,072
其他資產（包括遞延稅項資產）	Other assets (including deferred tax assets)	21,917	-	-	-	-	501,998	523,915
資產總額	**Total assets**	71,847,279	22,193,088	23,793,434	24,610,321	189,648	7,221,011	149,854,781
負債	**Liabilities**							
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(7,543,112)	(1,559,588)	(6,348,801)	-	-	(2,295,962)	(17,747,463)
衍生金融工具	Derivative financial instruments	-	-	-	-	-	(40,361)	(40,361)
客戶存款	Deposits from customers	(44,942,074)	(31,812,183)	(34,016,778)	(1,849,932)	-	(3,670,467)	(116,291,434)
其他賬項及準備 （包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	(315,413)	(11,162)	(50,251)	(153,885)	(17,106)	(1,104,717)	(1,652,534)
負債總額	**Total liabilities**	(52,800,599)	(33,382,933)	(40,415,830)	(2,003,817)	(17,106)	(7,111,507)	(135,731,792)
利率敏感度缺口	Interest sensitivity gap	19,046,680	(11,189,845)	(16,622,396)	22,606,504	172,542	109,504	14,122,989

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

C. 利率風險（續） C. Interest rate risk (continued)

		2018 (restated)						
		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non-interest bearing	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
資產	**Assets**							
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	14,408,002	-	-	-	-	1,038,010	15,446,012
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	4,784,315	1,518,248	-	-	-	6,302,563
衍生金融工具	Derivative financial instruments	-	-	-	-	-	122,680	122,680
客戶貸款及貿易票據	Advances to customers and trade bills	41,981,083	6,591,112	1,318,363	43,679	53	-	49,934,290
證券投資	Investment in securities							
– 強制性以公平值變化計入損益之證券	– securities mandatorily measured at FVTPL	-	-	-	-	-	-	-
– 界定為以公平值變化計入損益之證券	– securities designated at FVTPL	-	-	-	210,135	154,469	-	364,604
– 以公平值變化計入其他全面收益之證券	– securities at FVOCI	2,431,499	3,244,648	6,269,661	14,557,290	-	88,903	26,592,001
– 以攤餘成本計量之證券	– securities at amortised cost	-	710,521	151,698	808,682	-	-	1,670,901
投資物業	Investment properties	-	-	-	-	-	233,350	233,350
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	1,738,569	1,738,569
其他資產（包括遞延稅項資產）	Other assets (including deferred tax assets)	-	-	-	-	-	467,657	467,657
資產總額	**Total assets**	58,820,584	15,330,596	9,257,970	15,619,786	154,522	3,689,169	102,872,627
負債	**Liabilities**							
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(7,460,496)	(22,655)	(2,255,961)	(1,750,994)	-	(443,164)	(11,933,270)
衍生金融工具	Derivative financial instruments	-	-	-	-	-	(43,268)	(43,268)
客戶存款	Deposits from customers	(34,386,316)	(13,358,293)	(27,277,475)	(840,862)	-	(2,466,569)	(78,329,515)
其他賬項及準備 （包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	(186,547)	-	-	-	-	(776,831)	(963,378)
負債總額	**Total liabilities**	(42,033,359)	(13,380,948)	(29,533,436)	(2,591,856)	-	(3,729,832)	(91,269,431)
利率敏感度缺口	Interest sensitivity gap	16,787,225	1,949,648	(20,275,466)	13,027,930	154,522	(40,663)	11,603,196

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

D. 本集團市場風險承擔之敏感度分析 D. Sensitivity analysis to market risk exposure of the Group

本集團主要面對港元、美元及人民幣利率風險。截至2019年12月31日，若港元、美元及人民幣市場利率的收益率曲線平行上移／下移100個基點，其他因素不變情況下，當年稅前溢利將會增加／減少港幣28,100,000元（2018年：港幣98,000,000元）。這對儲備的影響輕微。上述利率敏感度分析僅供說明用途。

The Group is principally exposed to HK dollar, US dollar, and Renminbi in terms of interest rate risk. As at 31 December 2019, if HK dollar, US dollar and Renminbi market interest rates had a 100 basis point parallel upward/downward shift of the yield curve in relevant currency with other variables held constant, profit before tax for the year would have been HK$28,100,000 (2018: HK$98,000,000) higher/lower. The impact on reserves would be insignificant. The sensitivity analysis set out above is for illustration only.

銀行賬利率風險

下列為若市場利率變化而對銀行賬主要貨幣利率風險潛在之影響，以下分析不包括附屬公司：

Interest rate exposures in banking book

The following is a summary of possible effects of market interest rates shocks on the interest rate exposure for major currencies in banking book. Subsidiaries are excluded from the analysis below:

盈利角度 測試情景	Earnings perspective Scenarios	於12月31日影響 Impact on positions at 31 December 2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
港元孳息曲線 平行上移／(下移)100基點	Up/(down) 100 basis points parallel shift in HK dollar yield curves	**173,500/(173,500)**	184,000/(184,000)
美元孳息曲線 平行上移／(下移)100基點	Up/(down) 100 basis points parallel shift in US dollar yield curves	**(51,000)/51,000**	(68,500)/68,500
人民幣孳息曲線 平行上移／(下移)100基點	Up/(down) 100 basis points parallel shift in Renminbi yield curves	**(94,400)/94,400**	(17,500)/17,500

上述敏感度計算僅供說明用途，當中包括（但不限於）下列假設，如相關貨幣息口的相關性變化、利率平行移動、未計及為減低利率風險可能採取的緩釋風險行動、對沖會計的有效性、所有持倉均計至到期日為止、實際重訂息日與合約重訂息日有差異或沒有到期日之產品的習性假設。上述風險水平只為本集團整體利率風險的一部分。

The sensitivities above are for illustration only and are based on several assumptions, including, but not limited to, the change in the correlation between interest rates of relevant currencies, parallel movement of interest rates, the absence of actions that would be taken to mitigate the impact of interest rate risk, the effectiveness of hedge accounting, all positions being assumed to run to maturity, behavioural assumptions of products in which actual repricing date differs from contractual repricing date or products without contractual maturity. The above exposures form only a part of the Group's overall interest rate risk exposures.

4. 金融風險管理（續）

4. Financial risk management (continued)

4.3 流動資金風險

流動資金風險是指銀行因無法提供充裕資金以應對資產增加或履行到期義務，而可能要承受的不欲接受的損失。本集團遵循穩健的流動資金風險偏好，確保在正常情況或壓力情景下均有能力提供穩定、可靠和足夠的現金來源，滿足流動資金需求；在極端情景下無需借助金管局的流動性支持，累積的淨現金流為正值，可以保證基本生存期內的流動資金需要。

本集團管理流動資金風險的目標，是按照流動資金風險偏好，以合理的成本有效管理資產負債表內及表外業務的流動性，實現穩健經營和持續盈利。本集團以客戶存款為主要的資金來源，積極吸納和穩定核心存款，並輔以同業市場拆入款項，確保穩定和充足的資金來源。本集團根據不同期限及壓力情景下的流動資金需求，調整資產組合的結構（包括貸款、債券投資及拆放同業等），保持充足的流動資產，以便提供足夠的流動資金支持正常業務需要，及在緊急情況下有能力以合理的成本及時籌集到資金，保證對外支付。本集團致力實現資金運用、融資渠道和期限的多樣化，以避免資產負債過於集中，防止因資金來源或運用過於集中在某個方面，當其出現問題時，導致整個資金供應鏈斷裂，觸發流動資金風險。本集團制訂了集團內部流動資金風險管理指引，管理集團內各成員之間的流動資金，避免相互間在資金上過度依賴。本集團亦注重管理表外業務，如貸款承諾、衍生工具、期權及其他複雜的結構性產品可能產生的流動資金風險。本集團的流動資金風險管理策略涵蓋了外幣資產負債流動管理、抵押品、即日流動性、集團內流動性以及其他風險引致的流動資金風險等，並針對流動資金風險制訂了應急計劃。如有需要，為減低流動資金風險，本集團會採取緩解措施，包括但不限於在二級市場出售債券，在同業市場融資或在貨幣市場進行回購，積極吸納和穩定核心存款。

4.3 Liquidity risk

Liquidity risk is the risk that banks fail to provide sufficient funds to grow assets or pay due obligations, and need to bear an unacceptable loss. The Group maintains sound liquidity risk appetite to provide stable, reliable and adequate sources of cash to meet liquidity needs under normal circumstances or stressed scenarios; and to survive with net positive cumulative cash flow in extreme scenarios, without requesting the HKMA to act as the lender of last resort.

The Group's liquidity risk management objective is to effectively manage the liquidity of on- and off-balance sheet items with reasonable cost based on the liquidity risk appetite to achieve sound operation and sustainable profitability. Deposits from customers are the Group’s primary source of funds. To ensure stable and sufficient source of funds are in place, the Group actively attracts new deposits, keeps the core deposit and obtains supplementary funding from the interbank market. According to different term maturities and the results of funding needs estimated from stressed scenarios, the Group adjusts its asset structure (including loans, bonds investment, interbank placement, etc.) to maintain sufficient liquid assets which provides adequate funds in support of normal business needs and ensure its ability to raise funds at a reasonable cost to serve external claims in case of emergency. The Group is committed to diversify the use of funds and sources and tenors of funding to avoid excessive concentration of assets and liabilities and prevent triggering liquidity risk due to the break of funding strand when problem occurred in one concentrated funding source. The Group has established intra-group liquidity risk management guideline to manage the liquidity funding among different entities within the Group, and to restrict their reliance of funding on each other. The Group also pays attention to manage liquidity risk created by off-balance sheet activities, such as loan commitments, derivatives, options and other complex structured products. The Group has an overall liquidity risk management strategy to cover the liquidity management of foreign currency assets and liabilities, collateral, intra-day liquidity, intra-group liquidity, the liquidity risk arising from other risks, etc., and has formulated corresponding contingency plan. Where necessary, in order to mitigate liquidity risk, the Group could take different mitigation actions which include, but are not limited to sales of bonds in the secondary market, funding from interbank market or repo in the money market, attracting new deposits and keeping the core deposit.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續）

4. Financial risk management (continued)

4.3 流動資金風險（續）

風險管理委員會是流動資金風險管理決策機構，並對流動資金風險承擔最終管理責任。風險管理委員會授權資產負債管理委員會管理日常的流動資金風險，確保本集團的業務經營符合董事會設定的流動資金風險偏好和政策規定。財務管理部主責本集團流動資金風險管理，它與金融市場部合作，根據各自的職責分工協助資產負債管理委員會履行具體的流動資金管理職能。

本集團設定流動資金風險指標和限額，每日用來識別、計量、監測和控制流動資金風險，包括但不限於流動性覆蓋比率、淨穩定資金比率、貸存比率、最大累計現金流出、以及流動資金緩衝等。本集團採用現金流量分析以評估本集團於正常情況下的流動資金狀況，並最少每月進行流動資金風險壓力測試（包括自身危機、市場危機情況及合併危機）和其他方法，評估本集團抵禦各種嚴峻流動資金危機的能力。本集團亦建立了相關管理資訊系統如資產負債管理系統及巴塞爾流動比率管理系統，提供數據及協助編製常規管理報表，以管理好流動資金風險。

本集團根據金管局頒佈之監管政策手冊 LM-2《穩健的流動性風險管理制度及管控措施》中的要求，落實對現金流分析及壓力測試當中所採用的習性模型及假設，以強化本集團於日常及壓力情景下的現金流分析。在日常情況下的現金流分析，本集團對各項應用於表內（如客戶存款）及表外（如貸款承諾）項目作出假設。因應不同資產、負債及表外項目的特性，根據合約到期日、客戶習性假設及資產負債規模變化假設，以預測本集團的未來現金流量狀況。本集團設定「最大累計現金流出」指標，根據以上假設預測在日常情況下的未來30日之最大累計現金淨流出，以評估本集團的融資能力是否足以應付該現金流缺口，以達到持續經營的目的。於 2019 年 12 月 31 日，在沒有考慮出售未到期有價證券的現金流入之情況下，本銀行之 30 日累計現金流是淨流入，為港幣 8,400,908,000 元（2018 年：港幣 6,579,324,000 元），符合內部限額要求。

4.3 Liquidity risk (continued)

The RC is the decision-making authority of liquidity risk management, and assumes the ultimate responsibility of liquidity risk management. As authorised by RC, ALCO exercises its oversight of liquidity risk and ensures the daily operations of the Group are in accordance with risk appetite and policies as set by the Board. FMD is responsible for overseeing the Group's liquidity risk. It cooperates with Financial Markets Department to assist the ALCO to perform liquidity management functions according to their specific responsibilities.

The Group established liquidity risk management indicators and limits to identify, measure, monitor and control liquidity risk on daily basis. These indicators and limits include, but are not limited to liquidity coverage ratio (LCR), net stable funding ratio (NSFR), loan-to-deposit ratio, maximum cumulative cash outflow (MCO) and liquidity cushion. The Group applies cash flow analysis to assess the Group's liquidity condition under normal conditions and also performs a liquidity stress test (including institution specific, general market crisis and combined crisis) and other methods at least on monthly basis to assess the Group's capability to withstand various severe liquidity crises. Also, relevant management information systems such as Assets and Liabilities Management System and Basel Liquidity Ratio Management System are developed to provide data and the preparation for regular management reports to facilitate liquidity risk management duties.

In accordance with the requirements of Supervisory Policy Manual LM-2 "Sound Systems and controls for Liquidity Risk Management" issued by the HKMA, the Group has implemented behaviour model and assumptions of cash flow analysis and stress test to enhance the Group's cash flow analysis under both normal and stressed conditions. In cash flow analysis under normal circumstances, assumptions have been made relating to on-balance sheet items (such as deposits from customers) and off-balance sheet items (such as loan commitments). According to various characteristics of the assets, liabilities and off-balance sheet items, the Group forecasts the future cash flow based on contractual maturity date and the assumptions of customer behaviour and balance sheet changes. The Group establishes MCO indicator which predicts the future 30 days maximum cumulative net cash outflow in normal situations based on the above assumptions, to assess if the Group has sufficient financing capacity to meet the cash flow gap in order to achieve the objective of continuing operation. As at 31 December 2019, before taking the cash inflow through the sale of outstanding marketable securities into consideration, the Bank's 30-day cumulative cash flow was a net cash inflow, amounting to HK$8,400,908,000 (2018: HK$6,579,324,000) and was in compliance with the internal limit requirements.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

在流動資金風險壓力測試中，本集團設立了自身危機、市場危機及合併危機情景，合併危機情景結合自身危機及市場危機，並採用一套更嚴謹的假設，以評估本集團於更嚴峻的流動資金危機情況下的抵禦能力。壓力測試的假設包括零售存款、批發存款及同業存款之流失率，貸款承擔及與貿易相關的或然負債之提取率，貸款逾期比例及滾動發放比率，同業拆出及有價證券的折扣率等。於 2019 年 12 月 31 日，本集團在以上三種壓力情景下都能維持現金淨流入，表示本集團有能力應付壓力情景下的融資需要。此外，本集團的管理政策要求本集團維持流動資金緩衝，當中包括的高質素或質素相若有價證券為由官方實體、中央銀行、公營單位或多邊發展銀行發行或擔保，而其風險權重為 0% 或 20%，或由非金融企業發行的有價證券，其外部信用評級相等於 A-或以上，以確保在壓力情況下的資金需求。於 2019 年 12 月 31 日，流動資金緩衝（折扣前）為港幣 24,625,303,000 元（2018 年：港幣 12,041,088,000 元）。應急計劃明確了需根據壓力測試結果和預警指標結果為啟動方案的條件，並詳述了相關行動計劃、程序以及各相關部門的職責。

In the liquidity stress test, institution specific, general market crisis and combined crisis scenario has been set up, combined crisis scenario is a combination of institution specific and general market crisis to assess the Group's capability to withstand a more severe liquidity crisis, with a more stringent set of assumptions being adopted. Stress test assumptions include the run-off rate of retail, wholesale and interbank deposits; drawdown rate of loan commitments and trade-related contingent liabilities; delinquency ratio and rollover rate of customer loans; and haircut of interbank placement and marketable securities. As at 31 December 2019, the Group was able to maintain a net cash inflow under the three stressed scenarios, indicating the Group has the ability to meet financing needs under stressed conditions. In addition, the Group has a policy in place to maintain a liquidity cushion which includes high quality or comparable quality marketable securities issued or guaranteed by sovereigns, central banks, public sector entities or multilateral development banks with 0% or 20% risk weight or marketable securities issued by non-financial corporate with a corresponding external credit rating of A- or above to ensure funding needs even under stressed scenarios. As at 31 December 2019, the liquidity cushion (before haircut) was HK$ 24,625,303,000 (2018: HK$12,041,088,000). A contingency plan is being established which details the conditions to trigger the plan based on stress test results and early warning indicators, the action plans and relevant procedures and responsibility of various departments.

流動性覆蓋比率是根據由 2015 年 1 月 1 日起生效的《銀行業（流動性）規則》計算，本集團被金管局指定為第一類認可機構，並需要以綜合基礎計算。於 2019 年度，本集團須維持流動性覆蓋比率不少於 100%。

The LCR is calculated in accordance with the Banking (Liquidity) Rules effective from 1 January 2015, the Group, being classified as category 1 authorised institution by the HKMA, is required to calculate LCR on consolidated basis. During the year of 2019, the Group is required to maintain a LCR not less than 100%.

穩定資金淨額比率是根據由 2018 年 1 月 1 日起生效的《銀行業（流動性）規則》計算，本集團被金管局指定為第一類認可機構，並需要以綜合基礎計算。本集團須維持穩定資金淨額比率不少於 100%。

The NSFR is calculated in accordance with the Banking (Liquidity) Rules effective from 1 January 2018, the Group, being classified as category 1 authorised institution by the HKMA, is required to calculate NSFR on consolidated basis. The Group is required to maintain a NSFR not less than 100%.

本集團對流動資金風險的管理，同時適用於新產品或新業務。在新產品或業務推出前，相關單位必須首先履行風險評估程序，包括評估潛在的流動資金風險，並考慮現行管理措施是否足夠控制相關風險。如果新產品或新業務可能對銀行流動資金風險形成重大影響，須上報風險管理委員會審批。

The Group's liquidity risk management also covers new products or business developments. Before launching a new product or business, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying liquidity risk and consideration of the adequacy of the current risk management mechanism. Any material impact on liquidity risk noted during the risk assessment process will be reported to RC for approval.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

A. 到期日分析 A. Maturity analysis

下表為本集團於12月31日之資產及負債的到期日分析，按於結算日時，資產及負債相距合約到期日的剩餘期限分類。

The tables below analyse the Group's assets and liabilities as at 31 December into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date.

		2019							
		即期 On demand	一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定日期 Indefinite	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
資產	**Assets**								
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	6,104,131	10,633,966	-	-	-	-	1,497,891	18,235,988
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	-	3,506,091	1,313,121	-	-	-	4,819,212
衍生金融工具	Derivative financial instruments	87,106	5,259	6,763	14,805	8,200	-	-	122,133
客戶貸款及貿易票據	Advances to customers and trade bills	16,224,011	3,202,383	6,801,934	23,734,721	22,269,514	4,754,328	-	76,986,891
證券投資	Investment in securities								
– 強制性以公平值變化計入損益之證券	– securities mandatorily measured at FVTPL	-	12,814	50,971	20,615	57,468	6,282	-	148,150
– 界定為以公平值變化計入損益之證券	– securities designated at FVTPL	-	613	1,215	1,770	212,356	154,653	-	370,607
– 以公平值變化計入其他全面收益之證券	– securities at FVOCI	-	3,740,834	4,382,640	10,141,356	26,455,253	-	27,183	44,747,266
– 以攤餘成本計量之證券	– securities at amortised cost	-	8,437	1,598	135,038	1,497,324	-	-	1,642,397
投資物業	Investment properties	-	-	-	-	-	-	237,150	237,150
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	2,021,072	2,021,072
其他資產（包括遞延稅項資產）	Other assets (including deferred tax assets)	145,840	230,619	144,323	304	-	-	2,829	523,915
資產總額	**Total assets**	22,561,088	17,834,925	14,895,535	35,361,730	50,500,115	4,915,263	3,786,125	149,854,781
負債	**Liabilities**								
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(4,530,452)	(5,308,622)	(1,559,588)	(6,348,801)	-	-	-	(17,747,463)
衍生金融工具	Derivative financial instruments	(6,246)	(15,683)	(1,045)	(5,799)	(11,588)	-	-	(40,361)
客戶存款	Deposits from customers	(27,832,051)	(20,780,489)	(31,812,183)	(34,016,778)	(1,849,933)	-	-	(116,291,434)
其他賬項及準備（包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	(581,226)	(371,590)	(51,439)	(292,270)	(153,966)	(17,025)	(185,018)	(1,652,534)
負債總額	**Total liabilities**	(32,949,975)	(26,476,384)	(33,424,255)	(40,663,648)	(2,015,487)	(17,025)	(185,018)	(135,731,792)
流動資金缺口	Net liquidity gap	(10,388,887)	(8,641,459)	(18,528,720)	(5,301,918)	48,484,628	4,898,238	3,601,107	14,122,989

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

A. 到期日分析（續） A. Maturity analysis (continued)

		2018							
		即期 On demand 港幣千元 HK$'000	一個月內 Up to 1 month 港幣千元 HK$'000	一至三個月 1 to 3 months 港幣千元 HK$'000	三至十二個月 3 to 12 months 港幣千元 HK$'000	一至五年 1 to 5 years 港幣千元 HK$'000	五年以上 Over 5 years 港幣千元 HK$'000	不確定日期 Indefinite 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
資產	**Assets**								
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	1,877,197	13,035,493	-	-	-	-	533,322	15,446,012
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	-	4,784,315	1,518,248	-	-	-	6,302,563
衍生金融工具	Derivative financial instruments	96,038	509	7,115	1,415	13,968	3,635	-	122,680
客戶貸款及貿易票據	Advances to customers and trade bills	8,777,625	3,212,005	3,035,831	8,735,806	21,484,038	4,688,985	-	49,934,290
證券投資	Investment in securities								
– 強制性以公平值變化計入損益之證券	– securities mandatorily measured at FVTPL	-	-	-	-	-	-	-	-
– 界定為以公平值變化計入損益之證券	– securities designated at FVTPL	-	617	1,222	1,771	208,078	152,916	-	364,604
– 以公平值變化計入其他全面收益之證券	– securities at FVOCI	-	2,178,850	1,821,667	6,334,276	16,168,305	-	88,903	26,592,001
– 以攤餘成本計量之證券	– securities at amortised cost	-	7,391	1,954	158,706	1,502,850	-	-	1,670,901
投資物業	Investment properties	-	-	-	-	-	-	233,350	233,350
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	1,738,569	1,738,569
其他資產（包括遞延稅項資產）	Other assets (including deferred tax assets)	85,728	209,050	157,851	541	-	-	14,487	467,657
資產總額	**Total assets**	10,836,588	18,643,915	9,809,955	16,750,763	39,377,239	4,845,536	2,608,631	102,872,627
負債	**Liabilities**								
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(5,984,733)	(1,918,927)	(22,655)	(2,255,961)	(1,750,994)	-	-	(11,933,270)
衍生金融工具	Derivative financial instruments	(8,021)	(16,824)	(2,300)	(1,668)	(11,158)	(3,297)	-	(43,268)
客戶存款	Deposits from customers	(23,875,084)	(12,977,801)	(13,358,293)	(27,277,475)	(840,862)	-	-	(78,329,515)
其他賬項及準備（包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	(450,543)	(124,344)	(23,575)	(222,329)	-	-	(142,587)	(963,378)
負債總額	**Total liabilities**	(30,318,381)	(15,037,896)	(13,406,823)	(29,757,433)	(2,603,014)	(3,297)	(142,587)	(91,269,431)
流動資金缺口	Net liquidity gap	(19,481,793)	3,606,019	(3,596,868)	(13,006,670)	36,774,225	4,842,239	2,466,044	11,603,196

本集團將逾期列為「即期」資產。對於按不同款額或分期償還之資產，只有該資產中實際逾期之部分被視作逾期。其他未到期之部分仍繼續根據剩餘期限分類。上述列示之資產已扣除任何相關準備（如有）。

The Group has reported assets such as advances and debt securities which have been overdue as “On demand”. In the case of an asset that is repayable by different payments or instalments, only that portion of the asset that is actually overdue is reported as overdue. Any part of the asset that is not due is reported according to the residual maturity. The above assets are stated after deduction of provisions, if any.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

B. 按合約到期日分析之未折現現金流 B. Analysis of undiscounted cash flows by contractual maturities

(a) 非衍生工具之現金流 (a) Non-derivative cash flows

下表概述了本集團於 12 月 31 日之非衍生金融負債以剩餘合約到期日列示之現金流。

The tables below summarise the cash flows of the Group as at 31 December for non-derivative financial liabilities by remaining contractual maturity.

2019

		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
金融負債	**Financial liabilities**						
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(9,841,190)	(1,567,829)	(6,465,183)	-	-	(17,874,202)
客戶存款	Deposits from customers	(48,633,964)	(31,946,437)	(34,451,129)	(2,138,214)	-	(117,169,744)
其他金融負債	Other financial liabilities	(759,801)	(15,108)	(137,267)	(153,966)	(17,025)	(1,083,167)
金融負債總額	**Total financial liabilities**	(59,234,955)	(33,529,374)	(41,053,579)	(2,292,180)	(17,025)	(136,127,113)

2018

		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
金融負債	**Financial liabilities**						
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(7,905,985)	(22,654)	(2,316,370)	(1,760,973)	-	(12,005,982)
客戶存款	Deposits from customers	(36,864,280)	(13,412,061)	(27,734,773)	(894,066)	-	(78,905,180)
其他金融負債	Other financial liabilities	(549,995)	(8,345)	(77,829)	-	-	(636,169)
金融負債總額	**Total financial liabilities**	(45,320,260)	(13,443,060)	(30,128,972)	(2,655,039)	-	(91,547,331)

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

B. 按合約到期日分析之未折現現金流（續） B. Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流 (b) Derivative cash flows

下表概述了本集團於12月31日以剩餘合約到期日列示之現金流，包括按淨額基準結算之衍生金融負債，及所有按總額基準結算之衍生金融工具（不論有關合約屬資產或負債）。除部分衍生工具以公平值列示外，下表披露的其他金額均為未經折現的合同現金流。

The tables below summarise the cash flows of the Group by remaining contractual maturity as at 31 December for derivative financial liabilities that will be settled on a net basis, together with all derivative financial instruments that will be settled on a gross basis regardless of whether the contract is in an asset or liability position. The amounts disclosed in the tables are the contractual undiscounted cash flows, except for certain derivatives which are disclosed at fair value.

本集團按淨額基準結算之衍生金融工具主要包括利率掉期，而按總額基準結算之衍生金融工具主要包括貨幣遠期及貨幣掉期。

The Group's derivative financial instruments that will be settled on a net basis mainly include interest rate swaps whereas derivative financial instruments that will be settled on a gross basis mainly include currency forwards and currency swaps.

		2019					
		一個月內 **Up to 1 month**	一至三個月 **1 to 3 months**	三至十二個月 **3 to 12 months**	一至五年 **1 to 5 years**	五年以上 **Over 5 years**	總計 **Total**
		港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**
按淨額基準結算之衍生金融負債	Derivative financial liabilities settled on a net basis	**(6,583)**	**(1,617)**	**(1,491)**	**(8,336)**	**-**	**(18,027)**
按總額基準結算之衍生金融工具	Derivative financial instruments settled on a gross basis						
總流入	Total inflow	**2,201,560**	**2,054,737**	**4,109,610**	**-**	**-**	**8,365,907**
總流出	Total outflow	**(2,221,216)**	**(2,047,317)**	**(4,093,243)**	**-**	**-**	**(8,361,776)**

		2018					
		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
按淨額基準結算之衍生金融負債	Derivative financial liabilities settled on a net basis	(8,406)	2,030	(8,714)	(9,376)	(164)	(24,630)
按總額基準結算之衍生金融工具	Derivative financial instruments settled on a gross basis						
總流入	Total inflow	8,611,283	2,363,904	930,055	-	-	11,905,242
總流出	Total outflow	(8,629,885)	(2,354,565)	(930,535)	-	-	(11,914,985)

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

B. 按合約到期日分析之未折現現金流（續） B. Analysis of undiscounted cash flows by contractual maturities (continued)

(c) 資產負債表外項目

貸款承擔

有關本集團於2019年12月31日向客戶承諾延長信貸及其他融資之表外金融工具，其合約金額為港幣12,132,223,000元（2018年：港幣10,801,604,000元）。

財務擔保及其他財務融資

本集團於2019年12月31日之財務擔保及其他財務融資金額為港幣505,653,000元（2018年：港幣645,664,000元），其到期日少於一年。

(c) Off-balance sheet items

Loan commitments

The contractual amounts of the Group's off-balance sheet financial instruments as at 31 December 2019 that the Group commits to extend credit to customers and other facilities amounted to HK$12,132,223,000 (2018: HK$10,801,604,000).

Financial guarantees and other financial facilities

Financial guarantees and other financial facilities of the Group as at 31 December 2019 amounting to HK$505,653,000 (2018: HK$645,664,000) are maturing no later than one year.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理 4.4 Capital management

本集團資本管理的主要目標是維持與銀行整體風險狀況相稱的資本充足水平，同時為股東帶來最大回報。資產負債管理委員會定期檢討本集團資本結構，並在需要時進行調整以保持風險、回報與資本充足性的最佳平衡。

The major objective of the Group's capital management is to maximise total shareholders' return while maintaining a capital adequacy position in relation to the Group's overall risk profile. The ALCO periodically reviews the Group's capital structure and adjusts the capital mix where appropriate to maintain an optimal balance among risk, return and capital adequacy.

本集團已經建立一套有效的資本管理政策和調控機制，並且運行良好。此套機制保證集團在支持業務發展的同時，滿足法定資本充足率的要求。資產負債管理委員會負責監控本集團的資本充足性。本集團在報告時段內就銀行業務符合各項金管局的法定資本規定，詳述如下：

The Group has developed and maintained a sound framework of policies and controls on capital management to support the development of the Group's business and to meet the statutory capital adequacy ratio requirement. The ALCO monitors the Group's capital adequacy requirement. The Group has complied with all the statutory capital requirements of the HKMA for the reported periods in respect of banking operation as further elaborated below:

本集團已採用基礎內部評級基準計算法計算大部分非證券化類別風險承擔的信貸風險資本要求。小部分信貸風險承擔則繼續按標準（信貸風險）計算法計算。本集團採用標準信貸估值調整方法，計算具有信貸估值調整風險的交易對手資本要求。

The Group has adopted the foundation internal ratings-based (FIRB) approach to calculate the credit risk capital charge for the majority of its non-securitisation exposures. A small residual credit exposures are remained under the standardised (credit risk) (STC) approach. The Group has adopted the standardised credit valuation adjustment (CVA) method to calculate the capital charge for the CVA risk of the counterparty.

本集團繼續採用內部模式計算法計算外匯及利率的一般市場風險資本要求，並獲金管局批准豁免計算結構性外匯敞口產生的市場風險資本要求。本集團繼續採用標準（市場風險）計算法計算其餘市場風險資本要求。

The Group continues to adopt the internal models (IMM) approach to calculate the general market risk capital charge for foreign exchange and interest rate exposures and, with the approvals from the HKMA, exclude its structural FX positions in the calculation of the market risk capital charge. The Group continues to adopt the standardised (market risk) (STM) approach to calculate the market risk capital charge for the remaining exposures.

本集團繼續採用標準（業務操作風險）計算法計算操作風險資本要求。

The Group continues to adopt standardised (operational risk) (STO) approach to calculate the operational risk capital charge.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

本集團於 2019 年繼續採用內部資本充足評估程序以符合金管局監管政策手冊「監管審查程序」內的要求。按金管局對第二支柱的指引，內部資本充足評估程序主要用以評估在第一支柱下未有涵蓋或充分涵蓋的重大風險所需的額外資本，從而設定本銀行最低普通股權一級資本比率、最低一級資本比率及最低總資本比率。同時，本集團亦就前述的資本比率設定了運作區間，以支持業務發展需要及促進資本的有效運用。本集團認爲內部資本充足評估程序是一個持續的資本管理過程，並會因應自身的整體風險狀況而定期重檢及按需要調整其資本結構。

The Group has continued to adopt an internal capital adequacy assessment process (ICAAP) to comply with the HKMA's requirements in the Supervisory Policy Manual "Supervisory Review Process" in 2019. Based on the HKMA's guidelines on Pillar II, ICAAP has been initiated to assess the extra capital needed to cover the material risks not captured or not adequately captured under Pillar I, and therefore minimum Common Equity Tier 1 capital ratio, minimum Tier 1 capital ratio and minimum Total capital ratio are determined. Meanwhile, operating ranges for the aforementioned capital ratios have also been established which enable the flexibility for future business growth and efficiency of capital utilisation. The Group considers this ICAAP as an ongoing process for capital management and periodically reviews and adjusts its capital structure where appropriate in relation to the overall risk profile.

此外，本集團每年制定年度資本規劃，由資產負債管理委員會審議後呈董事會批准。資本規劃從業務策略、股東回報、風險偏好、信用評級、監控要求等多維度評估對資本充足性的影響，從而預測未來資本需求及資本來源，以保障本集團能維持良好的資本充足性及資本組合結構，配合業務發展，保持風險、回報與資本充足性的最佳平衡。

In addition, the capital plan of the Group is drawn up annually and then submitted to the Board of Directors for approval after endorsement of the ALCO. The plan is built up by assessing the implications of various factors upon capital adequacy such as the business strategies, return on equity, risk appetite, credit rating, as well as regulatory requirements. Hence, the future capital requirement is determined and capital sources are identified also. The plan is to ensure the Group maintains adequate capital and appropriate capital structure which align with its business development needs, thereby achieving an optimal balance among risk, return and capital adequacy.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值

5. Fair values of assets and liabilities

所有以公平值計量或在財務報表內披露的資產及負債，均按香港財務報告準則第13號「公平值計量」的定義，於公平值層級表內分類。該等分類乃參照估值方法所採用的因素之可觀察性及重大性，並基於對整體公平值計量有重大影響之最低層級因素來釐定：

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as defined in HKFRS 13, "Fair value measurement". The categorisation are determined with reference to the observability and significance of the inputs used in the valuation methods and based on the lowest level input that is significant to the fair value measurement as a whole:

－第一層級：相同資產或負債在活躍市場中的報價（未經調整）。此層級包括部分政府發行的債務工具及若干場內交易的衍生合約。

－第二層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）可被直接或間接地觀察。此層級包括大部分場外交易的衍生合約、從估值服務供應商獲取價格的債務證券及存款證。同時亦包括對可觀察的市場因素進行了不重大調整的物業。

－第三層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）屬不可被觀察。此層級包括有重大不可觀察因素的股份投資及債務工具。同時亦包括對可觀察的市場因素進行了重大調整的物業。

– Level 1: based on quoted prices (unadjusted) in active markets for identical assets or liabilities. This category includes debt instruments issued by certain governments and certain exchange-traded derivative contracts.

– Level 2: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly. This category includes majority of the OTC derivative contracts, debt securities and certificates of deposit with quote from pricing services vendors. It also includes properties with insignificant adjustments made to observable market inputs.

– Level 3: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This category includes equity investment and debt instruments with significant unobservable components. It also includes properties with significant adjustments made to observable market inputs.

對於以重複基準確認於財務報表的資產及負債，本集團會於每一財務報告週期的結算日重新評估其分類（基於對整體公平值計量有重大影響之最低層級因素），以確定有否在公平值層級之間發生轉移。

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

本集團建立了完善的公平值管治及控制架構，公平值數據由獨立於前線的控制單位確定或核實。各控制單位負責獨立核實前線業務之估值結果及重大公平值數據。其他特定控制程序包括核實可觀察的估值參數、審核新的估值模型或任何模型改動、根據可觀察的市場交易價格校準及回顧測試所採用的估值模型、深入分析日常重大估值變動、評估重大不可觀察估值參數及估值調整。重大估值事項將向高級管理層、風險管理委員會及稽核委員會匯報。

The Group has an established governance structure and controls framework to ensure that fair values are either determined or validated by control units independent of the front offices. Control units have overall responsibility for independent verification of valuation results from front line businesses and all other significant fair value measurements. Specific controls include verification of observable pricing inputs; review and approval for new models and changes to models; calibration and back-testing of models against observed market transactions; analysis and investigation of significant daily valuation movements; review of significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to senior management, RC and AC.

當無法從公開市場獲取報價時，本集團通過一些估值技術或經紀／交易商之詢價來確定金融工具的公平值。

The Group uses valuation techniques or broker/dealer quotations to determine the fair value of financial instruments when unable to obtain the open market quotation in active markets.

對於本集團所持有的金融工具，其估值技術使用的主要參數包括債券價格、利率、匯率、權益及股票價格、波幅、交易對手信貸利差及其他等，主要為可從公開市場觀察及獲取的參數。

The main parameters used in valuation techniques for financial instruments held by the Group include bond prices, interest rates, foreign exchange rates, equity and stock prices, volatilities, counterparty credit spreads and others, which are mostly observable and obtainable from open market.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續）

5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具

用以釐定以下金融工具公平值的估值方法如下：

債務證券及存款證

此類工具的公平值由交易所、交易商或外間獨立估值服務供應商提供的市場報價或使用貼現現金流模型分析而決定。貼現現金流模型是一個利用預計未來現金流，以一個可反映市場上相類似風險的工具所需信貸息差之貼現率或貼現差額計量而成現值的估值技術。這些參數是市場上可觀察或由可觀察或不可觀察的市場數據證實。

衍生工具

場外交易的衍生工具合約包括外匯、利率、股票或商品的遠期、掉期及期權合約。衍生工具合約的價格主要由貼現現金流模型及期權計價模型等估值技術釐定。所使用的參數為可觀察或不可觀察市場數據。可觀察的參數包括利率、匯率、權益及股票價格、商品價格及波幅。不可觀察的參數如波幅平面可用於嵌藏於結構性存款中非交易頻繁的期權類產品。對一些複雜的衍生工具合約，公平值將按經紀／交易商之報價為基礎。

本集團對場外交易的衍生工具作出了信貸估值調整及債務估值調整。調整分別反映對市場因素變化、交易對手信譽及集團自身信貸息差的期望。有關調整主要是按每一交易對手，以未來預期敞口、違約率及收回率釐定。

5.1 Financial instruments measured at fair value

The technique used to calculate the fair value of the following financial instruments is as below:

Debt securities and certificates of deposit

The fair value of these instruments is determined by obtaining quoted market prices from exchange, dealer or independent pricing service vendors or using discounted cash flow technique. Discounted cash flow model is a valuation technique that measures present value using estimated expected future cash flows from the instruments and then discounts these flows using a discount rate or discount margin that reflects the credit spreads required by the market for instruments with similar risk. These inputs are observable or can be corroborated by observable or unobservable market data.

Derivatives

OTC derivative contracts include forward, swap and option contracts on foreign exchange, interest rate, equity or commodity. The fair values of these contracts are mainly measured using valuation techniques such as discounted cash flow models and option pricing models. The inputs can be observable or unobservable market data. Observable inputs include interest rate, foreign exchange rates, equity and stock prices, commodity prices and volatilities. Unobservable inputs such as volatility surface may be used for less commonly traded option products which are embedded in structured deposits. For certain complex derivative contracts, the fair values are determined based on broker/dealer price quotations.

Credit valuation adjustments (“CVA”) and debit valuation adjustments (“DVA”) are applied to the Group’s OTC derivatives. These adjustments reflect market factors movement, expectations of counterparty creditworthiness and the Group’s own credit spread respectively. They are mainly determined for each counterparty and are dependent on expected future values of exposures, default probabilities and recovery rates.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

A. 公平值的等級 A. Fair value hierarchy

		2019 第一層級 Level 1 港幣千元 HK$'000	第二層級 Level 2 港幣千元 HK$'000	第三層級 Level 3 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
金融資產	**Financial assets**				
強制性以公平值變化計入損益之證券（附註 23）	Investment in securities mandatorily measured at fair value through profit or loss (Note 23)				
－ 債務證券	- Debt securities	-	89,739	-	89,739
－ 存款證	- Certificates of deposit	-	58,411	-	58,411
界定為以公平值變化計入損益之證券（附註 23）	Investment in securities designated at fair value through profit or loss (Note 23)				
－ 債務證券	- Debt securities	-	370,607	-	370,607
衍生金融工具（附註 21）	Derivative financial instruments (Note 21)	-	122,133	-	122,133
以公平值變化計入其他全面收益的證券（附註 23）	Investment in securities measured at FVOCI (Note 23)				
－ 債務證券	- Debt securities	6,966,205	32,313,573	-	39,279,778
－ 存款證	- Certificates of deposit	-	5,440,305	-	5,440,305
－ 股份證券	- Equity securities	-	-	27,183	27,183
		6,966,205	38,394,768	27,183	45,388,156
金融負債	**Financial liabilities**				
衍生金融工具（附註 21）	Derivative financial Instruments (Note 21)	-	(40,361)	-	(40,361)

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

A. 公平值的等級（續） A. Fair value hierarchy (continued)

		2018			
		第一層級 Level 1 港幣千元 HK$'000	第二層級 Level 2 港幣千元 HK$'000	第三層級 Level 3 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
金融資產	**Financial assets**				
強制性以公平值變化計入損益之證券（附註23）	Investment in securities mandatorily measured at fair value through profit or loss (Note 23)				
－債務證券	- Debt securities	-	-	-	-
－存款證	- Certificates of deposit	-	-	-	-
界定為以公平值變化計入損益之證券（附註23）	Investment in securities designated at fair value through profit or loss (Note 23)				
－債務證券	- Debt securities	-	364,604	-	364,604
衍生金融工具（附註21）	Derivative financial instruments (Note 21)	-	122,680	-	122,680
以公平值變化計入其他全面收益的證券（附註23）	Investment in securities measured at FVOCI (Note 23)				
－債務證券	- Debt securities	2,331,316	22,237,616	-	24,568,932
－存款證	- Certificates of deposit	-	1,934,166	-	1,934,166
－股份證券	- Equity securities	-	67,438	21,465	88,903
		2,331,316	24,726,504	21,465	27,079,285
金融負債	**Financial liabilities**				
衍生金融工具（附註21）	Derivative financial Instruments (Note 21)	-	(43,268)	-	(43,268)

本集團之金融資產及負債於年內均沒有第一層級及第二層級之間的轉移（2018年：無）。

There were no financial asset and liability transfers between Level 1 and Level 2 for the Group during the year (2018: Nil).

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

B. 第三層級的項目變動 B. Reconciliation of level 3 items

		以公平值變化計入其他全面收益之金融資產 Financial assets at FVOCI		
		債務證券 Debt securities 港幣千元 HK$'000	股份證券 Equity securities 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於2019年1月1日	At 1 January 2019	**-**	**21,465**	**21,465**
收益	Gains			
– 其他全面收益	– Other comprehensive income			
–公平值變化	– Change in fair value	**-**	**5,718**	**5,718**
買入	Purchases	**-**	**-**	**-**
賣出	Sales	**-**	**-**	**-**
轉出第三層	Transfer out of Level 3	**-**	**-**	**-**
於2019年12月31日	At 31 December 2019	**-**	**27,183**	**27,183**

		以公平值變化計入其他全面收益之金融資產 Financial assets at FVOCI		
		債務證券 Debt securities 港幣千元 HK$'000	股份證券 Equity securities 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於2018年1月1日	At 1 January 2018	-	14,278	14,278
收益	Gains			
– 其他全面收益	– Other comprehensive income			
–公平值變化	– Change in fair value	-	6,870	6,870
買入	Purchases	-	317	317
賣出	Sales	-	-	-
轉出第三層	Transfer out of Level 3	-	-	-
於2018年12月31日	At 31 December 2018	-	21,465	21,465

於2019年12月31日及2018年12月31日，分類為第三層級的金融工具主要為非上市股權。

As at 31 December 2019 and 2018, financial instruments categorised as level 3 are mainly comprised of unlisted equity shares.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續）

5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續）

5.1 Financial instruments measured at fair value (continued)

B. 第三層級的項目變動（續）

B. Reconciliation of level 3 items (continued)

非上市股權的公平值的估算是根據被投資方的業務情況及財結果，使用貼現現金流模型或參考可供比較的上市公司之平均市價／盈利倍數，或若沒有合適可供比較的公司，則按其資產淨值釐定。公平值與適合採用之可比較倍數比率或資產淨值存在正向關係。若股權投資的企業之資產淨值增長／減少 5%，則本集團之其他全面收益將增加／減少港幣 1,359,000 元（2018 年：港幣 1,073,000 元）。

The fair values of unlisted equity shares are estimated using the discounted cash flow model, on the basis of an analysis of the investee's financial position and results, or with reference to multiples of comparable listed companies, such as average of the price/earning ratios of comparables or net asset value, if appropriate comparables are not available. The fair value is positively correlated to the price/earning ratios of appropriate comparables or net asset values. Had the net asset value of the underlying equity investments increased/decreased by 5%, the Group's other comprehensive income would have increased/decreased by HK$1,359,000 (2018: HK$1,073,000).

	估值模式 Valuation technique	重要非可觀察參數 Significant unobservable Input(s)	幅度 Range
非上市以公平值變化計入其他全面收益的股份工具 Unlisted equity instruments at fair value through other comprehensive income	資產淨值 Net asset value	不適用 Not applicable	不適用 Not applicable
	現金流折扣模式 Discounted cash flow model	折扣率 Discount rate	11.69% (2018: 15.19%)

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續）

5. Fair values of assets and liabilities (continued)

5.2 非以公平值計量的金融工具

公平值是以在一特定時點按相關市場資料及不同金融工具之資料來評估。以下之方法及假設已按實際情況應用於評估各類金融工具之公平值。

存放／尚欠銀行及其他金融機構之結餘及貿易票據
大部分之金融資產及負債將於結算日後一年內到期，其賬面值與公平值相若。

客戶貸款
大部分之客戶貸款是浮動利率，按市場息率計算利息，其賬面值與公平值相若。

以攤餘成本計量之債務工具
採用以現時收益率曲線相對應剩餘期限之利率為基礎的貼現現金流模型計算。

客戶存款
大部分之客戶存款將於結算日後一年內到期，其賬面值與公平值相若。

5.2 Financial instruments not measured at fair value

Fair value estimates are made at a specific point in time based on relevant market information and information about various financial instruments. The following methods and assumptions have been used to estimate the fair value of each class of financial instrument as far as practicable.

Balances with/from banks and other financial institutions and trade bills

Substantially all the financial assets and liabilities mature within one year from the end of the reporting date and their carrying value approximates fair value.

Advances to customers
Substantially all the advances to customers are on floating rate terms, bear interest at prevailing market interest rates and their carrying value approximates fair value.

Debt securities at amortised cost
A discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

Deposits from customers
Substantially all the deposits from customers mature within one year from the end of the reporting date and their carrying value approximates fair value.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.2 非以公平值計量的金融工具（續） 5.2 Financial instruments not measured at fair value (continued)

除以上其賬面值與公平值相若的金融工具外，下表為非以公平值計量的金融工具之賬面值和公平值。

The following tables set out the carrying values and fair values of the financial instruments not measured at fair value, except for the above with their carrying values being approximation of fair values.

		2019	
		賬面值 Carrying value	**公平值 Fair value**
		港幣千元 HK$'000	**港幣千元 HK$'000**
金融資產	**Financial assets**		
以攤餘成本計量的證券（附註23）	Investment in securities measured at amortised cost (Note 23)	**1,642,397**	**1,661,545**

		2018	
		賬面值 Carrying value	公平值 Fair value
		港幣千元 HK$'000	港幣千元 HK$'000
金融資產	**Financial assets**		
以攤餘成本計量的證券（附註23）	Investment in securities measured at amortised cost (Note 23)	1,670,901	1,640,600

下表列示已披露其公平值的金融工具之公平值等級。

The following tables show the fair value hierarchy for financial instruments with fair values disclosed.

		2019			
		第一層級 Level 1	**第二層級 Level 2**	**第三層級 Level 3**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
金融資產	**Financial assets**				
以攤餘成本計量的證券	Investment in securities measured at amortised cost	**-**	**1,661,545**	**-**	**1,661,545**

		2018			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
金融資產	**Financial assets**				
以攤餘成本計量的證券	Investment in securities measured at amortised cost	-	1,640,600	-	1,640,600

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續）

5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融資產

本集團通過一些估值技術或活躍市場報價來確定非金融資產的公平值。

<u>投資物業及房產</u>

本集團之物業可分為投資物業及房產。所有本集團之投資物業及房產已於年底進行重估。本年之估值由獨立特許測量師萊坊測量師行有限公司進行，其擁有具備香港測量師學會資深專業會員及專業會員資格之人員，並在估值物業所處地區及種類上擁有經驗。當估值於每半年末及年末進行時，本集團管理層會跟測量師討論估值方法、估值假設及估值結果。估值方法於年內沒有改變，亦與去年一致。

(i) 第二層級公平值計量採用的估值方法及因素

被分類為第二層級之物業的公平值，乃參考可比較物業之近期出售成交價（市場比較法）或參考市場租金及資本化率（收入資本法），再對可比較物業及被評估物業之間的差異作出適當調整。此等調整被認為對整體計量並不構成重大影響。

本集團之物業均位於香港及內地之主要城市，被認為是活躍及透明的物業市場。可比較物業之出售價、市場租金及資本化率一般均可在此等市場上被直接或間接觀察得到。

(ii) 有關第三層級公平值計量的資料

被分類為第三層級的本集團物業之公平值均採用市場比較法或收入資本法，再按本集團物業相對於可比較物業之性質作折溢價調整來釐定。

5.3 Non-financial assets measured at fair value

The Group uses valuation techniques or quoted market prices in active market to determine the fair value of non-financial assets.

<u>Investment properties and premises</u>

The Group's properties can be divided into investment properties and premises. All of the Group's investment properties and premises were revalued as at year end. This year, the valuations were carried out by an independent firm of chartered surveyors, Knight Frank Petty Limited, who have among their staff Fellow and Members of The Hong Kong Institute of Surveyors with recent experience in the locations and categories of properties being valued. The Group's Management had discussions with the surveyors on the valuation methods, valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date. There has been no change in valuation methods during the year and the methods used are consistent with last year.

(i) Valuation methods and inputs used in Level 2 fair value measurements

The fair value of properties classified as Level 2 is determined using either the market comparison approach by reference to recent sales price of comparable properties or the income capitalisation approach by reference to market rent and capitalisation rate, with appropriate adjustments to reflect the differences between the comparable properties and the subject properties. These adjustments are considered as insignificant to the entire measurement.

The Group's properties are located in Hong Kong and major cities in the PRC where the property markets are considered active and transparent. Sales price, market rent and capitalisation rate of comparable properties are generally observable either directly or indirectly in these markets.

(ii) Information about Level 3 fair value measurements

The fair value of all of the Group's properties classified as Level 3 is determined using either the market comparison approach or the income capitalisation approach, adjusted for a premium or a discount specific to the features of the Group's properties compared to the comparable properties.

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融資產（續） 5.3 Non-financial assets measured at fair value (continued)

投資物業及房產

(ii) 有關第三層級公平值計量的資料（續）

以下為在公平值計量時對被分類為第三層級之本集團物業所採用的估值方法及重大不可觀察因素：

Investment properties and premises

(ii) Information about Level 3 fair value measurements (continued)

The valuation methods and significant unobservable inputs used in the fair value measurement of the Group's properties classified as Level 3 are as follows:

估值方法 Valuation method	重大不可觀察因素 Significant unobservable inputs	加權平均 Weighted average	不可觀察因素與公平值的關係 Relationship of unobservable inputs to fair value.
市場比較法或收入資本法 Market comparison approach or income capitalisation approach	物業相對可比較物業在性質上之溢價／（折價） Premium/(discount) on features of the property compared to comparable properties	5.10% (2018: 6.53%)	溢價越高，公平值越高。 The higher the premium, the higher the fair value. 折價越高，公平值越低。 The higher the discount, the lower the fair value.

物業相對可比較物業在性質上之溢價／（折價）乃參考與可比較物業在不同因素上的差異，例如成交後之市場變動、位置、便達性、樓齡／狀況、樓層、面積、佈局等而釐定。

Premium/(discount) on features of the property is determined after taken into account various factors, such as time for market movement, location, accessibility, building age/condition, floor level, size, layout etc., with reference to the differences in features with comparable properties.

A. 公平值的等級 A. Fair value hierarchy

	2019			
	第一層級 Level 1 港幣千元 HK$'000	**第二層級 Level 2 港幣千元 HK$'000**	**第三層級 Level 3 港幣千元 HK$'000**	**總計 Total 港幣千元 HK$'000**
非金融資產 Non-financial assets				
投資物業（附註24） Investment properties (Note 24)	**-**	**-**	**237,150**	**237,150**
物業、器材及設備（附註25） Properties, plant and equipment (Note 25)				
– 房產 – Premises	**-**	**-**	**1,707,835**	**1,707,835**
	-	**-**	**1,944,985**	**1,944,985**

	2018			
	第一層級 Level 1 港幣千元 HK$'000	第二層級 Level 2 港幣千元 HK$'000	第三層級 Level 3 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
非金融資產 Non-financial assets				
投資物業（附註24） Investment properties (Note 24)	-	-	233,350	233,350
物業、器材及設備（附註25） Properties, plant and equipment (Note 25)				
– 房產 – Premises	-	-	1,696,410	1,696,410
	-	-	1,929,760	1,929,760

本集團之非金融資產於年內沒有第一層級及第二層級之間的轉移（2018年：無）。

There were no non-financial asset transfers between Level 1 and Level 2 for the Group during the year (2018: Nil).

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融資產（續） 5.3 Non-financial assets measured at fair value (continued)

B. 第三層級的項目變動 B. Reconciliation of level 3 items

		2019 非金融資產 Non-financial assets	
			物業、器材及設備 Properties, plant and equipment
		投資物業 Investment properties	房產 Premises
		港幣千元 HK$'000	港幣千元 HK$'000
於2019年1月1日	At 1 January 2019	233,350	1,696,410
收益／（虧損）	Gains / (losses)		
– 收益表	– Income statement		
– 投資物業公平值調整之淨收益	– Net gain from fair value adjustments on investment properties	4,846	-
– 重估房產之淨收益	– Net gain from revaluation of premises	-	2,794
– 其他全面收益	– Other comprehensive income		
– 房產重估	– Revaluation of premises	-	27,006
折舊	Depreciation	-	(22,528)
增置	Additions	-	3,107
轉入第三層級	Transfer into Level 3	-	-
重新分類	Reclassification	(1,046)	1,046
匯兌差額	Exchange difference	-	-
於2019年12月31日	At 31 December 2019	237,150	1,707,835
於2019年12月31日持有的非金融資產於年內計入收益表的未實現收益總額	Total unrealised gains for the year included in income statement for non-financial assets held as at 31 December 2019		
– 投資物業公平值調整之淨收益	– Net gain from fair value adjustments on investment properties	4,846	-
– 重估房產之淨收益	– Net gain from revaluation of premises	-	2,794
		4,846	2,794

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融資產（續） 5.3 Non-financial assets measured at fair value (continued)

B. 第三層級的項目變動（續） B. Reconciliation of level 3 items (continued)

		2018 非金融資產 Non-financial assets	
			物業、器材及設備 Properties, plant and equipment
		投資物業 Investment properties	房產 Premises
		港幣千元 HK$'000	港幣千元 HK$'000
於2018年1月1日	At 1 January 2018	214,910	1,506,300
收益／（虧損）	Gains / (losses)		
– 收益表	– Income statement		
– 投資物業公平值調整之淨收益	– Net gain from fair value adjustments on investment properties	18,440	-
– 重估房產之淨虧損	– Net loss from revaluation of premises	-	(23,932)
– 其他全面收益	– Other comprehensive income		
– 房產重估	– Revaluation of premises	-	119,251
折舊	Depreciation	-	(20,452)
增置	Additions	-	115,244
轉入第三層級	Transfer into Level 3	-	-
重新分類	Reclassification	-	-
匯兌差額	Exchange difference	-	(1)
於2018年12月31日	At 31 December 2018	233,350	1,696,410
於2018年12月31日持有的非金融資產於年內計入收益表的未實現收益/（虧損）總額	Total unrealised gains / (losses) for the year included in income statement for non-financial assets held as at 31 December 2018		
– 投資物業公平值調整之淨收益	– Net gain from fair value adjustments on investment properties	18,440	-
– 重估房產之淨虧損	– Net loss from revaluation of premises	-	(23,932)
		18,440	(23,932)

6. 淨利息收入 6. Net interest income

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
利息收入	**Interest income**		
存放於同業及其他金融機構的款項	Due from banks and other financial institutions	**378,279**	294,567
客戶貸款及貿易票據	Advances to customers and trade bills	**2,753,187**	1,603,113
證券投資	Investment in securities	**1,071,164**	628,275
其他	Others	**5,517**	20,223
		4,208,147	2,546,178
利息支出	**Interest expense**		
同業及其他金融機構存放的款項	Due to banks and other financial institutions	**(151,730)**	(81,493)
客戶存款	Deposits from customers	**(2,030,662)**	(904,092)
租賃負債	Lease liabilities	**(5,207)**	-
其他	Others	**(1,975)**	(2,163)
		(2,189,574)	(987,748)
淨利息收入	**Net interest income**	**2,018,573**	1,558,430

非以公平值變化計入損益之金融資產與金融負債所產生的利息收入及利息支出分別為港幣4,192,248,000元(2018年:港幣2,523,327,000元)及港幣2,184,367,000元(2018年:港幣987,748,000元)。

Included within interest income and interest expense are HK$4,192,248,000 (2018: HK$2,523,327,000) and HK$2,184,367,000 (2018: HK$987,748,000) for financial assets and financial liabilities that are not recognised at fair value through profit or loss respectively.

7. 淨服務費及佣金收入 7. Net fee and commission income

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
服務費及佣金收入	**Fee and commission income**		
保險	Insurance	**175,423**	59,862
證券經紀	Securities brokerage	**74,216**	101,192
貸款佣金	Loan commissions	**285,575**	89,332
繳款服務	Payment services	**33,677**	32,542
匯票佣金	Bills commissions	**14,641**	19,096
保管箱	Safe deposit box	**19,849**	9,019
基金分銷	Funds distribution	**7,789**	9,362
其他	Others	**56,084**	74,425
		667,254	394,830
服務費及佣金支出	**Fee and commission expense**		
證券經紀	Securities brokerage	**(12,540)**	(14,798)
其他	Others	**(11,716)**	(9,213)
		(24,256)	(24,011)
淨服務費及佣金收入	**Net fee and commission income**	**642,998**	370,819
其中源自：	Of which arise from:		
非以公平值變化計入損益之金融資產或金融負債	Financial assets or financial liabilities not at fair value through profit or loss		
- 服務費及佣金收入	- Fee and commission income	**300,217**	108,429
- 服務費及佣金支出	- Fee and commission expense	**(261)**	(349)
		299,956	108,080
信託及其他受託活動	Trust and other fiduciary activities		
- 服務費及佣金收入	- Fee and commission income	**6,704**	6,663
- 服務費及佣金支出	- Fee and commission expense	**(1,358)**	(722)
		5,346	5,941

8. 淨交易性收益 8. Net trading gain

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
淨收益源自：	Net gain from:		
外匯交易及外匯交易產品	Foreign exchange and foreign exchange products	**32,448**	69,310
強制性以公平值變化計入損益之證券淨虧損	Net loss on investment in securities mandatorily measured at fair value through profit or loss	**(300)**	-
利率工具	Interest rate instruments	**(6,257)**	2,416
商品	Commodities	**50**	17
		25,941	71,743

9. 其他金融資產之淨收益 9. Net gain on other financial assets

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
以公平值變化計入其他全面收益之證券淨收益	Net gain on investment in securities measured at FVOCI	**69,778**	6,061
其他	Others	**(289)**	(187)
		69,489	5,874

10. 其他經營收入 10. Other operating income

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
證券投資股息收入	Dividend income from investment in securities		
- 非上市證券投資	- Unlisted investments	**4,437**	5,941
投資物業之租金總收入	Gross rental income from investment properties	**6,631**	5,915
有關投資物業之收入	Incomings in respect of investment properties	**255**	221
其他	Others	**992**	331
		12,315	12,408

於 2019 年內有關投資物業之支出中並沒有屬於未出租投資物業之直接經營支出（2018 年：無）。

There are no direct operating expenses included in the outgoings in respect of investment properties related to investment properties that were not let during 2019 (2018: Nil).

11. 減值準備淨撥備 11. Net charge of impairment allowances

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
客戶貸款及貿易票據	Advances to customers and trade bills	**312,622**	148,460
證券投資	Investment in securities	**13,593**	(4,104)
存放央行、銀行及其他金融機構 的結餘	Balances with central banks, banks and other financial institutions	**159**	21
其他金融資產	Other financial assets	**597**	797
資產負債表外	Off-balance sheet	**18,374**	(6,745)
		345,345	138,429

12. 經營支出 12. Operating expenses

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
人事費用（包括董事酬金）	Staff costs (including directors' emoluments)		
- 薪酬及其他費用	- Salaries and other costs	**580,415**	428,873
- 退休成本	- Pension cost	**33,209**	24,127
		613,624	453,000
房產及設備支出（不包括折舊）	Premises and equipment expenses (excluding depreciation)		
- 房產租金	- Rental of premises	**80**	37,660
- 資訊科技	- Information technology	**9,546**	6,825
- 其他	- Others	**13,676**	11,160
		23,302	55,645
折舊（附註 25）	Depreciation (Note 25)	**95,565**	29,297
- 自用物業、器材及設備	- Owned properties, plant and equipment	**31,529**	29,297
- 使用權資產	- Right-of-use assets	**64,036**	-
核數師酬金	Auditors' remuneration	**6,315**	2,217
- 審計服務	- Audit services	**2,793**	2,191
- 非審計服務	- Non-audit services	**3,522**	26
其他經營支出	Other operating expenses	**206,104**	130,901
		944,910	671,060

13. 投資物業公平值調整之淨收益 13. Net gain from fair value adjustments on investment properties

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
投資物業公平值調整之淨收益（附註 24）	Net gain from fair value adjustments on investment properties (Note 24)	**4,846**	18,440

14. 出售／重估物業、器材及設備之淨收益／（虧損） 14. Net gain/(loss) from disposal/revaluation of properties, plant and equipment

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
出售設備、固定設施及裝備之淨虧損	Net loss from disposal of equipment, fixtures and fittings	**(71)**	(16)
重估房產之淨收益／（虧損）（附註 25）	Net gain/(loss) on revaluation of premises (Note 25)	**2,794**	(23,932)
		2,723	(23,948)

15. 稅項 15. Taxation

綜合收益表內之稅項組成如下：

Taxation in the consolidated income statement represents:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
本期稅項	Current tax		
香港利得稅	Hong Kong profits tax		
- 年內計入稅項	- Current year taxation	**146,318**	129,485
- 往年不足撥備	- Under-provision in prior year	**24**	-
		146,342	129,485
海外稅項	Overseas taxation		
- 年內計入稅項	- Current year taxation	**79,979**	58,645
		226,321	188,130
遞延稅項	Deferred tax		
暫時性差額之產生（附註 29）	Origination and reversal of temporary differences (Note 29)	**5,048**	14,165
		231,369	202,295

香港利得稅乃按照本年度估計應課稅溢利依稅率 16.5%（2018 年：16.5%）提撥。海外溢利之稅款按照本年度估計應課稅溢利依本集團經營業務所在國家之現行稅率計算。

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

15. 稅項（續） 15. Taxation (continued)

本集團除稅前溢利產生的實際稅項，與根據香港利得稅率計算的稅項差異如下：

The taxation on the Group's profit before taxation that differs from the theoretical amount that would arise using the taxation rate of Hong Kong is as follows:

		2019	2018
		港幣千元	港幣千元
		HK$'000	HK$'000
除稅前溢利	Profit before taxation	**1,493,937**	1,204,742
按稅率16.5%（2018年：16.5%）計算的稅項	Calculated at a taxation rate of 16.5% (2018: 16.5%)	**246,500**	198,782
其他地區稅率差異的影響	Effect of different taxation rates in another jurisdiction	**41,767**	21,144
無需課稅之收入	Income not subject to taxation	**(52,424)**	(12,623)
稅務上不可扣減之開支	Expenses not deductible for taxation purposes	**12,478**	12,077
往年不足撥備	Under-provision in prior year	**24**	-
派發額外一級資本證券股息	Additional tier 1 capital securities dividend payment	**(16,976)**	(16,970)
海外預提稅	Foreign withholding tax	**-**	(115)
計入稅項	Taxation charge	**231,369**	202,295
實際稅率	Effective tax rate	**15.49%**	16.79%

16. 股息及支付利息 16. Dividends and Distributions

(i) 於年度核准及支付屬上年度股息

(i) Dividends payable to equity holders attributable to the previous financial year, approved and paid during the year

		2019		2018	
		每股 Per share	**總額 Total**	每股 Per share	總額 Total
		港幣 HK$	**港幣千元 HK$'000**	港幣 HK$	港幣千元 HK$'000
本年度經批准及支付的上年度末期股息	Final dividend in respect of the previous financial year, approved and paid during the year	**80**	**298,920**	75	225,000

(ii) 本年永久非累計次級額外一級資本證券支付的利息為港幣102,882,000元（2018年：港幣102,849,000元）。

(ii) During the year, amount paid on perpetual non-cumulative subordinated additional tier 1 capital securities is HK$102,882,000 (2018: HK$102,849,000).

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

17. 退休福利成本 17. Retirement benefit costs

本集團給予本集團員工的界定供款計劃主要為獲《強積金條例》豁免之職業退休計劃及中銀保誠簡易強積金計劃。根據職業退休計劃，僱員須向職業退休計劃之每月供款為其基本薪金之5%，而僱主之每月供款為僱員基本月薪之5%至15%不等（視乎僱員之服務年期）。僱員有權於退休、提前退休或僱用期終止且服務年資滿10年或以上等情況下收取100%之僱主供款。服務滿3年至9年的員工，因其他原因而終止僱用期（被即時解僱除外），可收取30%至90%之僱主供款。僱主供款須受《強制性公積金計劃條例》所限。

Defined contribution schemes for the Group's employees are ORSO schemes exempted under the MPF Schemes Ordinance and the BOC-Prudential Easy Choice MPF Scheme. Under the ORSO schemes, employees make monthly contributions to the ORSO schemes equal to 5% of their basic salaries, while the employer makes monthly contributions equal to 5% to 15% of the employees' monthly basic salaries, depending on years of service. The employees are entitled to receive 100% of the employer's contributions upon retirement, early retirement or termination of employment after completing 10 years of service. Employees with 3 to 9 years of service are entitled to receive the employer's contributions at a scale ranging from 30% to 90% upon termination of employment for other reasons other than summary dismissal. All employer's contributions are subjected to MPF Schemes Ordinance.

隨著《強積金條例》於2000年12月1日實施，本集團亦參與中銀保誠簡易強積金計劃，該計劃之受託人為中銀國際英國保誠信託有限公司，投資管理人為中銀國際英國保誠資產管理有限公司。

With the implementation of the MPF Schemes Ordinance on 1 December 2000, the Group also participates in the BOC-Prudential Easy Choice MPF Scheme, of which the trustee is BOCI-Prudential Trustee and the investment manager is BOCI-Prudential Manager.

截至2019年12月31日，在扣除約港幣713,000元（2018年：約港幣964,000元）之沒收供款後，職業退休計劃之供款總額約為港幣14,892,000元（2018年：約港幣14,503,000元），而本集團向強積金計劃之供款總額則約為港幣6,317,000元（2018年：約港幣4,485,000元）。

The Group's total contributions made to the ORSO schemes for the year ended 31 December 2019 amounted to approximately HK$14,892,000 (2018: approximately HK$14,503,000), after a deduction of forfeited contributions of approximately HK$713,000 (2018: approximately HK$964,000). For the MPF Scheme, the Group contributed approximately HK$6,317,000 (2018: approximately HK$4,485,000) for the year ended 31 December 2019.

18. 董事、高級管理層及主要人員酬金 18. Directors', Senior Management's and Key Personnel's emoluments

(a) 董事酬金 (a) Directors' emoluments

本年度本集團就本銀行董事為本銀行及管理附屬公司提供之服務而已付及其應收未收之酬金詳情如下：

Details of the emoluments paid to or receivable by the directors of the Bank in respect of their services rendered for the Bank and managing the subsidiaries within the Group during the year are as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
董事袍金	Directors' fees	**4,314**	4,751
其他酬金	Other emoluments		
- 基本薪金及津貼	- basic salaries and allowances	**9,410**	8,869
- 酌情發放之花紅	- discretionary bonuses	**17,429**	10,343
- 其他（包括退休金供款）	- others (including pension contributions)	**2,951**	2,134
		34,104	26,097

本年度支付予獨立非執行董事之酬金總額為港幣2,604,000元（2018：港幣1,908,000元）。

Fees of HK$2,604,000 (2018: HK$1,908,000) were paid to the Independent Non-executive Directors during the year.

18. 董事、高級管理層及主要人員酬金（續） 18. Directors', Senior Management's and Key Personnel's emoluments (continued)

(b) CG-5穩健的薪酬制度指引下高級管理層及主要人員的薪酬 (b) Remuneration for the Senior Management and Key Personnel under CG-5 Guideline on a Sound Remuneration System

按金管局發出之CG-5 《穩健的薪酬制度指引》，本年度本集團之高級管理層及主要人員的薪酬詳情如下：

Pursuant to CG-5 Guideline on a Sound Remuneration System issued by the HKMA, details of the remuneration for Senior Management and Key Personnel of the Group during the year are as follows:

(i) 於年內授予的薪酬 (i) Remuneration awarded during the year

		2019					
		高級管理層 Senior Management			**主要人員 Key Personnel**		
		非遞延 Non-deferred	**遞延 Deferred**	**總計 Total**	**非遞延 Non-deferred**	**遞延 Deferred**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
固定薪酬	Fixed remuneration						
現金	Cash	**20,314**	**-**	**20,314**	**16,446**	**-**	**16,446**
浮動薪酬	Variable remuneration						
現金	Cash	**22,116**	**9,008**	**31,124**	**10,430**	**1,888**	**12,318**
		42,430	**9,008**	**51,438**	**26,876**	**1,888**	**28,764**

		2018					
		高級管理層 Senior Management			主要人員 Key Personnel		
		非遞延 Non-deferred	遞延 Deferred	總計 Total	非遞延 Non-deferred	遞延 Deferred	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
固定薪酬	Fixed remuneration						
現金	Cash	16,017	-	16,017	11,028	-	11,028
浮動薪酬	Variable remuneration						
現金	Cash	9,940	4,260	14,200	5,087	847	5,934
		25,957	4,260	30,217	16,115	847	16,962

以上薪酬包括6名（2018年：7名）高級管理層及12名（2018年：9名）主要人員。

The remuneration above includes 6 (2018: 7) members of Senior Management and 12 (2018: 9) members of Key Personnel.

18. 董事、高級管理層及主要人員酬金（續） 18. Directors', Senior Management's and Key Personnel's emoluments (continued)

(b) CG-5穩健的薪酬制度指引下高級管理層及主要人員的薪酬（續） (b) Remuneration for the Senior Management and Key Personnel under CG-5 Guideline on a Sound Remuneration System (continued)

(ii) 遞延薪酬 (ii) Deferred remuneration

		2019		2018	
		高級管理層 Senior Management 港幣千元 HK$'000	**主要人員 Key Personnel 港幣千元 HK$'000**	高級管理層 Senior Management 港幣千元 HK$'000	主要人員 Key Personnel 港幣千元 HK$'000
遞延薪酬	Deferred remuneration				
已歸屬	Vested	**1,332**	**169**	513	-
未歸屬	Unvested	**15,398**	**2,897**	7,722	1,476
		16,729	**3,066**	8,235	1,476
於1月1日	At 1 January	**7,722**	**1,476**	3,975	629
已授予	Awarded	**9,008**	**1,888**	4,260	847
已發放	Paid out	**(1,332)**	**(169)**	(513)	-
調整按績效評估而扣減部分	Reduced through performance adjustments	**-**	**(298)**	-	-
於12月31日	At 31 December	**15,398**	**2,897**	7,722	1,476

就披露用途，本部分提及的高級管理層及主要人員乃根據金管局《穩健的薪酬制度指引》定義。

For the purpose of disclosure, Senior Management and Key Personnel mentioned in this section are defined according to the HKMA's Guideline on a Sound Remuneration System.

高級管理層：董事會指定的高級管理層，負責總體策略或重要業務，包括執行董事、行政總裁、副總裁、首席風險官及首席財務官。

Senior Management: The senior executives designated by the Board who are responsible for oversight of the firm-wide strategy or material business lines, including Executive Directors, Chief Executive, Deputy Chief Executives, Chief Risk Officer and Chief Financial Officer.

主要人員：個人業務活動涉及重大風險承擔，對風險暴露有重大影響，或個人職責對風險管理有直接、重大影響，或對盈利有直接影響的人員，包括業務盈利規模較大的部門總經理、金融市場部總經理，以及對風險管理有直接影響的職能單位第一責任人。

Key Personnel: The employees whose individual business activities involve the assumption of material risk which may have significant impact on risk exposure, or whose individual responsibilities are directly and materially linked to the risk management, or those who have direct influence to the profit, including General Managers of material business lines, General Manager of Financial Markets Department, as well as the General Managers of risk control functions.

19. 庫存現金及存放銀行及其他金融機構的結餘
19. Cash and balances with banks and other financial institutions

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
庫存現金	Cash	**281,478**	176,662
存放中央銀行的結餘	Balances with central banks	**5,591,532**	1,277,587
存放銀行及其他金融機構的結餘	Balances with banks and other financial institutions	**1,729,013**	956,278
在銀行及其他金融機構一個月內到期之定期存放	Placements with banks and other financial institutions maturing within one month	**10,634,047**	13,035,556
		18,236,070	15,446,083
減值準備	Impairment allowances		
- 按第一階段	- Stage 1	**(82)**	(71)
- 按第二階段	- Stage 2	**-**	-
- 按第三階段	- Stage 3	**-**	-
		18,235,988	15,446,012

20. 在銀行及其他金融機構一至十二個月內到期之定期存放
20. Placements with banks and other financial institutions maturing between one and twelve months

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
存放銀行及其他金融機構一至十二個月內到期之定期存放	Balances with banks and other financial institutions maturing between one to twelve months	**4,819,614**	6,302,817
減值準備	Impairment allowances		
- 按第一階段	- Stage 1	**(402)**	(254)
- 按第二階段	- Stage 2	**-**	-
- 按第三階段	- Stage 3	**-**	-
		4,819,212	6,302,563

21. 衍生金融工具

本集團訂立匯率及利率相關的衍生金融工具合約作買賣及風險管理之用。

貨幣遠期是指於未來某一日期買或賣外幣的承諾。

貨幣及利率掉期是指交換不同現金流的承諾。掉期的結果是交換不同貨幣或利率（如固定利率與浮動利率）或以上的所有組合。除某些貨幣掉期合約外，該等交易無需交換本金。

外匯期權是指期權的賣方（出讓方）為買方（持有方）提供在未來某一特定日期或未來一定時期內按約定的價格買進（認購期權）或賣出（認沽期權）一定數量的金融工具的權利（而非承諾）的一種協議。考慮到外匯和利率風險，期權的賣方從購買方收取一定的期權費。本集團期權合約是與對手方在場外協商達成或透過交易所進行（如於交易所進行買賣之期權）。

本集團之衍生金融工具合約／名義數額及其公平值詳列於下表。各類型金融工具的合約／名義數額僅顯示於財務狀況表日未完成之交易量，而若干金融工具之合約／名義數額則提供了一個與財務狀況表內所確認的資產或負債的公平值對比的基礎。但是，這並不反映所涉及的未來的現金流或當前的公平值，因而也不能反映本集團所面臨的信貸風險或市場風險。隨著與衍生金融工具合約條款相關的匯率或市場利率的波動，衍生金融工具的估值可能產生有利（資產）或不利（負債）的影響，這些影響可能在不同期間有較大的波動。

本集團進行場內或場外衍生產品交易的主要目的是開展客戶業務。本集團與客戶及同業市場敍做的衍生產品交易均需嚴格遵從本集團的各相關風險管理政策及規定。

衍生產品亦應用於管理銀行賬的利率風險，只有獲批准之產品名單上載有的衍生產品方可進行交易。由衍生產品交易產生的風險承擔名義數額以設限控制，並制訂交易的最長期限。每宗衍生產品交易必須記錄於相應的系統，以進行結算、市場劃價、報告及監控。

21. Derivative financial instruments

The Group enters into exchange rate and interest rate related derivative financial instrument contracts for trading and risk management purposes.

Currency forwards represent commitments to purchase and sell foreign currency on a future date.

Currency and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an exchange of currencies or interest rates (for example, fixed rate for floating rate) or a combination of all these. Except for certain currency swap contracts, no exchange of principal takes place.

Foreign currency options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of the financial instrument at a predetermined price. In consideration for the assumption of foreign exchange and interest rate risk, the seller receives a premium from the purchaser. Options are negotiated over-the-counter between the Group and its counterparty or traded through the stock exchange (for example, exchange-traded stock option).

The contract/notional amounts and fair values of derivative financial instruments held by the Group are set out in the following tables. The contract/notional amounts of these instruments indicate the volume of transactions outstanding at the end of the reporting dates and certain of them provide a basis for comparison with fair values of instruments recognised on the statement of financial position. However, they do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative financial instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in foreign exchange rates or market interest rates relative to their terms. The aggregate fair values of derivative financial instruments can fluctuate significantly from time to time.

The Group trades derivative products (both exchange-traded or OTC) mainly for customer business. The Group strictly follows risk management policies and requirement in providing derivative products to our customers and in trading of derivative products in the interbank market.

Derivatives are also used to manage the interest rate risk of the banking book. A derivative instrument must be included in the approved product list before any transactions for that instrument can be made. There are limits to control the notional amount of exposure arising from derivative transactions, and the maximum tenor of the deal is set. Every derivative transaction must be input into the relevant system for settlement, mark-to-market revaluation, reporting and control.

21. 衍生金融工具（續） 21. Derivative financial instruments (continued)

下表概述各類衍生金融工具於12月31日之合約／名義數額及公平值：

The following tables summarise the contract/notional amounts and fair values of each class of derivative financial instrument as at 31 December:

		2019		
		合約／名義數額 Contract/ notional amounts	**公平值 Fair values 資產 Assets**	**公平值 Fair values 負債 Liabilities**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**
匯率合約	Exchange rate contracts			
即期及遠期	Spot and forwards	**1,170,736**	**88,544**	**(7,427)**
掉期	Swaps	**8,017,633**	**25,361**	**(21,307)**
外匯交易期權	Foreign currency options			
- 買入期權	- Options purchased	**1,571**	**6**	**-**
- 賣出期權	- Options written	**1,571**	**-**	**(10)**
		9,191,511	**113,911**	**(28,744)**
利率合約	Interest rate contracts			
掉期	Swaps	**2,143,257**	**8,222**	**(11,617)**
		11,334,768	**122,133**	**(40,361)**

		2018		
		合約／名義數額 Contract/ notional amounts	公平值 Fair values 資產 Assets	公平值 Fair values 負債 Liabilities
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
匯率合約	Exchange rate contracts			
即期及遠期	Spot and forwards	998,600	96,280	(8,047)
掉期	Swaps	11,850,009	8,795	(19,636)
外匯交易期權	Foreign currency options			
- 買入期權	- Options purchased	120	1	-
- 賣出期權	- Options written	120	-	(1)
		12,848,849	105,076	(27,684)
利率合約	Interest rate contracts			
掉期	Swaps	2,935,961	17,604	(15,584)
		15,784,810	122,680	(43,268)

22. 客戶貸款及貿易票據 22. Advances to customers and trade bills

		2019	2018
		港幣千元	港幣千元
		HK$'000	HK$'000
個人貸款	Personal loans and advances	**12,045,683**	7,465,826
公司貸款	Corporate loans and advances	**64,021,276**	41,012,542
客戶貸款	Advances to customers	**76,066,959**	48,478,368
貸款減值準備	Loan impairment allowances		
- 按第一階段	- Stage 1	**(326,066)**	(139,832)
- 按第二階段	- Stage 2	**(18,309)**	(17,599)
- 按第三階段	- Stage 3	**(284,868)**	(189,268)
		75,437,716	48,131,669
貿易票據	Trade bills	**1,553,101**	1,804,245
貿易票據減值準備	Trade bills impairment allowances		
- 按第一階段	- Stage 1	**(3,926)**	(1,624)
- 按第二階段	- Stage 2	**-**	-
- 按第三階段	- Stage 3	**-**	-
		1,549,175	1,802,621
		76,986,891	49,934,290

於2019年12月31日，客戶貸款包括應計利息港幣237,214,000元（2018年：港幣136,345,000元）。

As at 31 December 2019, advances to customers included accrued interest of HK$237,214,000 (2018: HK$136,345,000).

23. 證券投資 23. Investment in securities

		2019 強制性以公平值變化計入損益之證券 Investment in securities mandatorily measured at fair value through profit or loss	界定為以公平值變化計入損益之證券 Investment in securities designated at fair value through profit and loss	以公平值變化計入其他全面收益之證券 Investment in securities at fair value through other comprehensive income	以攤餘成本計量之證券 Investment in securities at amortised cost	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
存款證：	Certificate of deposit:					
- 於香港上市	- Listed in Hong Kong	-	-	-	-	-
- 於香港以外上市	- Listed outside Hong Kong	-	-	-	-	-
- 非上市	- Unlisted	58,411	-	5,440,305	-	5,498,716
		58,411	-	5,440,305	-	5,498,716
債務證券：	Debt securities:					
- 於香港上市	- Listed in Hong Kong	59,248	39,959	8,963,966	1,106,571	10,169,744
- 於香港以外上市	- Listed outside Hong Kong	30,491	174,442	10,428,704	252,093	10,885,730
- 非上市	- Unlisted	-	156,206	19,887,108	285,531	20,328,845
		89,739	370,607	39,279,778	1,644,195	41,384,319
		148,150	370,607	44,720,083	1,644,195	46,883,035
減值準備	Impairment allowances					
- 按第一階段	- Stage 1	-	-	-	(1,798)	(1,798)
- 按第二階段	- Stage 2	-	-	-	-	-
- 按第三階段	- Stage 3	-	-	-	-	-
		-	-	-	(1,798)	(1,798)
存款證及債務證券	Total debt securities and certificates of deposits	148,150	370,607	44,720,083	1,642,397	46,881,237
股份證券：	Equity securities:					
- 於香港上市	- Listed in Hong Kong	-	-	-	-	-
- 於香港以外上市	- Listed outside Hong Kong	-	-	-	-	-
- 非上市	- Unlisted	-	-	27,183	-	27,183
股份證券總額	Total equity securities	-	-	27,183	-	27,183
		148,150	370,607	44,747,266	1,642,397	46,908,420
按發行機構之分類如下：	Analysed by type of issuer as follows :					
官方實體	Sovereigns	-	-	19,912,275	-	19,912,275
公營單位	Public sector entities	-	-	1,415,230	-	1,415,230
銀行及其他金融機構	Banks and other financial institutions	81,983	354,282	18,623,804	912,851	19,972,920
公司企業	Corporate entities	66,167	16,325	4,795,957	729,546	5,607,995
		148,150	370,607	44,747,266	1,642,397	46,908,420

23. 證券投資（續） 23. Investment in securities (continued)

		2018				
		強制性以公平值變化計入損益之證券 Investment in securities mandatorily measured at fair value through profit or loss	界定為以公平值變化計入損益之證券 Investment in securities designated at fair value through profit and loss	以公平值變化計入其他全面收益之證券 Investment in securities at fair value through other comprehensive income	以攤餘成本計量之證券 Investment in securities at amortised cost	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
存款證：	Certificate of deposit:					
- 於香港上市	- Listed in Hong Kong	-	-	-	-	-
- 於香港以外上市	- Listed outside Hong Kong	-	-	9,009	-	9,009
- 非上市	- Unlisted	-	-	1,925,157	151,728	2,076,885
		-	-	1,934,166	151,728	2,085,894
債務證券：	Debt securities:					
- 於香港上市	- Listed in Hong Kong	-	39,215	8,607,155	1,098,955	9,745,325
- 於香港以外上市	- Listed outside Hong Kong	-	170,920	5,301,496	130,580	5,602,996
- 非上市	- Unlisted	-	154,469	10,660,281	289,972	11,104,722
		-	364,604	24,568,932	1,519,507	26,453,043
		-	364,604	26,503,098	1,671,235	28,538,937
減值準備	Impairment allowances					
- 按第一階段	- Stage 1	-	-	-	(334)	(334)
- 按第二階段	- Stage 2	-	-	-	-	-
- 按第三階段	- Stage 3	-	-	-	-	-
		-	-	-	(334)	(334)
存款證及債務證券	Total debt securities and certificates of deposits	-	364,604	26,503,098	1,670,901	28,538,603
股份證券：	Equity securities:					
- 於香港上市	- Listed in Hong Kong	-	-	67,438	-	67,438
- 於香港以外上市	- Listed outside Hong Kong	-	-	-	-	-
- 非上市	- Unlisted	-	-	21,465	-	21,465
股份證券總額	Total equity securities	-	-	88,903	-	88,903
		-	364,604	26,592,001	1,670,901	28,627,506
按發行機構之分類如下：	Analysed by type of issuer as follows :					
官方實體	Sovereigns	-	-	10,455,426	-	10,455,426
公營單位	Public sector entities	-	-	-	-	-
銀行及其他金融機構	Banks and other financial institutions	-	348,133	11,312,388	1,071,043	12,731,564
公司企業	Corporate entities	-	16,471	4,824,187	599,858	5,440,516
		-	364,604	26,592,001	1,670,901	28,627,506

綜合財務報表附註（續）Notes to the Consolidated Financial Statements (continued)

23. 證券投資（續） 23. Investment in securities (continued)

證券投資之變動概述如下： The movements in investment in securities are summarised as follows:

		2019 強制性以公平值變化計入損益之證券 Investment in securities mandatorily measured at fair value through profit or loss 港幣千元 HK$'000	界定為以公平值變化計入損益之證券 Investment in securities designated at fair value through profit and loss 港幣千元 HK$'000	以公平值變化計入其他全面收益之證券 Investment in securities at fair value through other comprehensive income 港幣千元 HK$'000	以攤餘成本計量之證券 Investment in securities at amortised cost 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於2019年1月1日	At 1 January 2019	-	364,604	26,592,001	1,670,901	28,627,506
增加	Additions	150,492	-	77,786,627	134,954	78,072,073
處置、贖回及到期	Disposals, redemptions and maturity	(2,594)	-	(59,950,084)	(150,000)	(60,102,678)
攤銷	Amortisation	985	(104)	266,651	1,194	268,726
公平值變化	Change in fair value	(300)	7,307	319,414	-	326,421
匯兌差額	Exchange difference	(433)	(1,200)	(267,343)	(13,175)	(282,151)
減值準備	Impairment allowance	-	-	-	(1,477)	(1,477)
於2019年12月31日	At 31 December 2019	148,150	370,607	44,747,266	1,642,397	46,908,420

		2018 強制性以公平值變化計入損益之證券 Investment in securities mandatorily measured at fair value through profit or loss 港幣千元 HK$'000	界定為以公平值變化計入損益之證券 Investment in securities designated at fair value through profit and loss 港幣千元 HK$'000	以公平值變化計入其他全面收益之證券 Investment in securities at fair value through other comprehensive income 港幣千元 HK$'000	以攤餘成本計量之證券 Investment in securities at amortised cost 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於2018年1月1日	At 1 January 2018	-	212,225	20,011,461	-	20,223,686
增加	Additions	-	150,000	68,777,569	1,658,730	70,586,299
處置、贖回及到期	Disposals, redemptions and maturity	-	-	(62,091,145)	-	(62,091,145)
攤銷	Amortisation	-	1,470	133,638	17,368	152,476
公平值變化	Change in fair value	-	465	(171,836)	-	(171,371)
匯兌差額	Exchange difference	-	444	(67,686)	(4,862)	(72,104)
減值準備	Impairment allowance	-	-	-	(335)	(335)
於2018年12月31日	At 31 December 2018	-	364,604	26,592,001	1,670,901	28,627,506

24. 投資物業 24. Investment properties

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
於1月1日	At 1 January	**233,350**	214,910
公平值收益（附註13）	Fair value gains (Note 13)	**4,846**	18,440
重新分類轉至物業、器材及設備（附註25）	Reclassification to properties, plant and equipment (Note 25)	**(1,046)**	-
於12月31日	At 31 December	**237,150**	233,350

投資物業之賬面值按租約剩餘期限分析如下：

The carrying value of investment properties is analysed based on the remaining terms of the leases as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
在香港持有	Held in Hong Kong		
長期租約（超過50年）	On long-term lease (over 50 years)	**228,250**	223,750
在香港以外持有	Held outside Hong Kong		
中期租約(10年至50年）	On medium-term lease (10 – 50 years)	**8,900**	9,600
		237,150	233,350

於2019年12月31日，列於財務狀況表內之投資物業，乃依據獨立特許測量師萊坊測量師行有限公司於2019年12月31日以公平值為基準所進行之專業估值。公平值指在計量當日若在有秩序成交的情況下向市場參與者出售每一項投資物業應取得的價格。

As at 31 December 2019, investment properties were included in the statement of financial position at valuation carried out at 31 December 2019 on the basis of their fair value by an independent firm of chartered surveyors, Knight Frank Petty Limited. The fair value represents the price that would be received to sell each investment property in an orderly transaction with market participants at the measurement date.

25. 物業、器材及設備　25. Properties, plant and equipment

		房產使用權資產 Right-of-use assets of premises 港幣千元 HK$'000	房產 Premises 港幣千元 HK$'000	設備、固定設施及裝備 Equipment, fixtures and fittings 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於2019年1月1日之賬面淨值	Net book value at 1 January 2019	**-**	**1,696,410**	**42,159**	**1,738,569**
應用香港財務報告準則第16號的調整	Adjustment on initial application of HKFRS 16	**117,730**	**-**	**-**	**117,730**
增置	Additions	**188,005**	**3,107**	**40,111**	**231,223**
出售	Disposals	**-**	**-**	**(71)**	**(71)**
重估	Revaluation	**-**	**29,800**	**-**	**29,800**
年度折舊（附註12）	Depreciation for the year (Note 12)	**(64,036)**	**(22,528)**	**(9,001)**	**(95,565)**
重新分類轉自投資物業（附註24）	Reclassification from investment properties (Note 24)	**-**	**1,046**	**-**	**1,046**
匯兌差額	Exchange difference	**(1,616)**	**-**	**(44)**	**(1,660)**
於2019年12月31日之賬面淨值	Net book value at 31 December 2019	**240,083**	**1,707,835**	**73,154**	**2,021,072**
於2019年12月31日	At 31 December 2019				
按成本值	At cost	**295,876**	**-**	**164,607**	**460,483**
按估值	At valuation	**-**	**1,707,835**	**-**	**1,707,835**
		295,876	**1,707,835**	**164,607**	**2,168,318**
累計折舊及減值	Accumulated depreciation and impairment	**(55,793)**	**-**	**(91,453)**	**(147,246)**
於2019年12月31日之賬面淨值	Net book value at 31 December 2019	**240,083**	**1,707,835**	**73,154**	**2,021,072**

		房產使用權資產 Right-of-use assets of premises 港幣千元 HK$'000	房產 Premises 港幣千元 HK$'000	設備、固定設施及裝備 Equipment, fixtures and fittings 港幣千元 HK$'000	總計 Total 港幣千元 HK$'000
於2018年1月1日之賬面淨值	Net book value at 1 January 2018	-	1,506,300	45,953	1,552,253
增置	Additions	-	115,244	5,218	120,462
出售	Disposals	-	-	(16)	(16)
重估	Revaluation	-	95,319	-	95,319
年度折舊（附註12）	Depreciation for the year (Note 12)	-	(20,452)	(8,845)	(29,297)
匯兌差額	Exchange difference	-	(1)	(151)	(152)
於2018年12月31日之賬面淨值	Net book value at 31 December 2018	-	1,696,410	42,159	1,738,569
於2018年12月31日	At 31 December 2018				
按成本值	At cost	-	-	142,521	142,521
按估值	At valuation	-	1,696,410	-	1,696,410
		-	1,696,410	142,521	1,838,931
累計折舊及減值	Accumulated depreciation and impairment	-	-	(100,362)	(100,362)
於2018年12月31日之賬面淨值	Net book value at 31 December 2018	-	1,696,410	42,159	1,738,569

25. 物業、器材及設備（續）

25. Properties, plant and equipment (continued)

房產之賬面值按租約剩餘期限分析如下：

The carrying value of premises is analysed based on the remaining terms of the leases as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
在香港持有	Held in Hong Kong		
長期租約（超過 50 年）	On long-term lease (over 50 years)	**1,252,635**	1,244,330
中期租約（10 年至 50 年）	On medium-term lease (10 – 50 years)	**416,200**	415,480
在香港以外持有	Held outside Hong Kong		
長期租約（超過 50 年）	On long-term lease (over 50 years)	**33,700**	32,800
中期租約（10 年至 50 年）	On medium-term lease (10 – 50 years)	**5,300**	3,800
		1,707,835	1,696,410

於 2019 年 12 月 31 日，列於財務狀況表內之房產，乃依據獨立特許測量師萊坊測量師行有限公司於 2019 年 12 月 31 日以公平值為基準所進行之專業估值。公平值指在計量當日若在有秩序成交的情況下向市場參與者出售每一項房產應取得的價格。

As at 31 December 2019, premises were included in the statement of financial position at valuation carried out at 31 December 2019 on the basis of their fair value by an independent firm of chartered surveyors, Knight Frank Petty Limited. The fair value represents the price that would be received to sell each premises in an orderly transaction with market participants at the measurement date.

根據上述之重估結果，房產估值變動已於房產重估儲備及收益表確認如下：

As a result of the above-mentioned revaluations, changes in value of the premises were recognised in the premises revaluation reserve and income statement as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
借記房產重估儲備之重估，除稅前增值	Increase in valuation charged to premises revaluation reserve, gross of tax	**27,006**	119,251
重估房產之淨收益／（虧損）（附註 14）	Net gain/(loss) on revaluation of premises (Note 14)	**2,794**	(23,932)
		29,800	95,319

於 2019 年 12 月 31 日，假若房產按成本值扣減累計折舊及減值損失列賬，本集團之財務狀況表內之房產之賬面淨值應為港幣 443,569,000 元（2018 年：港幣 442,814,000 元）。

As at 31 December 2019, the net book value of premises that would have been included in the Group's statement of financial position had the premises been carried at cost less accumulated depreciation and impairment losses was HK$443,569,000 (2018: HK$442,814,000).

26. 其他資產 26. Other assets

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
貴金屬	Precious metals	**54,525**	39,044
收回資產	Repossessed assets	**144,240**	157,770
應收賬項及預付費用	Accounts receivable and prepayments	**325,551**	259,970
		524,316	456,784
減值準備	Impairment allowances		
- 按第一階段	- Stage 1	**(306)**	(120)
- 按第二階段	- Stage 2	**-**	-
- 按第三階段	- Stage 3	**(735)**	(1,305)
		523,275	455,359

27. 客戶存款 27. Deposits from customers

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
即期存款及往來存款	Demand deposits and current accounts	**7,634,868**	5,401,426
儲蓄存款	Savings deposits	**19,524,084**	18,443,998
定期、短期及通知存款	Time, call and notice deposits	**89,132,482**	54,484,091
		116,291,434	78,329,515

28. 其他賬項及準備 28. Other accounts and provisions

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
其他應付賬項	Other accounts payable	**998,403**	736,519
租賃負債	Lease liabilities	**237,823**	-
準備	Provisions	**10,054**	1,343
		1,246,280	737,862
貸款承諾及應收開出保函之減值準備	Impairment allowances of loan commitments and financial guarantees contracts issued		
- 按第一階段	- Stage 1	**26,802**	8,427
- 按第二階段	- Stage 2	**1**	22
- 按第三階段	- Stage 3	**-**	-
		1,273,083	746,311

29. 遞延稅項 29. Deferred taxation

遞延稅項是根據香港會計準則第12號「所得稅」計算，就資產負債之稅務基礎與其在財務報表內賬面值兩者之暫時性差額及未使用稅項抵免作提撥。

Deferred tax is recognised in respect of the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax credits in accordance with HKAS 12, "Income Taxes".

財務狀況表內之遞延稅項（資產）／負債主要組合，以及其在年度內之變動如下：

The major components of deferred tax (assets)/liabilities recorded in the statement of financial position, and the movements during the year are as follows:

		2019					
		加速折舊免稅額 **Accelerated tax depreciation**	房產重估 **Premises revaluation**	虧損 **Losses**	減值準備 **Impairment allowance**	其他 **Others**	總計 **Total**
		港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**	港幣千元 **HK$'000**
於2019年1月1日	At 1 January 2019	**23,753**	**222,601**	**(713)**	**(45,825)**	**(70,871)**	**128,945**
借記收益表（附註15）	Charged to income statement (Note 15)	**2,673**	**86**	**309**	**1,980**	**-**	**5,048**
借記其他全面收益	Charged to other comprehensive income	**-**	**1,853**	**-**	**-**	**45,347**	**47,200**
匯兌差額	Exchange difference	**-**	**-**	**14**	**1,828**	**-**	**1,842**
於2019年12月31日	At 31 December 2019	**26,426**	**224,540**	**(390)**	**(42,017)**	**(25,524)**	**183,035**

		2018					
		加速折舊免稅額 Accelerated tax depreciation	房產重估 Premises revaluation	虧損 Losses	減值準備 Impairment allowance	其他 Others	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於2018年1月1日之早前列賬	At 1 January 2018, as previously reported	17,921	205,523	-	(53,521)	(41,880)	128,043
應用香港財務報告準則第9號的調整	Adjustment on initial application of HKFRS 9	-	-	-	(1,998)	3,069	1,071
於2018年1月1日之重列	At 1 January 2018, as restated	17,921	205,523	-	(55,519)	(38,811)	129,114
借記／（貸記）收益表（附註15）	Charged/(credited) to income statement (Note 15)	5,832	125	(710)	8,279	639	14,165
借記／（貸記）其他全面收益	Charged/(credited) to other comprehensive income	-	16,953	-	-	(32,699)	(15,746)
匯兌差額	Exchange difference	-	-	(3)	1,415	-	1,412
於2018年12月31日	At 31 December 2018	23,753	222,601	(713)	(45,825)	(70,871)	128,945

29. 遞延稅項（續） 29. Deferred taxation (continued)

當有法定權利可將現有稅項資產與現有稅項負債抵銷，而遞延稅項涉及同一財政機關，則可將個別法人的遞延稅項資產與遞延稅項負債互相抵銷。下列在財務狀況表內列賬之金額，已計入適當抵銷：

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

		2019 **港幣千元** **HK$'000**	2018 港幣千元 HK$'000
遞延稅項資產	Deferred tax assets	**(640)**	(12,298)
遞延稅項負債	Deferred tax liabilities	**183,675**	141,243
		183,035	128,945

30. 股本 30. Share capital

普通股持有人有權不時收取已宣告派發的股息，並在銀行剩餘淨資產會議上投票。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Bank's residual net assets.

		2019		2018	
		股份數目 **Number of shares**	**港幣千元** **HK$'000**	股份數目 Number of shares	港幣千元 HK$'000
於1月1日	At 1 January	**3,368,247**	**1,772,988**	3,000,000	300,000
已發行股票	Shares issued	**368,248**	**1,472,992**	368,247	1,472,988
股份拆細之影響	Effect of share subdivision	**1,864,511,005**	**-**	-	-
於12月31日	At 31 December	**1,868,247,500**	**3,245,980**	3,368,247	1,772,988

根據香港《公司條例》第135條，本銀行的普通股並無票面值。普通股持有人有權獲得不時宣佈派發的紅利，並有權在銀行股東會議按一股一票方形進行投票。所有普通股在銀行剩餘資產方面的排名相等。

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Bank do not have a par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Bank. All ordinary shares rank equally with regard to the Bank's residual assets.

本銀行於2018年12月3日通過決議，向現有股東發行新股。第1次配售於2018年12月31日發行368,247股、收取港幣1,472,988,000元，及第2次配售於2019年1月29日發行368,248股、收取港幣1,472,992,000元。

The Bank passed the resolution on 3 December 2018 to issue new shares to its existing shareholders. The first allotment of 368,247 shares was issued with a consideration of HK$1,472,988,000 on 31 December 2018 and the second allotment of 368,248 shares was issued with a consideration of HK$1,472,992,000 on 29 January 2019.

根據本銀行於2019年5月29日舉行之周年成員大會通過的決議，批准本銀行股本中每1股普通股拆細為500股拆細股份(〝股份拆細〞)，股份拆細於2019年5月30日生效。股份拆細後，本銀行已發行1,868,247,500股拆細股份。

Pursuant to the resolution passed by the shareholders at annual general meeting of the Bank on 29 May 2019, a share subdivision was approved with effect from 30 May 2019 in which every one share issued share capital of the Bank was subdivided into 500 subdivided shares ("Share Subdivision"). Immediately after the Share Subdivision, 1,868,247,500 subdivided shares were issued.

31. 額外資本工具

31. Additional equity instruments

	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
2.5億美元永久非累計次級額外一級資本證券 US$250 million perpetual non-cumulative subordinated additional tier 1 capital securities	**1,937,712**	1,937,712

本銀行於2017年11月29日發行了票面值2.5億美元（扣除相關發行成本後等值港幣1,938,000,000元）的永久非累計次級額外一級資本證券（「額外資本工具」）。此永久額外資本工具於2022年11月29日首個提前贖回日期前，票面年利率定於5.25%。若屆時未有行使贖回權，票面年利率將每五年按當時五年期美國國庫債券息率的每年利率加上初始發行利差重設。

On 29 November 2017, the Bank issued perpetual non-cumulative subordinated additional tier 1 capital securities ("additional equity instruments") with a face value of US$250 million (equivalent to HK$1,938,000,000 net of related issuance costs). The additional equity instruments are perpetual and bear a 5.25% coupon until the first call date on 29 November 2022. The coupon will be reset every five years if the additional equity instruments are not redeemed to a fixed rate equivalent to the then-prevailing five-year US Treasury rate plus a fixed initial spread.

票息需每半年派付一次。本銀行有權根據該額外資本工具的條款規定取消利息發放，而取消的利息不會累積。

The coupon shall be payable semi-annually. The Bank has the right to cancel coupon payment (subject to the requirement as set out in the terms and conditions of the additional equity instruments) and the coupon cancelled shall not be cumulative.

假如金管局通知本銀行不對本金進行撇銷則無法繼續經營，該額外資本工具的本金將會按與金管局協商後或接受其指令下進行撇銷。

The principal of the additional equity instruments will be written down to the amount as directed or agreed with the HKMA if the HKMA notifies the Bank that the Bank would become non-viable if there is no written down of the principal.

於2022年11月29日或任何其後的派息日，本銀行擁有贖回權贖回所有未償付的額外資本工具，但須受已列載之條款及細則所限制。

The Bank has a call option to redeem all the outstanding additional equity instruments from 29 November 2022 or any subsequent coupon payment date, but subject to restriction as set out in the terms and conditions.

2019年5月23日及11月25日已分別派發此額外資本工具利息港幣51,510,000元及港幣51,372,000元。

During the year, the coupons of this additional equity instruments were paid with the amount of HK$51,510,000 and HK$51,372,000 on 23 May 2019 and 25 November 2019 respectively.

32. 綜合現金流量表附註 32. Notes to consolidated cash flow statement

(a) 除稅前溢利與除稅前經營現金之流入／（流出）對賬 (a) Reconciliation of profit before taxation to operating cash inflow/(outflow) before taxation

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
除稅前溢利	Profit before taxation	**1,493,937**	1,204,742
投資物業公平值調整之淨收益	Net gain from fair value adjustments on investment properties	**(4,846)**	(18,440)
出售／重估物業、器材及設備淨（收益）／虧損	Net (gain)/loss from disposal/revaluation of properties, plant and equipment	**(2,723)**	23,948
租賃負債之利息支出	Interest on lease liabilities	**5,207**	-
折舊	Depreciation	**95,565**	29,297
減值準備淨撥備	Net charge of impairment allowances	**345,345**	138,429
原到期日超過3個月之存放銀行及其他金融機構的結餘之變動	Change in balances with banks and other financial institutions with original maturity over three months	**(982,756)**	(1,186,642)
原到期日超過3個月之在銀行及其他金融機構之定期存放之變動	Change in placements with banks and other financial institutions with original maturity over three months	**539,001**	(2,068,139)
衍生金融工具之變動	Change in derivative financial instruments	**(2,360)**	30,945
客戶貸款及貿易票據之變動	Change in advances to customers and trade bills	**(27,365,223)**	(6,999,754)
證券投資之變動	Change in investment in securities	**(16,394,127)**	(9,331,896)
其他資產之變動	Change in other assets	**(68,513)**	369,051
銀行及其他金融機構之存款及結餘之變動	Change in deposits and balances from banks and other financial institutions	**5,814,193**	1,945,636
客戶存款之變動	Change in deposits from customers	**37,961,919**	15,050,078
其他賬項及準備之變動	Change in other accounts and provisions	**270,575**	(262,317)
匯率變動之影響	Effect of changes in exchange rates	**17,689**	79,895
除稅前經營現金之流入／（流出）	Operating cash inflow/(outflow) before taxation	**1,722,883**	(995,167)
經營業務之現金流量中包括：	Cash flows from operating activities included:		
– 已收利息	– Interest received	**3,937,309**	2,328,166
– 已付利息	– Interest paid	**(1,868,326)**	(758,832)
– 已收股息	– Dividend received	**4,437**	5,941

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

32. 綜合現金流量表附註（續） 32. Notes to consolidated cash flow statement (continued)

(b) 現金及等同現金項目結存分析 (b) Analysis of the balances of cash and cash equivalents

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
庫存現金及原到期日在 3 個月內之存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions with original maturity within three months	**15,689,145**	13,881,925
原到期日在 3 個月內之在銀行及其他金融機構之定期存放	Placements with banks and other financial institutions with original maturity within three months	**2,509,536**	3,453,725
原到期日在 3 個月內之債務證券	Debt securities with original maturity within three months	**2,404,986**	519,685
原到期日在 3 個月內之存款證	Certificates of deposit with original maturity within three months	**586,132**	832,807
		21,189,799	18,688,142

(c) 與綜合財務狀況表的對賬 (c) Reconciliation with the consolidated statement of financial position

		2019 港幣千元 HK$'000	2018 (restated) 港幣千元 HK$'000
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	**18,235,988**	15,446,012
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	**4,819,212**	6,302,563
證券投資	Investment in securities		
其中：強制性以公平值變化計入損益之證券	Of which: securities mandatorily measured at fair value through profit or loss securities	**148,150**	-
其中：界定為以公平值變化計入損益之證券	Of which: securities designated at fair value through profit and loss	**370,607**	364,604
其中：以公平值變化計入其他全面收益之證券	Of which: securities at fair value through other comprehensive income	**44,747,266**	26,592,001
其中：攤銷成本證券	Of which: securities at amortised cost	**1,642,397**	1,670,901
在綜合財務狀況表列示的金額	Amount shown in the consolidated statement of financial position	**69,963,620**	50,376,081
減：原本期限為 3 個月以上的金額	Less: Amounts with an original maturity of beyond three months	**(47,275,930)**	(31,154,617)
減：受規管限制的中央銀行的現金結存	Less: Cash balance with central bank subject to regulatory restriction	**(1,497,891)**	(533,322)
在綜合現金流量表內的現金及等同現金項目	Cash and cash equivalents in the consolidated cash flow statement	**21,189,799**	18,688,142

33. 或然負債及承擔 33. Contingent liabilities and commitments

或然負債及承擔乃參照有關資本充足比率之金管局報表的填報指示而編製，其每項重要類別之合約數額及總信貸風險加權數額概述如下：

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment and the aggregate credit risk-weighted amount and is prepared with reference to the completion instructions for the HKMA return of capital adequacy ratio:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
直接信貸替代項目	Direct credit substitutes	**5,147**	10,005
與交易有關之或然負債	Transaction-related contingencies	**24,771**	30,801
與貿易有關之或然負債	Trade-related contingencies	**475,735**	604,858
不需事先通知的無條件撤銷之承諾	Commitments that are unconditionally cancellable without prior notice	**7,486,395**	7,149,531
其他承擔，原到期日為	Other commitments with an original maturity of		
- 1 年或以下	- up to one year	**275,275**	108,304
- 1 年以上	- over one year	**4,370,553**	3,543,769
		12,637,876	11,447,268
信貸風險加權數額	Credit risk-weighted amount	**1,843,553**	1,439,509

信貸風險加權數額是根據《銀行業（資本）規則》計算。此數額取決於交易對手之情況及各類合約之期限特性。

The credit risk-weighted amount is calculated in accordance with the Banking (Capital) Rules. The amount is dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

34. 資本承擔 34. Capital commitments

本集團未於財務報表中撥備之資本承擔金額如下：

The Group has the following outstanding capital commitments not provided for in the financial statements:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
已批准及簽約但未撥備	Authorised and contracted for but not provided for	**13,758**	520
已批准但未簽約	Authorised but not contracted for	**18,226**	-
		31,984	520

以上資本承擔大部分為將購入之電腦硬件及軟件，以及本集團之樓宇裝修工程之承擔。

The above capital commitments mainly relate to commitments to purchase computer equipment and software, and to renovate the Group's premises.

35. 租賃承擔 35. Lease commitments

(a) 作為承租人 (a) As lessee

根據不可撤銷之經營租賃合約，下列為本集團未來有關租賃承擔所須支付之最低租金：

The Group has commitments to make the following future minimum lease payments under non-cancellable operating leases:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
土地及樓宇	Land and buildings		
- 不超過1年	- Not later than one year	**330**	49,067
- 1年以上至5年內	- Later than one year but not later than five years	**-**	78,073
		330	127,140

上列若干不可撤銷之經營租約可再商議及參照協議日期之市值或按租約內的特別條款說明而作租金調整。

Certain non-cancellable operating leases included in the table above were subject to renegotiation and rent adjustment with reference to market rates prevailing at specified agreed dates or according to the special condition as stipulated in the leases.

本集團為根據租賃持有的物業的承租人，而該等物業之前已根據香港會計準則第17號分類為經營租賃。本集團已採用經修訂的追溯法初始應用香港財務報告準則第16號。根據該方法，本集團於2019年1月1日調整期初結餘以確認與該等租賃有關的租賃負債（見附註2.1(a)(ii)）。自2019年1月1日起，根據附註2.1(a)(i)所載政策，未來租賃付款在財務狀況表中確認為租賃負債。

The Group is the lessee in respect of a number of properties held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (see Note 2.1(a)(ii)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in Note 2.1(a)(i).

35. 租賃承擔（續） 35. Lease commitments (continued)

(b) 作為出租人 (b) As lessor

根據不可撤銷之經營租賃合約，下列為本集團與租客簽訂合約之未來有關租賃之最低應收租金：

The Group has contracted with tenants for the following future minimum lease receivables under non-cancellable operating leases:

		2019	2018
		港幣千元	港幣千元
		HK$'000	HK$'000
土地及樓宇	Land and buildings		
- 不超過 1 年	- Not later than one year	**4,440**	4,607
- 1 年以上至 5 年內	- Later than one year but not later than five years	**1,669**	1,037
		6,109	5,644

本集團以經營租賃形式租出投資物業；租賃年期通常由 1 年至 3 年。租約條款一般要求租客提交保證金及於租約期滿時，因應租務市況之狀況而調整租金。

The Group leases its investment properties under operating lease arrangements, with leases typically for a period from one to three years. The terms of the leases generally require the tenants to pay security deposits and provide for rent adjustments according to the prevailing market conditions at the expiration of the lease.

36. 訴訟 36. Litigation

本集團正面對多項由獨立人士提出的索償及反索償。該等索償及反索償與本集團的正常商業活動有關。

The Group has been served a number of claims and counterclaims by various independent parties. These claims and counterclaims are in relation to the normal commercial activities of the Group.

由於董事認為本集團可對申索人作出有力抗辯或預計該等申索所涉及的數額不大，故並未對此等索償及反索償作出重大撥備。

No material provision was made against these claims and counterclaims because the directors believe that the Group has meritorious defences against the claimants or the amounts involved in these claims are not expected to be material.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (continued)

37. 分類報告

37. Segmental reporting

(a) 按業務劃分

(a) Operating segments information

本集團業務共分為三個業務分類，它們分別是個人銀行業務、企業銀行業務和財資業務。業務線的分類是基於不同客戶層及產品種類。

The Group divides its businesses into three operating segments. They are Personal Banking, Corporate Banking and Treasury. The classification of the Group's operating segments is based on customer segment and product type.

個人銀行和企業銀行業務線均會提供全面的銀行服務，包括各類存款、透支、貸款、與貿易相關的產品及其他信貸服務、投資及保險產品、外幣業務及衍生產品。個人銀行業務線主要是服務個人客戶，而企業銀行業務線主要是服務公司客戶。至於財資業務線，除了自營買賣外，還負責管理集團的流動資金、利率和外匯敞口。「其他」這一欄，主要包括本集團持有房地產、投資物業及股權投資等。

Both Personal Banking and Corporate Banking provide general banking services including various deposit products, overdrafts, loans, trade related products and other credit facilities, investment and insurance products, and foreign currency and derivative products. Personal Banking mainly serves retail customers while Corporate Banking mainly deals with corporate customers. Treasury manages the funding and liquidity, and the interest rate and foreign exchange positions of the Group in addition to proprietary trades. "Others" mainly represents the Group's holdings of premises, investment properties and equity investments.

業務線的資產、負債、收入、支出、經營成果及資本性支出是基於集團會計政策進行計量。分類資料包括直接屬於該業務線的績效以及可以合理攤分至該業務線的績效。跨業務線資金的定價，按集團內部資金轉移價格機制釐定，主要是以市場利率為基準，並考慮有關產品的特性。

Measurement of segment assets, liabilities, income, expenses, results and capital expenditure is based on the Group's accounting policies. The segment information includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment funding is charged according to the internal funds transfer pricing mechanism of the Group, which is primarily based on market rates with the consideration of specific features of the product.

本集團的主要收入來源為利息收入，並且高級管理層主要按淨利息收入來管理業務，因此所有業務分類的利息收入及支出以淨額列示。

As the Group derives a majority of revenue from interest and the senior management relies primarily on net interest income in managing the business, interest income and expense for all reportable segments are presented on a net basis.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

37. 分類報告（續） 37. Segmental reporting (continued)

(a) 按業務劃分（續） (a) Operating segments information (continued)

		2019						
		個人銀行 Personal Banking 港幣千元 HK$'000	企業銀行 Corporate Banking 港幣千元 HK$'000	財資業務 Treasury 港幣千元 HK$'000	其他 Others 港幣千元 HK$'000	小計 Subtotal 港幣千元 HK$'000	合併抵銷 Eliminations 港幣千元 HK$'000	綜合 Consolidated 港幣千元 HK$'000
淨利息（支出）／收入	Net interest (expense)/income							
- 外來	- External	(1,150,380)	1,853,880	1,315,073	-	2,018,573	-	2,018,573
- 跨業務	- Inter-segment	1,548,109	(519,687)	(1,028,422)	-	-	-	-
		397,729	1,334,193	286,651	-	2,018,573	-	2,018,573
淨服務費及佣金收入／（支出）	Net fee and commission income/(expense)	288,014	356,302	(1,318)	-	642,998	-	642,998
淨交易性收益／（虧損）	Net trading gain/(loss)	25,966	17,282	6,172	(23,479)	25,941	-	25,941
界定為以公平值變化計入損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss	-	-	7,307	-	7,307	-	7,307
其他金融資產之淨收益	Net gain on other financial assets	-	22,538	46,951	-	69,489	-	69,489
其他經營收入	Other operating income	-	582	592	26,215	27,389	(15,074)	12,315
提取減值準備前之淨經營收入	**Net operating income before impairment allowances**	711,709	1,730,897	346,355	2,736	2,791,697	(15,074)	2,776,623
減值準備淨撥備	Net charge of impairment allowances	(85,450)	(228,131)	(13,594)	(18,170)	(345,345)	-	(345,345)
淨經營收入	**Net operating income**	626,259	1,502,766	332,761	(15,434)	2,446,352	(15,074)	2,431,278
經營支出	Operating expenses	(432,665)	(274,115)	(35,520)	(217,684)	(959,984)	15,074	(944,910)
經營溢利／（虧損）	**Operating profit/(loss)**	193,594	1,228,651	297,241	(233,118)	1,486,368	-	1,486,368
投資物業公平值調整之淨收益	Net gain from fair value adjustments on investment properties	-	-	-	4,846	4,846	-	4,846
出售／重估物業、器材及設備之淨收益	Net gain from disposal/revaluation of properties, plant and equipment	-	-	-	2,723	2,723	-	2,723
除稅前溢利／（虧損）	**Profit/(loss) before taxation**	193,594	1,228,651	297,241	(225,549)	1,493,937	-	1,493,937
資產	**Assets**							
分部資產	Segment assets	14,293,027	69,974,778	63,635,494	1,951,482	149,854,781	-	149,854,781
負債	**Liabilities**							
分部負債	Segment liabilities	81,679,680	45,208,054	8,068,192	775,866	135,731,792	-	135,731,792
其他資料	**Other information**							
資本性支出	Capital expenditure	5,425	34,846	41	190,911	231,223	-	231,223
折舊	Depreciation	5,593	2,739	280	86,953	95,565	-	95,565
證券攤銷	Amortisation of securities	-	-	(268,726)	-	(268,726)	-	(268,726)

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

37. 分類報告（續） 37. Segmental reporting (continued)

(a) 按業務劃分（續） (a) Operating segments information (continued)

		2018 個人銀行 Personal Banking 港幣千元 HK$'000	企業銀行 Corporate Banking 港幣千元 HK$'000	財資業務 Treasury 港幣千元 HK$'000	其他 Others 港幣千元 HK$'000	小計 Subtotal 港幣千元 HK$'000	合併抵銷 Eliminations 港幣千元 HK$'000	綜合 Consolidated 港幣千元 HK$'000
淨利息（支出）／收入	Net interest (expense)/income							
- 外來	- External	(455,260)	1,209,930	803,760	-	1,558,430	-	1,558,430
- 跨業務	- Inter-segment	787,980	(409,780)	(378,200)	-	-	-	-
		332,720	800,150	425,560	-	1,558,430	-	1,558,430
淨服務費及佣金收入	Net fee and commission income	188,655	180,757	1,407	-	370,819	-	370,819
淨交易性收益	Net trading gain	28,360	11,262	9,403	22,718	71,743	-	71,743
界定為以公平值變化計入損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss	-	-	465	-	465	-	465
其他金融資產之淨（虧損）／收益	Net (loss)/gain on other financial assets	-	(187)	6,061	-	5,874	-	5,874
其他經營收入	Other operating income	-	338	611	28,207	29,156	(16,748)	12,408
提取減值準備前之淨經營收入	**Net operating income before impairment allowances**	549,735	992,320	443,507	50,925	2,036,487	(16,748)	2,019,739
減值準備淨撥備／（撥回）	Net charge/(reversal) of impairment allowances	(3,554)	(144,905)	4,104	5,926	(138,429)	-	(138,429)
淨經營收入	**Net operating income**	546,181	847,415	447,611	56,851	1,898,058	(16,748)	1,881,310
經營支出	Operating expenses	(381,494)	(173,657)	(26,908)	(105,749)	(687,808)	16,748	(671,060)
經營溢利／（虧損）	**Operating profit/(loss)**	164,687	673,758	420,703	(48,898)	1,210,250	-	1,210,250
投資物業公平值調整之淨收益	Net gain from fair value adjustments on investment properties	-	-	-	18,440	18,440	-	18,440
出售／重估物業、器材及設備之淨虧損	Net loss from disposal/revaluation of properties, plant and equipment	-	-	-	(23,948)	(23,948)	-	(23,948)
除稅前溢利／（虧損）	**Profit/(loss) before taxation**	164,687	673,758	420,703	(54,406)	1,204,742	-	1,204,742
資產	**Assets**							
分部資產	Segment assets	10,014,438	44,995,637	45,860,715	2,001,837	102,872,627	-	102,872,627
負債	**Liabilities**							
分部負債	Segment liabilities	63,569,114	21,199,392	6,070,074	430,851	91,269,431	-	91,269,431
其他資料	**Other information**							
資本性支出	Capital expenditure	1,529	1,126	22	117,785	120,462	-	120,462
折舊	Depreciation	5,857	3,207	93	20,140	29,297	-	29,297
證券攤銷	Amortisation of securities	-	-	(152,476)	-	(152,476)	-	(152,476)

37. 分類報告（續） 37. Segmental reporting (continued)

(b) 按地理區域劃分 (b) By geographical area

以下資料是根據主要營業地點分類：

The following information is presented based on the principal places of operations:

		2019		2018	
		提取減值準備前之淨經營收入 Net operating income before impairment allowance	**除稅前溢利 Profit before taxation**	提取減值準備前之淨經營收入 Net operating income before impairment allowance	除稅前溢利 Profit before taxation
		港幣千元 HK$'000	**港幣千元 HK$'000**	港幣千元 HK$'000	港幣千元 HK$'000
香港	Hong Kong	**2,133,678**	**1,058,989**	1,651,477	949,912
中國內地	Mainland China	**642,945**	**434,948**	368,262	254,830
		2,776,623	**1,493,937**	2,019,739	1,204,742

		2019	2018
		總資產 Total assets	總資產 Total assets
		港幣千元 HK$'000	港幣千元 HK$'000
香港	Hong Kong	**117,583,454**	83,843,111
中國內地	Mainland China	**32,271,327**	19,029,516
		149,854,781	102,872,627

38. 已抵押資產 38. Assets pledged as security

於2019年12月31日，本集團通過票據抵押之負債為港幣446,922,000元（2018年：港幣247,788,000元）。本集團為擔保此等負債而質押之資產金額為港幣441,717,000元（2018年：港幣246,850,000元），並於「貿易票據」內列賬。

As at 31 December 2019, the liabilities of the Group amounting to HK$446,922,000 (2018: HK$247,788,000) were secured by bills. The amount of assets pledged by the Group to secure these liabilities was HK$441,717,000 (2018: HK$246,850,000) included in "Trade bills".

於2019年12月31日，本集團通過債券抵押之負債為港幣3,316,597,000元（2018年：港幣1,531,520,000元）。本集團為擔保此等負債而質押之資產金額為港幣3,421,293,000元（2018年：港幣1,571,559,000元），並於「證券投資」內列賬。

As at 31 December 2019 the liabilities of the Group amounting to HK$3,316,597,000 (2018: HK$1,531,520,000) were secured by debt securities. The amount of assets pledged by the Group to secure these liabilities was HK$3,421,293,000 (2018: HK$1,571,559,000) included in "investment in securities".

39. 金融工具之抵銷 39. Offsetting financial instruments

下表列示本集團已抵銷、受執行性淨額結算總協議和其他相近協議約束的金融工具詳情：

The following tables present details of the Group's financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements:

	2019					
				未有於財務狀況表中抵銷之相關金額 Related amounts not set off in the statement of financial position		
	已確認金融資產總額 Gross amounts of recognised financial assets	於財務狀況表中抵銷之已確認金融負債總額 Gross amounts of recognised financial liabilities set off in the statement of financial position	於財務狀況表中列示的金融資產淨額 Net amounts of financial assets presented in the statement of financial position	金融工具 Financial instruments	已收取之現金押品 Cash collateral received	淨額 Net amount
	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
資產 Assets						
衍生金融工具 Derivative financial instruments	14,277	-	14,277	(14,277)	-	-
其他資產 Other assets	503,191	(416,593)	86,598	-	-	86,598
	517,468	(416,593)	100,875	(14,277)	-	86,598

	2019					
				未有於財務狀況表中抵銷之相關金額 Related amounts not set off in the statement of financial position		
	已確認金融負債總額 Gross amounts of recognised financial liabilities	於財務狀況表中抵銷之已確認金融資產總額 Gross amounts of recognised financial assets set off in the statement of financial position	於財務狀況表中列示的金融負債淨額 Net amounts of financial liabilities presented in the statement of financial position	金融工具 Financial instruments	已抵押之現金押品 Cash collateral pledged	淨額 Net amount
	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
負債 Liabilities						
衍生金融工具 Derivative financial instruments	33,032	-	33,032	(14,277)	-	18,755
其他負債 Other liabilities	422,539	(416,593)	5,946	-	-	5,946
	455,571	(416,593)	38,978	(14,277)	-	24,701

39. 金融工具之抵銷（續）39. Offsetting financial instruments (continued)

	已確認金融資產總額 Gross amounts of recognised financial assets	於財務狀況表中抵銷之已確認金融負債總額 Gross amounts of recognised financial liabilities set off in the statement of financial position	於財務狀況表中列示的金融資產淨額 Net amounts of financial assets presented in the statement of financial position	未有於財務狀況表中抵銷之相關金額 Related amounts not set off in the statement of financial position: 金融工具 Financial instruments	已收取之現金押品 Cash collateral received	淨額 Net amount
	2018					
	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
資產 Assets						
衍生金融工具 Derivative financial instruments	20,877	-	20,877	(5,679)	-	15,198
其他資產 Other assets	443,773	(340,580)	103,193	-	-	103,193
	464,650	(340,580)	124,070	(5,679)	-	118,391

	已確認金融負債總額 Gross amounts of recognised financial liabilities	於財務狀況表中抵銷之已確認金融資產總額 Gross amounts of recognised financial assets set off in the statement of financial position	於財務狀況表中列示的金融負債淨額 Net amounts of financial liabilities presented in the statement of financial position	未有於財務狀況表中抵銷之相關金額 Related amounts not set off in the statement of financial position: 金融工具 Financial instruments	已抵押之現金押品 Cash collateral pledged	淨額 Net amount
	2018					
	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
負債 Liabilities						
衍生金融工具 Derivative financial instruments	5,679	-	5,679	(5,679)	-	-
其他負債 Other liabilities	361,514	(340,580)	20,934	-	-	20,934
	367,193	(340,580)	26,613	(5,679)	-	20,934

39. 金融工具之抵銷（續） 39. Offsetting financial instruments (continued)

按本集團簽訂有關場外衍生工具交易的淨額結算總協議，倘若發生違約或其他事先議定的事件，則同一交易對手之相關金額可採用淨額結算。

For master netting agreements for OTC derivative transactions entered into by the Group related amounts with the same counterparty can be offset if an event of default or other predetermined events occur.

40. 董事貸款 40. Loans to directors

根據香港《公司條例》第383條及《公司（披露董事利益資料）規例》第三部的規定，向本銀行董事提供之貸款詳情如下：

Particulars of loans made to directors of the Bank pursuant to section 383 of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		2019	2018
		港幣千元	港幣千元
		HK$'000	HK$'000
於年末尚未償還之有關交易總額	Aggregate amount of relevant transactions outstanding at year end	**-**	-
於年內未償還有關交易之最高總額	Maximum aggregate amount of relevant transactions outstanding during the year	**-**	-

41. 主要之有關連人士交易 41. Significant related party transactions

母公司的基本資料：

本集團由廈門國際銀行間接控制，廈門國際銀行是一所於中華人民共和國（「中國」）成立的中資商業銀行。

(a) 與母公司及母公司控制之其他公司進行的交易

本集團之直接控股公司是集友國際金融控股有限公司（「集友國際金控」），集友國際金控是廈門國際投資有限公司全資附屬公司，廈門國際投資有限公司由廈門國際銀行全資擁有。

大部分與廈門國際銀行進行的交易源自貨幣市場活動。於2019年12月31日，本集團相關應收及應付廈門國際銀行款項總額分別為港幣471,331,000元（2018年12月31日：港幣269,051,000元）及港幣2,700,491,000元（2018年12月31日：港幣2,705,038,000元）。2019年與廈門國際銀行敍做此類業務過程中產生的收入及支出總額分別為港幣11,997,000元（2018年12月31日：港幣1,251,000元）及港幣91,670,000元（2018年12月31日：港幣51,096,000元）。

General information of the parent companies:

The Group is indirectly controlled by Xiamen International Bank Co., Ltd., which is a Chinese commercial bank established in the People's Republic of China (the "PRC").

(a) Transactions with the parent companies and the other companies controlled by the parent companies

The Group's immediate holding company is Chiyu International Financial Holdings Limited ("Chiyu International Holdings"), which is a wholly-owned subsidiary of Xiamen International Investment Limited, which is in turn wholly owned by Xiamen International Bank Co., Ltd.

The majority of transactions with Xiamen International Bank Co., Ltd. arise from money market activities. As at 31 December 2019, the related aggregate amount due from and to Xiamen International Bank Co., Ltd. of the Group were HK$471,331,000 (31 December 2018: HK$269,051,000) and HK$2,700,491,000 (31 December 2018: HK$2,705,038,000) respectively. The aggregate amount of income and expenses of the Group arising from these transactions with Xiamen International Bank Co., Ltd. during 2019 was HK$11,997,000 (31 December 2018: HK$1,251,000) and HK$91,670,000 (31 December 2018: HK$51,096,000) respectively.

41. 主要之有關連人士交易（續）

41. Significant related party transactions (continued)

(a) 與母公司及母公司控制之其他公司進行的交易（續）

大部分與母公司控制之其他公司的交易來自客戶存款。於 2019 年 12 月 31 日，本集團相關款項總額為港幣 302,312,000 元（2018 年 12 月 31 日：港幣 45,114,000 元）。2019 年與母公司控制之其他公司敍做此業務過程中產生的支出總額為港幣 622,000 元（2018 年 12 月 31 日：港幣 687,000 元）。

與母公司及其控制之其他公司的交易來自租賃服務。2019 年與母公司控制之其他公司敍做此業務過程中產生的收入總額為港幣 1,550,000 元（2018 年 12 月 31 日：港幣 1,430,000 元）。

截至 2019 年 12 月 31 日止，本集團持有港幣 154,653,000 元（2018 年 12 月 31 日：港幣 152,916,000 元）由澳門國際銀行發行的次級債。截至 2019 年 12 月 31 日止，本集團沒有持有由廈門國際銀行發行的債務證券（2018 年 12 月 31 日：港幣 341,294,000 元）。2019 年分別從澳門國際銀行賺取港幣 9,000,000 元（2018 年 12 月 31 日：港幣 1,529,000 元）利息收入和從廈門國際銀行賺取港幣 10,922,000 元（2018 年 12 月 31 日：港幣 1,881,000 元）利息收入。

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

The majority of transactions with other companies controlled by the parent companies arise from deposits from customers. As at 31 December 2019, the related aggregate amount of the Group was HK$302,312,000 (31 December 2018: HK$45,114,000). The aggregate amount of expenses of the Group arising from these transactions during 2019 was HK$622,000 (31 December 2018: HK$687,000).

The majority of transactions with parent companies and the other companies controlled by the parent companies arise from rental service. The aggregate amount of expenses of the Group arising from these transactions during 2019 was HK$1,550,000 (31 December 2018: HK$1,430,000).

As at 31 December 2019, the related aggregate amount of the Group invested in the subordinated debt issued by Luso International Banking Limited was HK$154,653,000 (31 December 2018: HK$152,916,000). As at 31 December 2019, there were no investment in debt securities issued by Xiamen International Bank (31 December 2018: HK$341,294,000). The interest income gained during 2019 from Luso International Banking Limited and Xiamen International Bank were HK$9,000,000 (31 December 2018: HK$1,529,000) and HK$10,922,000 (31 December 2018: HK$1,881,000) respectively.

41. 主要之有關連人士交易（續） 41. Significant related party transactions (continued)

(b) 主要高層人員 (b) Key management personnel

主要高層人員是指某些能直接或間接擁有權力及責任來計劃、指導及掌管集團業務之人士，包括董事及高級管理層。本集團在正常業務中會接受主要高層人員存款及向其提供貸款及信貸融資。於期內及往期，本集團並沒有與本銀行及其控股公司之主要高層人員或其有關連人士進行重大交易。

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior management. The Group accepts deposits from and grants loans and credit facilities to key management personnel in the ordinary course of business. During both the current and prior periods, no material transaction was conducted with key management personnel of the Bank and its holding companies, as well as parties related to them.

主要高層人員截至12月31 日止年度之薪酬如下：

The compensation of key management personnel for the year ended 31 December is detailed as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
薪酬、其他短期員工福利及退休福利	Salaries, other short-term employee benefits and post-employment benefits	**48,484**	33,851

42. 財務狀況表及權益變動表 42. Statement of financial position and statement of changes in equity

(a) 財務狀況表 (a) Statement of financial position

12 月 31 日	As at 31 December	2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
資產	**ASSETS**		
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	**18,228,791**	15,446,012
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	**4,819,212**	6,302,563
衍生金融工具	Derivative financial instruments	**122,133**	122,680
客戶貸款及貿易票據	Advances to customers and trade bills	**76,986,891**	49,934,290
證券投資	Investment in securities	**46,760,270**	28,627,506
投資附屬公司	Investment in subsidiaries	**195,713**	11,713
應收附屬公司款項	Amounts due from subsidiaries	**192,040**	163,636
投資物業	Investment properties	**237,150**	233,350
物業、器材及設備	Properties, plant and equipment	**1,909,471**	1,628,187
遞延稅項資產	Deferred tax assets	**640**	12,298
其他資產	Other assets	**520,449**	454,578
資產總額	Total assets	**149,972,760**	102,936,813
負債	**LIABILITIES**		
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	**17,747,463**	11,933,270
衍生金融工具	Derivative financial instruments	**40,361**	43,268
客戶存款	Deposits from customers	**116,443,676**	78,417,282
應付附屬公司款項	Amounts due to subsidiaries	**1,795**	824
其他賬項及準備	Other accounts and provisions	**1,272,603**	746,119
應付稅項負債	Current tax liabilities	**186,248**	63,050
遞延稅項負債	Deferred tax liabilities	**179,674**	135,254
負債總額	Total liabilities	**135,871,820**	91,339,067
資本	**EQUITY**		
股本	Share capital	**3,245,980**	1,772,988
儲備	Reserves	**8,917,248**	7,887,046
本銀行股東應佔股本和儲備	Capital and reserves attributable to the equity holders of the Bank	**12,163,228**	9,660,034
額外資本工具	Additional equity instruments	**1,937,712**	1,937,712
資本總額	Total equity	**14,100,940**	11,597,746
負債及資本總額	Total liabilities and equity	**149,972,760**	102,936,813

本集團已於 2019 年 1 月 1 日採用經修訂的追溯法初步應用香港財務報告準則第 16 號。根據這種方法，比較信息是不會重列。

The Group has initially applied HKFRS 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

經董事會於 2020 年 4 月 24 日通過核准並由以下人士代表簽署：

Approved by the Board of Directors on 24 April 2020 and signed on behalf of the Board by:

呂耀明 *董事*	鄭威 *董事*	**LYU Yaoming** *Director*	**ZHENG Wei** *Director*

42. 財務狀況表及權益變動表（續） 42. Statement of financial position and statement of changes in equity (continued)

(b) 權益變動表 (b) Statement of changes in equity

		歸屬於本銀行股東 Attributable to equity holders of the Bank								
			儲備 Reserves							
		股本 Share capital	房產重估儲備[1] Premises revaluation reserve[1]	公平價值儲備[2] Fair value reserve[2]	監管儲備[3] Regulatory reserve[3]	換算儲備[4] Translation reserve[4]	留存盈利 Retained earnings	總計 Total	額外資本工具 Additional equity instruments	資本總額 Total equity
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於 2019 年 1 月 1 日	At 1 January 2019	1,772,988	1,203,829	(218,350)	414,377	(52,304)	6,539,494	9,660,034	1,937,712	11,597,746
年度溢利	Profit for the year	-	-	-	-	-	1,247,784	1,247,784	-	1,247,784
其他全面收益：	Other comprehensive income:									
房產	Premises	-	23,338	-	-	-	-	23,338	-	23,338
以公平值變化計入其他全面收益之股份權益工具	Equity instruments at fair value through other comprehensive income	-	-	15,108	-	-	-	15,108	-	15,108
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	201,297	-	-	-	201,297	-	201,297
貨幣換算差額	Currency translation difference	-	-	1,164	-	(56,687)	-	(55,523)	-	(55,523)
全面收益總額	Total comprehensive income	-	23,338	217,569	-	(56,687)	1,247,784	1,432,004	-	1,432,004
發行普通股	Issuance of ordinary shares	1,472,992	-	-	-	-	-	1,472,992	-	1,472,992
轉撥至留存盈利	Transfer to retained earnings	-	-	-	105,610	-	(105,610)	-	-	
股息	Dividends	-	-	-	-	-	(298,920)	(298,920)	-	(298,920)
支付額外資本工具持有者利息	Distribution to the holders of the additional equity instruments	-	-	-	-	-	(102,882)	(102,882)	-	(102,882)
因處置以公平值變化計入其他全面收益之股份權益工具之轉撥	Release upon disposal of equity instruments at fair value through other comprehensive income	-	-	1,369	-	-	(1,369)	-	-	-
於 2019 年 12 月 31 日	At 31 December 2019	3,245,980	1,227,167	588	519,987	(108,991)	7,278,497	12,163,228	1,937,712	14,100,940

處置以公平值變化計入其他全面收益之股份權益工具是由於該投資不再以有戰略目的而持有。

The release upon disposal of equity instruments at fair value through other comprehensive income was made because the investment was no longer to be held for strategic purpose.

本集團已於 2019 年 1 月 1 日採用經修訂的追溯法初步應用香港財務報告準則第 16 號。根據這種方法，比較信息是不會重列。

The Group has initially applied HKFRS 16 at 1 January 2019, using modified retrospective approach. Under this approach, comparative information is not restated.

42. 財務狀況表及權益變動表（續） 42. Statement of financial position and statement of changes in equity (continued)

(b) 權益變動表（續） (b) Statement of changes in equity (continued)

		歸屬於本銀行股東 Attributable to equity holders of the Bank								
			儲備 Reserves							
		股本 Share capital	房產重估儲備[1] Premises revaluation reserve[1]	公平價值儲備[2] Fair value reserve[2]	監管儲備[3] Regulatory reserve[3]	換算儲備[4] Translation reserve[4]	留存盈利 Retained earnings	總計 Total	額外資本工具 Additional equity instruments	資本總額 Total equity
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
於2018年1月1日之早期列賬	At 1 January 2018, as previously reported	300,000	1,104,169	(84,885)	325,391	20,003	5,916,657	7,581,335	1,937,712	9,519,047
應用香港財務報告準則第9號的調整*	Adjustment on initial application of HKFRS 9*	-	-	15,760	-	-	(4,548)	11,212	-	11,212
於2018年1月1日之重列	At 1 January 2018, as restated	300,000	1,104,169	(69,125)	325,391	20,003	5,912,109	7,592,547	1,937,712	9,530,259
年度溢利	Profit for the year	-	-	-	-	-	1,044,220	1,044,220	-	1,044,220
其他全面收益：	Other comprehensive income:									
房產	Premises	-	99,660	-	-	-	-	99,660	-	99,660
以公平值變化計入其他全面收益之股份權益工具	Equity instruments at fair value through other comprehensive income	-	-	(2,466)	-	-	-	(2,466)	-	(2,466)
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	(147,171)	-	-	-	(147,171)	-	(147,171)
貨幣換算差額	Currency translation difference	-	-	412	-	(72,307)	-	(71,895)	-	(71,895)
全面收益總額	Total comprehensive income	-	99,660	(149,225)	-	(72,307)	1,044,220	922,348	-	922,348
發行普通股	Issuance of ordinary shares	1,472,988	-	-	-	-	-	1,472,988	-	1,472,988
轉撥至留存盈利	Transfer to retained earnings	-	-	-	88,986	-	(88,986)	-	-	-
股息	Dividends	-	-	-	-	-	(225,000)	(225,000)	-	(225,000)
支付額外資本工具持有者利息	Distribution to the holders of the additional equity instruments	-	-	-	-	-	(102,849)	(102,849)	-	(102,849)
於2018年12月31日	At 31 December 2018	1,772,988	1,203,829	(218,350)	414,377	(52,304)	6,539,494	9,660,034	1,937,712	11,597,746

1. 房產重估儲備的建立及處理是根據重估投資物業及房產所採用的會計政策。
2. 公平價值儲備包括持有以公平值變化計入其他全面收益金融工具直至被終止確認的累計公平價值變動淨額。
3. 除按香港財務報告準則第9號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至監管儲備作銀行一般風險之用（包括未來損失或其他不可預期風險）。
4. 換算儲備的建立及處理是根據外幣折算所採用的會計政策。

1. Premises revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for the revaluation of investment properties and premises.
2. Fair value reserve comprises the cumulative net change in the fair value of financial instruments at fair value through other comprehensive income held until the financial instruments are derecognised.
3. In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under Hong Kong Financial Reporting Standard ("HKFRS") 9.
4. Translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation.

43. 本銀行之附屬公司 43. Subsidiaries of the Bank

於2019年12月31日本銀行直接及間接附屬公司的具體情況列示如下：

The particulars of direct and indirect subsidiaries of the Bank as at 31 December 2019 are as follows:

名稱 Name	註冊／營業地點及日期 Place and date of incorporation/operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
集友銀行（代理人）有限公司	香港 1981年11月3日	普通股份 100,000 港元	100%	代理服務及投資控股
Chiyu Banking Corporation (Nominees) Limited	Hong Kong 3 November 1981	Ordinary shares HK$100,000	100%	Nominee service and investment holding
誠信置業有限公司	香港 1961年12月11日	普通股份 2,800,000 港元	100%	投資控股及集團間物業租賃
Seng Sun Development Company, Limited	Hong Kong 11 December 1961	Ordinary shares HK$2,800,000	100%	Investment holding and leasing of properties to group companies
欣澤有限公司	香港 2001年5月4日	普通股份 2 港元	100%*	投資控股
Grace Charter Limited	Hong Kong 4 May 2001	Ordinary shares HK$2	100%*	Investment holding
集友國際資本有限公司	香港 2017年3月13日	普通股份 5,000,000 港元	100%	企業融資顧問服務
Chiyu International Capital Limited	Hong Kong 13 March 2017	Ordinary shares HK$5,000,000	100%	Corporate finance advisory
集友資產管理有限公司	香港 2017年3月13日	普通股份 186,800,000 港元	100%	資產管理業務
Chiyu Asset Management Limited	Hong Kong 13 March 2017	Ordinary shares HK$186,800,000	100%	Asset management
	香港 2018年3月29日	普通股份 1 港元	100%*	持有物業
Sun King Limited	Hong Kong 29 March 2018	Ordinary shares HK$1	100%*	Property holding
集友基金獨立投資組合公司	開曼群島 2019年1月22日	管理股份 100 美元	100%*	基金工具公司
Chiyu Fund Segregated Portfolio Company	Cayman Islands 22 January 2019	Management shares USD100	100%*	Fund vehicle

*本銀行間接持有股份

* Shares held indirectly by the Bank

44. 直接及最終控股公司 44. Immediate and ultimate holding company

於2019年12月31日，本行之直接控股公司為集友國際金融控股有限公司，該公司於香港註冊成立，其最終控股公司為廈門國際銀行，該公司是一所於中華人民共和國註冊成立的中資商業銀行。

At 31 December 2019, the immediate holding company of the Bank is Chiyu International Financial Holdings Limited, a company incorporated in Hong Kong and its ultimate holding company is Xiamen International Bank Co., Ltd., a Chinese commercial bank incorporated in the PRC.

綜合財務報表附註（續） Notes to the Consolidated Financial Statements (continued)

45. 資產負債表日後事項

自 2020 年初以來，新型冠狀病毒感染的肺炎疫情之爆發已對本集團的經營環境帶來不確定因素及對本集團的營運產生影響。

本集團一直密切關注事態近來的發展對本集團業務之影響，並制定了應急措施。本集團對本集團的貸款組合和預期信用損失造成的潛在影響進行了評估。結果顯示在現階段此將不會對綜合財務報表造成任何重大影響。本集團將因應事態發展繼續檢討應急措施及風險管理控制。有需要時，會果斷地採取行動以減低潛在影響。因疫情發展迅速，在估算疫情對本集團的整體財務影響並不合適，因其仍可能有重大變動。

45. Events after the balance sheet date

The coronavirus outbreak since early 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations.

The Group has been closely monitoring the impact of the recent developments on the Group's business and has put in place contingency measures. The Group performed assessment on the potential impact to the Group's loan portfolios and the expected credit losses. The results showed that it is unlikely to have a significant financial impact on the consolidated financial statement at the current stage. The Group will closely monitor its contingency measures and risk management controls as the situation evolves. Whenever necessary, prompt actions will be undertaken to mitigate potential impacts. While the circumstances of the outbreak are evolving rapidly, an estimate of its overall financial impact to the Group may not be appropriate as it will be subject to material change.

46. 比較數字

若干比較數字經已重報以符合本年度的呈報方式。

46. Comparative figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

47. 財務報表核准

本財務報表於 2020 年 4 月 24 日經董事會通過及核准發佈。

47. Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 24 April 2020.

未經審核之補充財務資料 Unaudited Supplementary Financial Information

1. 信貸風險 1. Credit Risk

1.1 逾期超過 3 個月之貸款 1.1 Advances overdue for more than three months

逾期超過 3 個月之貸款總額分析如下：

The gross amount of advances overdue for more than three months is analysed as follows:

		2019		2018	
		金額 Amount	佔客戶貸款總額百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額百分比 % of gross advances to customers
		港幣千元 HK$'000		港幣千元 HK$'000	
客戶貸款總額，已逾期：	Gross advances to customers which have been overdue for:				
- 超過 3 個月但不超過 6 個月	- six months or less but over three months	**2**	**0.00%**	65,729	0.14%
- 超過 6 個月但不超過 1 年	- one year or less but over six months	**79,847**	**0.10%**	30,438	0.06%
- 超過 1 年	- over one year	**120,262**	**0.16%**	52,697	0.11%
逾期超過 3 個月之貸款	Advances overdue for over three months	**200,111**	**0.26%**	148,864	0.31%
就上述貸款作特定準備金	Specific provisions made in respect of such advances	**193,198**		132,589	

		2019	2018
		港幣千元 HK$'000	港幣千元 HK$'000
就上述有抵押品覆蓋的客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of such advances to customers	**28,358**	101,192
上述有抵押品覆蓋之客戶貸款	Covered portion of such advances to customers	**10,372**	70,103
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of such advances to customers	**189,739**	78,761

逾期貸款或減值貸款的抵押品主要包括公司授信戶項下的商用資產如商業及住宅樓宇、個人授信戶項下的住宅按揭物業。

Collateral held against overdue or impaired loans is principally represented by charges over business assets such as commercial and residential premises for corporate loans and mortgages over residential properties for personal loans.

於 2019 年 12 月 31 日，沒有逾期超過 3 個月之貿易票據（2018 年：無）。

As at 31 December 2019, there were no trade bills overdue for more than three months (2018: Nil).

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

1. 信貸風險（續） 1. Credit Risk (continued)

1.2 經重組貸款 1.2 Rescheduled advances

	2019		2018	
	金額 **Amount**	佔客戶貸款總額百分比 **% of gross advances to customers**	金額 Amount	佔客戶貸款總額百分比 % of gross advances to customers
	港幣千元 **HK$'000**		港幣千元 HK$'000	
經重組客戶貸款淨額（已扣減包含於「逾期超過3個月之貸款」部分） Rescheduled advances to customers net of amounts included in "Advances overdue for more than three months"	-	-	96,953	0.20%

經重組貸款乃指借款人因為財政困難或無能力如期還款而經雙方同意達成重整還款計劃之貸款。修訂還款計劃後之經重組貸款如仍逾期超過3個月，則包括在「逾期超過 3 個月之貸款」內。

Rescheduled advances are those advances that have been restructured or renegotiated because of deterioration in the financial position of the borrower or of the inability of the borrower to meet the original repayment schedule. Rescheduled advances, which have been overdue for more than three months under the revised repayment terms, are included in "Advances overdue for more than three months".

1.3 收回資產 1.3 Repossessed assets

本集團於 2019 年 12 月 31 日持有收回資產為港幣 144,240,000 元（2018 年：港幣 157,770,000 元）。收回資產指本集團通過對抵押取得處置或控制權的物業（如通過法律程序或業主自願交出抵押資產方式取得）而對借款人的債務進行全數或部分減除。

There were HK$144,240,000 repossessed assets held by the Group as at 31 December 2019 (2018: HK$157,770,000). The repossessed assets represent properties in respect of which the Group has acquired access or control (e.g. through court proceedings or voluntary actions by the proprietors concerned) for release in full or in part of the obligations of the borrowers.

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

2. 外匯風險 2. Currency Risk

下表列出本集團因自營交易及非自營交易而產生之主要外幣風險額，並參照有關持有外匯情況之金管局報表的填報指示而編製。

The following is a summary of the Group's major foreign currency exposures arising from trading and non-trading and is prepared with reference to the completion instructions for the HKMA return of foreign currency position.

2019

港幣千元等值 **Equivalent in thousand of HK$**

		美元 US Dollars	歐元 Euro Dollars	英鎊 Pound Sterling	澳元 Australian Dollars	新西蘭元 New Zealand Dollars	人民幣 Renminbi	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	46,012,705	1,500,071	293,429	950,833	284,305	33,853,064	425,138	83,319,545
現貨負債	Spot liabilities	(39,018,355)	(1,153,791)	(274,677)	(931,162)	(289,392)	(34,009,374)	(240,428)	(75,917,179)
遠期買入	Forward purchases	1,316,677	11,569	69,564	31,098	6,695	836,191	330,056	2,601,850
遠期賣出	Forward sales	(7,667,061)	(354,869)	(85,932)	(46,156)	(4,843)	(493,329)	(514,649)	(9,166,839)
長／（短）盤淨額	Net long/(short) position	643,966	2,980	2,384	4,613	(3,235)	186,552	117	837,377

2018

港幣千元等值 Equivalent in thousand of HK$

		美元 US Dollars	歐元 Euro Dollars	英鎊 Pound Sterling	澳元 Australian Dollars	新西蘭元 New Zealand Dollars	人民幣 Renminbi	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	32,457,407	732,951	202,114	914,071	310,418	14,201,504	243,815	49,062,280
現貨負債	Spot liabilities	(22,683,073)	(371,915)	(191,515)	(892,329)	(309,073)	(15,817,853)	(255,384)	(40,521,142)
遠期買入	Forward purchases	1,338,671	19,293	21,822	22,293	2,389	2,598,631	393,811	4,396,910
遠期賣出	Forward sales	(10,750,983)	(369,051)	(31,604)	(43,188)	(2,499)	(1,040,463)	(407,490)	(12,645,278)
長／（短）盤淨額	Net long/(short) position	362,022	11,278	817	847	1,235	(58,181)	(25,248)	292,770

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

3. 流動性覆蓋比率 3. Liquidity coverage ratio

		2019	2018
流動性覆蓋比率的平均值	Average value of liquidity coverage ratio		
- 第一季度	- First quarter	**218.71%**	152.06%
- 第二季度	- Second quarter	**191.46%**	186.29%
- 第三季度	- Third quarter	**205.53%**	250.75%
- 第四季度	- Fourth quarter	**210.17%**	244.69%

流動性覆蓋比率的平均值是基於該季度的每個工作日終結時的流動性覆蓋比率的算術平均數及有關流動性狀況之金管局報表列明的計算方法及指示計算。

The average value of liquidity coverage ratio is calculated based on the arithmetic mean of the liquidity coverage ratio as at the end of each working day in the quarter and the calculation methodology and instructions set out in the HKMA return of liquidity position.

2018 年 1 月至 9 月的流動性覆蓋比率的平均值乃根據《銀行業（流動性）規則》及按香港金融管理局（「金管局」）就監管規定要求由本銀行之本地辦事處及海外分行組成的合併基礎計算。

The average value of liquidity coverage ratio is computed on the unconsolidated basis which comprises the positions of local offices and overseas branches from January to September 2018 of the Bank specified by the Hong Kong Monetary Authority (HKMA) for its regulatory purposes and in accordance with the Banking (Liquidity) Rules.

2018 年 10 月至 2019 年 12 月的流動性覆蓋比率的平均值乃根據《銀行業（流動性）規則》及按金管局就監管規定要求由本銀行之本地辦事處、海外分行及附屬公司組成的綜合基礎計算。因此，其比較資料是不能直接進行比較。

The average value of liquidity coverage ratio is computed on the consolidated basis which comprises the positions of local offices, overseas branches and subsidiaries starting from October 2018 to December 2019 of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Liquidity) Rules. Hence, the comparative information is not directly comparable.

有關流動性覆蓋比率披露的補充資料可於本銀行網頁 www.chiyubank.com 中「監管披露」一節瀏覽。

The additional information of liquidity coverage ratio disclosures is available under section “Regulatory Disclosures” on the Bank’s website at www.chiyubank.com.

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

4. 穩定資金淨額比率 4. Net stable funding ratio

	2019	2018
穩定資金淨額比率的季度終結值 Quarter-end value of net stable funding ratio		
- 第一季度 - First quarter	**123.50%**	121.23%
- 第二季度 - Second quarter	**127.14%**	124.96%
- 第三季度 - Third quarter	**131.08%**	134.05%
- 第四季度 - Fourth quarter	**142.42%**	140.22%

穩定資金淨額比率的季度終結值是基於有關穩定資金狀況之金管局報表列明的計算方法及指示計算。

The quarter-end value of net stable funding ratio is calculated based on the calculation methodology and instructions set out in the HKMA return of stable funding position.

2018年上半年及自2018年下半年起穩定資金淨額比率乃根據《銀行業（流動性）規則》及分別按金管局就監管規定要求由本銀行之本地辦事處及海外分行組成的合併基礎及由本銀行之本地辦事處、海外分行及附屬公司組成的綜合基礎計算。因此，其比較資料是不能直接進行比較。

The net stable funding ratio is computed on the unconsolidated basis which comprises the positions of local offices and overseas branches in the first half of 2018 and consolidated basis which comprises the positions of local offices, overseas branches and subsidiaries starting from the second half of 2018 of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Liquidity) Rules. Hence, the comparative information is not directly comparable.

有關穩定資金淨額比率披露的補充資料可於本銀行網頁 www.chiyubank.com 中「監管披露」一節瀏覽。

The additional information of net stable funding ratio disclosures is available under section “Regulatory Disclosures” on the Bank’s website at www.chiyubank.com.

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

5. 資本管理 5. Capital management

5.1 監管合併基礎 5.1 Basis of regulatory combination

2019年的監管規定綜合基礎乃根據《銀行業（資本）規則》及按金管局就監管規定要求由本銀行之本地辦事處、海外分行及指定附屬公司組成。

The consolidated basis for regulatory purposes comprises the positions of the Bank's local offices, overseas branches and designated subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules in 2019.

在會計處理方面，則按照香港財務報告準則綜合附屬公司，其名單載於附註43。

For accounting purposes, subsidiaries are consolidated in accordance with HKFRSs and the list of subsidiaries is set out in Note 43.

包括在會計準則綜合範圍，而不包括在監管規定合併範圍內的附屬公司之詳情如下：

The particulars of subsidiaries which are included within the accounting scope of consolidation but not included within the regulatory scope of combination are as follows:

		2019		2018	
名稱	Name	資產總額 Total assets	資本總額 Total equity	資產總額 Total assets	資本總額 Total equity
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
集友國際資本有限公司	Chiyu International Capital Limited	**105,981**	**73,053**	60,996	47,424
集友資產管理有限公司	Chiyu Asset Management Limited	**186,826**	**174,720**	6,803	5,347
集友基金獨立投資組合公司	Chiyu Fund Segregated Portfolio Company	**1**	**1**	不適用 Not applicable	不適用 Not applicable

以上附屬公司的主要業務載於附註43。

The principal activities of the above subsidiaries are set out in Note 43.

於2019年12月31日，亦無任何附屬公司同時包括在會計準則和監管規定合併範圍而使用不同綜合方法（2018年12月31日：無）。

There were also no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of combination where the methods of consolidation differ as at 31 December 2019 (31 December 2018: Nil).

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

5. 資本管理（續） 5. Capital management (continued)

5.2 資本比率 5.2 Capital ratio

		2019	2018
普通股權一級資本比率	CET1 capital ratio	**13.59%**	15.30%
一級資本比率	Tier 1 capital ratio	**16.19%**	19.13%
總資本比率	Total capital ratio	**17.71%**	20.99%

用於計算以上資本比率之扣減後的合併資本基礎分析如下：

The combined capital base after deductions used in the calculation of the above capital ratios is analysed as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
普通股權一級資本：票據及儲備	CET1 capital: instruments and reserves		
直接發行合資格普通股權一級資本票據	Directly issued qualifying CET1 capital instruments	**3,245,980**	1,772,988
保留溢利	Retained earnings	**7,220,972**	6,479,035
已披露的儲備	Disclosed reserves	**1,661,469**	1,368,455
監管扣減之前的普通股權一級資本	CET1 capital before regulatory deductions	**12,128,421**	9,620,478
普通股權一級資本：監管扣減	CET1 capital: regulatory deductions		
估值調整	Valuation adjustments	**(8,610)**	(11,493)
已扣除遞延稅項負債的遞延稅項資產	Deferred tax assets net of deferred tax liabilities	**(640)**	(12,298)
按公平價值估值得負債因本身的信貸風險變動所產生的損益	Gains and losses due to changes in own credit risk on fair valued liabilities	**(60)**	(1,527)
因土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	**(1,452,133)**	(1,422,114)
一般銀行業務風險監管儲備	Regulatory reserve for general banking risks	**(519,987)**	(414,377)
對普通股權一級資本的監管扣減總額	Total regulatory deductions to CET1 capital	**(1,981,430)**	(1,861,809)
普通股權一級資本	CET1 capital	**10,146,991**	7,758,669
額外一級資本	AT1 capital	**1,937,712**	1,937,712
一級資本	Tier 1 capital	**12,084,703**	9,696,381

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

5. 資本管理（續） 5. Capital management (continued)

5.2 資本比率（續） 5.2 Capital ratio (continued)

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
二級資本：票據及準備金	Tier 2 capital: instruments and provisions		
合資格計入二級資本的集體減值備抵及一般銀行風險監管儲備	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	**484,445**	306,970
監管扣減之前的二級資本	Tier 2 capital before regulatory deductions	**484,445**	306,970
二級資本：監管扣減	Tier 2 capital: regulatory deductions		
加回合資格計入二級資本的因對土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	**653,460**	639,951
對二級資本的監管扣減總額	Total regulatory deductions to Tier 2 capital	**653,460**	639,951
二級資本	Tier 2 capital	**1,137,905**	946,921
總資本	Total capital	**13,222,608**	10,643,302

緩衝資本比率分析如下： The capital buffer ratios are analysed as follows:

		2019	2018
防護緩衝資本比率	Capital conservation buffer ratio	**2.500%**	1.875%
較高吸收虧損能力比率	Higher loss absorbency ratio	**-**	-
逆周期緩衝資本比率	Countercyclical capital buffer ratio	**1.426%**	1.448%

於 2019 年 12 月 31 日，香港金管局釐定香港有效的司法管轄區 CCyB（JCCyB）比率為 2.0%。於 2019 年 10 月 14 日，香港 JCCyB 比率由 2.5%下調至 2.0%。本行私人機構信用風險承擔所在的其餘司法管轄區的適用 JCCyB 比率為 0%。

As at 31 December 2019, the applicable jurisdictional CCyB (JCCyB) ratio in Hong Kong was 2.0% as set by the HKMA. The ratio reduced to 2.0% from 2.5% effective on 14 October 2019. For the rest of the jurisdictions in which the Bank had private sector credit exposures, the applicable JCCyB ratios were 0%.

5.3 槓桿比率 5.3 Leverage ratio

槓桿比率分析如下： The leverage ratio is analysed as follows:

		2019 港幣千元 HK$'000	2018 港幣千元 HK$'000
一級資本	Tier 1 capital	**12,084,703**	9,696,381
槓桿比率風險承擔	Leverage ratio exposure	**154,471,671**	105,325,379
槓桿比率	Leverage ratio	**7.82%**	9.21%

有關資本披露及槓桿比率披露的補充資料可於本銀行網頁 www.chiyubank.com 中「監管披露」一節瀏覽。

The additional information of capital disclosures and leverage ratio disclosures are available under section "Regulatory Disclosures" on the Bank's website at www.chiyubank.com.

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

6. 國際債權 6. International claims

以下分析乃參照有關國際銀行業統計之金管局報表的填報指示而編製。國際債權按照交易對手所在地計入風險轉移後以交易對手之最終風險承擔的地區分佈，其總和包括所有貨幣之跨國債權及本地之外幣債權。若債權之擔保人所在地與交易對手所在地不同，則風險將轉移至擔保人之所在地。若債權屬銀行之海外分行，其風險將會轉移至該銀行之總行所在地。

The below analysis is prepared with reference to the completion instructions for the HKMA return of international banking statistics. International claims are exposures to counterparties on which the ultimate risk lies based on the locations of the counterparties after taking into account the transfer of risk, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies. For a claim guaranteed by a party situated in a country different from the counterparty, the risk will be transferred to the country of the guarantor. For a claim on an overseas branch of a bank whose head office is located in another country, the risk will be transferred to the country where its head office is located.

本集團的個別國家或區域其已計及風險轉移後佔國際債權總額 10%或以上之債權如下：

Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate international claims of the Group are shown as follows:

		2019				
				非銀行私人機構 Non-bank private sector		
		銀行 Banks	**官方機構 Official sector**	**非銀行金融機構 Non-bank financial institutions**	**非金融私人機構 Non-financial private sector**	**總計 Total**
		港幣千元 HK$'000	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**	**港幣千元 HK$'000**
中國內地	Mainland China	**17,019,000**	**1,028,000**	**3,333,000**	**18,959,000**	**40,339,000**
香港	Hong Kong	**762,000**	**1,000**	**2,018,000**	**10,091,000**	**12,872,000**

		2018				
				非銀行私人機構 Non-bank private sector		
		銀行 Banks	官方機構 Official sector	非銀行金融機構 Non-bank financial Institutions	非金融私人機構 Non-financial private sector	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
中國內地	Mainland China	21,282,000	348,000	769,000	6,409,000	28,808,000
香港	Hong Kong	840,000	-	1,644,000	14,772,000	17,256,000

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

7. 非銀行的內地風險承擔 7. Non-bank Mainland exposures

對非銀行交易對手的內地相關風險承擔之分析乃參照有關內地業務之金管局報表的填報指示所列之機構類別及直接風險類別分類。此報表僅計及本銀行之內地風險承擔。

The analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the types of direct exposures with reference to the completion instructions for the HKMA return of Mainland activities, which includes the Mainland exposures extended by the Bank only.

			2019		
		金管局報表項目 Items in the HKMA return	資產負債表內的風險承擔 On-balance sheet exposure 港幣千元 HK$'000	資產負債表外的風險承擔 Off-balance sheet exposure 港幣千元 HK$'000	總風險承擔 Total exposure 港幣千元 HK$'000
中央政府、中央政府持有的機構、其附屬公司及合資企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	11,391,905	109,021	11,500,926
地方政府、地方政府持有的機構、其附屬公司及合資企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	20,609,771	342,688	20,952,459
中國籍境內居民或其他在境內註冊的機構、其附屬公司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	13,177,149	616,563	13,793,712
不包括在上述第一項中央政府內的其他機構	Other entities of central government not reported in item 1 above	4	1,794,349	429,278	2,223,627
不包括在上述第二項地方政府內的其他機構	Other entities of local governments not reported in item 2 above	5	677,452	-	677,452
中國籍境外居民或在境外註冊的機構，其用於境內的信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	11,023,885	491,581	11,515,466
其他交易對手而其風險承擔被視為非銀行的內地風險承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	437,719	-	437,719
總計	Total	8	59,112,230	1,989,131	61,101,361
扣減準備金後的資產總額	Total assets after provision	9	149,909,318		
資產負債表內的風險承擔佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	39.43%		

未經審核之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

7. 非銀行的內地風險承擔（續） 7. Non-bank Mainland exposures (continued)

		金管局報表項目 Items in the HKMA return	2018 資產負債表內的風險承擔 On-balance sheet exposure 港幣千元 HK$'000	資產負債表外的風險承擔 Off-balance sheet exposure 港幣千元 HK$'000	總風險承擔 Total exposure 港幣千元 HK$'000
中央政府、中央政府持有的機構、其附屬公司及合資企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	8,573,727	30,368	8,604,095
地方政府、地方政府持有的機構、其附屬公司及合資企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	5,621,339	774,532	6,395,871
中國籍境內居民或其他在境內註冊的機構、其附屬公司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	9,147,661	721,633	9,869,294
不包括在上述第一項中央政府內的其他機構	Other entities of central government not reported in item 1 above	4	345,922	22,100	368,022
不包括在上述第二項地方政府內的其他機構	Other entities of local governments not reported in item 2 above	5	187,720	-	187,720
中國籍境外居民或在境外註冊的機構，其用於境內的信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	9,714,819	822,205	10,537,024
其他交易對手而其風險承擔被視為非銀行的內地風險承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	1,028,808	-	1,028,808
總計	Total	8	34,619,996	2,370,838	36,990,834
扣減準備金後的資產總額	Total assets after provision	9	102,916,742		
資產負債表內的風險承擔佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	33.64 %		

未經審核之補充財務資料（續）Unaudited Supplementary Financial Information (continued)

8. 風險管理

總覽

本集團高度重視風險管理，並強調風險控制與業務發展之間必須取得平衡。本集團的風險管理目標是在致力提高股東權益價值的同時，確保風險控制在可接受的水平之內。本集團設有經董事會審批的風險取向陳述，表達本集團在風險可控的前提下所願意承擔的風險類型與程度，以實現業務發展目標和達到利益相關者的期望。有關本集團風險管理管治架構的詳細資料，請見財務報表附註 4。

信貸風險管理

有關本集團信貸風險管理之詳細資料，請見財務報表附註 4.1。

市場風險管理

有關本集團市場風險管理之詳細資料，請見財務報表附註 4.2。

利率風險管理

有關本集團利率風險管理之詳細資料，請見財務報表附註 4.2。

流動資金風險管理

有關本集團流動資金風險管理之詳細資料，請見財務報表附註 4.3。

操作風險管理

操作風險是指由不完善或有問題的內部程序、人員、系統，以及外部事件所造成損失的風險。操作風險隱藏於業務操作的各個環節，是本集團在日常操作活動中面對的風險。

本集團建立了有效的內部控制程序，及對所有重大活動訂下政策及監控措施。設置適當的職責分工和授權乃本集團緊守的基本原則。本集團採用關鍵風險指標、自我評估、操作風險事件匯報及檢查等不同的操作風險管理工具或方法來識別、評估、監察及控制潛在於業務活動及產品內的風險，同時透過購買保險將未能預見的操作風險減低。對支援緊急或災難事件時的業務運作備有持續業務運作計劃，並維持充足的後備設施及定期進行演練。

8. Risk Management

Overview

The Group attaches a high degree of importance to risk management and emphasises that a balance must be struck between risk control and business development. The Group's risk management objective is to maintain risk exposures within acceptable level amid the Group's efforts made to enhance shareholders' wealth. The Group has a defined risk appetite statement approved by the Board, which is an expression of the types and level of risk that the Group is willing to take in order to achieve its business goals and to meet the expectations of its stakeholders. For details of the Group's risk management governance structure, please refer to Note 4 to the Financial Statements.

Credit risk management

For details of the Group's Credit Risk Management, please refer to Note 4.1 to the Financial Statements.

Market risk management

For details of the Group's Market Risk Management, please refer to Note 4.2 to the Financial Statements.

Interest rate risk management

For details of the Group's Interest Rate Risk Management, please refer to Note 4.2 to the Financial Statements.

Liquidity risk management

For details of the Group's Liquidity Risk Management, please refer to Note 4.3 to the Financial Statements.

Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or external events. The risk is inherent in every aspect of business operations and confronted by the Group in its day-to -day operational activities.

The Group has put in place effective internal control processes and has formulated relevant policies and control procedures for all the key activities. The Group adheres to the fundamental principle of proper segregation of duties and authorisation. The Group adopts various operational risk management tools or methodologies such as key risk indicators, self-assessment, operational risk events reporting and review to identify, assess, monitor and control the risks inherent in business activities and products, as well as purchase of insurance to mitigate unforeseeable operational risks. Business continuity plans are established to substantiate business operations in the event of an emergency or disaster. Adequate backup facilities are maintained and periodic drills are conducted.

8. 風險管理（續）

信譽風險管理

信譽風險指因與本集團業務經營有關的負面報導（不論是否屬實），可能引致客戶基礎縮小、成本高昂的訴訟或收入減少等風險。信譽風險隱藏於其他風險及各業務運作環節，涉及層面廣泛。

此外，本集團建立完善機制持續監測金融界所發生的信譽風險事件，以有效管理及減低信譽風險事件的潛在負面影響。本集團亦借助健全有效機制及時向利益相關者披露信息，由此建立公眾信心及樹立本集團良好公眾形象。

法律及合規風險管理

法律風險指因不可執行合約、訴訟或不利判決而可能使本集團運作或財務狀況出現混亂或負面影響的風險。合規風險指因未有遵守所有適用法例及規則，而可能導致本集團遭受法律或監管制裁、財務損失或信譽損失的風險。本集團已制定相關法律及合規風險管理辦法。

策略風險管理

策略風險指本集團在實施各項策略，包括宏觀戰略與政策，以及為執行戰略與政策而制定各項具體的計劃、方案和制度時，由於在策略制定、實施及調整過程中失當，從而使本集團的盈利、資本、信譽和市場地位受到影響的風險。董事會檢討和審批策略風險管理政策。重點戰略事項均得到高級管理層與董事會的充分評估與適當的審批。

本集團會因應最新市場情況及發展，定期檢討業務策略。

資本管理

有關本集團資本管理之詳細資料，請見財務報表附註 4.4。

壓力測試

本集團以壓力測試輔助各項風險的分析工作。壓力測試是一種風險管理工具，用以評估當市場或宏觀經濟因素急劇變化並產生極端不利的經營環境時銀行風險暴露的情況。本集團內各風險管理單位按金管局監管政策手冊「壓力測試」內的原則，定期進行壓力測試。資產負債管理委員會根據風險管理委員會批准的主要風險限額，對壓力測試的結果進行監控，風險管理部定期向董事會及風險管理委員會匯報本集團的綜合測試結果。

8. Risk Management (continued)

Reputation risk management

Reputation risk is the risk that negative publicity about the Group's business practices, whether genuine or not, causes a potential decline in the customer base, or lead to costly litigation or revenue decrease. Reputation risk is inherent in other types of risk and every aspect of business operation and covers a wide spectrum of issues.

In addition, the Group has put in place a comprehensive framework to continuously monitor reputation risk incidents in the financial industry, so as to effectively manage and mitigate any potential adverse impact from an incident. The Group also adopts robust disclosure mechanism to keep our stakeholders informed at all times, which helps to build confidence in the Group and to establish a strong public image.

Legal and compliance risk management

Legal risk is the risk that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial conditions of the Group. Compliance risk is the risk of legal or regulatory sanctions, financial losses or losses in reputation the Group may suffer as a result of its failure to comply with all applicable laws and regulations. The Group has put in place relevant rules and procedures for legal and compliance risk management.

Strategic risk management

Strategic risk generally refers to the risks that may cause current or future negative impacts on the earnings, or capital or reputation or market position of the Group because of poor strategic decision-making, improper implementation of strategies and inadequacies in response to the changing market conditions. The Board reviews and approves the strategic risk management policy. Key strategic issues have to be fully evaluated and properly endorsed by the senior management and the Board.

The Group regularly reviews its business strategies to cope with the latest market situation and developments.

Capital management

For details of the Group's Capital management, please refer to Note 4.4 to the Financial Statements.

Stress testing

The Group supplements the analysis of various types of risks with stress testing. Stress testing is a risk management tool for estimating risk exposures under stressed conditions arising from extreme but plausible market or macroeconomic movements. These tests are conducted on a regular basis by the Group's various risk management units in accordance with the principles stated in the Supervisory Policy Manual "Stress-testing" published by the HKMA. The ALCO monitors the results against the key risk limits approved by the RC. The RMD reports the combined stress test results of the Group to the Board and RC regularly.

高級管理層

執行董事
呂耀明

執行董事及行政總裁
鄭　威

執行董事及副總裁
陳耀輝

副總裁
馮志立

首席風險官
叶　昕

首席財務官
黃兆文

Senior Management

Executive Director
Lyu Yaoming

Executive Director and Chief Executive
Zheng Wei

Executive Director and Deputy Chief Executive
Chan Yiu Fai

Deputy Chief Executive
Fung Chi Lap Pierre

Chief Risk Officer
Ye Xin

Chief Financial Officer
Wong Siu Man

分行網絡
Branch Network

分行名稱 **BRANCH (Br.)**	地址 **ADDRESS**	電話 **TELEPHONE**
香港島 **HONG KONG ISLAND**		
中區分行 Central Br.	香港中環德輔道中 78 號 No. 78 Des Voeux Road Central, Central, H.K.	(852) 3556 9730
北角分行 North Point Br.	香港北角英皇道 390-394 號地下 G/F, No. 390-394 King's Road, North Point, H.K.	(852) 3556 9731
灣仔分行 Wanchai Br.	香港灣仔軒尼詩道 323-331 號地下 C 和 D 舖 Shop C & D, G/F, No. 323-331 Hennessy Road, Wanchai, H.K.	(852) 3556 9734
上環分行 Sheung Wan Br.	香港上環皇后大道中 315-319 號地下 3 號舖 Shop 3, G/F, No. 315-319 Queen’s Road Central, Sheung Wan, H.K.	(852) 3556 9737
西區分行 Western Br.	香港西區皇后大道西 443-445 號地下 13 號舖 Shop 13, G/F, No. 443-445 Queen's Road West, Western District, H.K.	(852) 3556 9739
鰂魚涌分行 Quarry Bay Br.	香港鰂魚涌英皇道 1065 號東達中心地下 C 單位 Unit C, G/F, Eastern Centre, 1065 King's Road, Quarry Bay, H.K.	(852) 3556 9743
香港仔分行 Aberdeen Br.	香港香港仔大道 138-140 號地下 G/F, No. 138-140 Aberdeen Main Road, Aberdeen, H.K.	(852) 3556 9753
九龍 **KOWLOON**		
紅磡分行 Hung Hom Br.	九龍紅磡機利士南路 23-25 號地下 G/F, No. 23-25 Gillies Avenue South, Hung Hom, Kln.	(852) 3556 9732
觀塘分行 Kwun Tong Br.	九龍觀塘道 398-402 號地下 A 單位 Unit A, G/F, No. 398-402 Kwun Tong Road, Kln.	(852) 3556 9733
深水埗分行 Sham Shui Po Br.	九龍深水埗荔枝角道 235-237 號地下 G/F, No. 235-237 Laichikok Road, Sham Shui Po, Kln.	(852) 3556 9735
新蒲崗分行 San Po Kong Br.	九龍新蒲崗康強街 61-63 號地下 G/F, No. 61-63 Hong Keung Street, San Po Kong, Kln.	(852) 3556 9736
油麻地分行 Yau Ma Tei Br.	九龍油麻地上海街 117-119 號地下 G/F, No. 117-119 Shanghai Street, Yaumatei, Kln.	(852) 3556 9738
青山道分行 Castle Peak Road Br.	九龍深水埗青山道 226-228 號地下 G/F, No. 226-228 Castle Peak Road, Sham Shui Po, Kln.	(852) 3556 9740
九龍灣分行 Kowloon Bay Br.	九龍九龍灣啓業邨啟樂樓地下 10 及 10A 號舖 Shop 10 & 10A, G/F, Kai Lok House, Kai Yip Estate, Kowloon Bay, Kln.	(852) 3556 9741
土瓜灣分行 Tokwawan Br.	九龍土瓜灣道 78-80W 號地下 11-13 號舖 Shop 11-13, G/F, No. 78-80W To Kwa Wan Road, Kln.	(852) 3556 9742
慈雲山分行 Tsz Wan Shan Br.	九龍慈雲山中心 7 樓 703A 號舖 Shop 703A, 7/F, Tsz Wan Shan Shopping Centre, Kln.	(852) 3556 9751

分行網絡（續）
Branch Network (continued)

分行名稱 BRANCH (Br.)	地址 ADDRESS	電話 TELEPHONE
新界 NEW TERRITORIES		
屯門分行 Tuen Mun Br.	新界屯門安定邨 H.A.N.D.S N 區 1 樓 N-125 舖 Shop N-125, Level 1, Zone N, H.A.N.D.S, On Ting Estate, Tuen Mun, N.T.	(852) 3988 9508
葵興邨分行 Kwai Hing Estate Br.	新界葵涌葵興邨興逸樓地下 1 號舖 Shop 1, G/F, Hing Yat House, Kwai Hing Estate, Kwai Chung, N.T.	(852) 3556 9745
大埔太和邨分行 Tai Po Tai Wo Estate Br.	新界大埔太和邨安和樓地下 112-114 號舖 Shop 112-114, G/F, On Wo House, Tai Wo Estate, Tai Po, N.T.	(852) 3556 9746
麗城花園分行 Belvedere Garden Br.	新界荃灣麗城薈三期地下 5A 號舖 Shop 5A, G/F, Belvedere Square, Belvedere Garden Phase 3, Tsuen Wan, N.T.	(852) 3556 9747
荃灣分行 Tsuen Wan Br.	新界荃灣沙咀道 131-135 號地下 G/F, No. 131-135 Sha Tsui Road, Tsuen Wan, N.T.	(852) 3988 9518
沙田穗禾苑分行 Shatin Sui Wo Court Br.	新界沙田穗禾苑穗禾商場 1 樓 F7 號舖 Shop F7, 1/F, Commercial Centre, Sui Wo Court, Shatin, N.T.	(852) 3556 9749
馬鞍山分行 Ma On Shan Br.	新界馬鞍山海柏花園馬鞍山廣場 3 樓 313 號舖 Shop 313, Level 3, Ma On Shan Plaza, Bayshore Towers, Ma On Shan, N.T.	(852) 3556 9750
尚德邨分行 Sheung Tak Estate Br.	新界將軍澳尚德邨尚德商場 2 樓 238 號舖 Shop 238, 2/F, Sheung Tak Shopping Centre, Sheung Tak Estate, Tseung Kwan O, N.T.	(852) 3556 9752
中國內地 MAINLAND CHINA		
廈門分行 Xiamen Br.	中國福建省廈門市思明區湖濱南路 90 號立信廣場 101-103、202 單元 Unit 101-103 and 202，Lixin Plaza, No.90 Hubin South Road, Siming District, Xiamen, Fujian Province, China	(86-592) 585 6288
集美支行 Xiamen Jimei Sub-Br.	中國福建省廈門市集美區樂海北里 68-71 號 No. 68-71 Lehai Bei Li, Jimei District, Xiamen, Fujian Province, China	(86-592) 619 3300
觀音山支行 Guanyinshan Sub-Br.	中國福建省廈門市思明區塔埔東路 170 號 9 號樓 17 層 1702E 及 1703A 室 Unit 1702E & 1703A, No. 9 Building, No. 170 Tapu East Road, Siming District, Xiamen, Fujian Province, China	(86-592) 599 0520
福州分行 Fuzhou Br.	中國福建省福州市五四路 210 號國際大廈 1 樓 1/F, International Building, No. 210 Wusi Road, Fuzhou, Fujian Province, China	(86-591) 8781 0078
深圳分行 Shenzhen Br.	中國深圳市福田區益田路 6003 號榮超商務中心 A 棟 1 層 01 單元 Unit 1, Level 1, Block A, Rongchao Business Center, No. 6003 Yitian Road, Futian District, Shenzhen, China	(86-755) 3690 8888

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應用程式