

2016



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董事會報告

董事會全體成員欣然提呈南洋商業銀行有限公司（下稱「本銀行」）及其附屬公司（以下連同本銀行統稱「本集團」）截至 2016 年 12 月 31 日止年度之董事會報告及經審核之綜合財務報表。

主要業務

本銀行為根據香港《銀行業條例》所規定獲認可之持牌銀行，主要從事銀行業務及相關之金融服務。本銀行之附屬公司之主要業務載於本財務報表「附錄—本銀行之附屬公司」內。

業績及分配

本集團在本年之業績載於第 27 頁綜合收益表內。

捐款

本集團於年內之慈善及其他捐款合共約 174,000 港元。

發行股份

本年內，本銀行概無發行股份。本銀行之已發行股份詳情載於財務報表附註 34 內。

董事

本年內及直至本報告日期止，本銀行之董事如下：

董事會

董事長： 陳孝周 （自 2016 年 5 月 30 日起獲委任為董事及推選為董事長）
岳毅[#] （自 2016 年 5 月 30 日起辭任董事及董事長）

副董事長： 方紅光

董事： 吳松雲[#] （自 2016 年 5 月 30 日起獲委任）
梁強[#] （自 2016 年 5 月 30 日起獲委任）
王滂世 （自 2016 年 5 月 30 日起獲委任）
陳細明
劉漢銓*
藍鴻震*
張信剛*
李久仲[#] （自 2016 年 5 月 30 日起辭任）
隋洋[#] （自 2016 年 5 月 30 日起辭任）

[#] 非執行董事

* 獨立非執行董事

董事會報告（續）

董事（續）

本年內及直至本報告日期止，除陳孝周先生、方紅光先生、岳毅先生**及李久仲先生**同時擔任本銀行一間附屬公司董事外，本銀行附屬公司之其他董事如下：

孫建東	程澤宇	張載明	沈加沐	趙紅衛
張長意	葉永剛	梁家俊	許凱漩	吳國源
林景臻**	王建強**	肖偉**	貢華章**	鄭保琪**
周德文**				

**於本年內辭任

根據本銀行組織章程細則第 81 條，陳細明先生及藍鴻震先生將於應屆股東週年大會上退任，惟彼等均合資格，並願意重選連任。

根據本銀行組織章程細則第 82 條，陳孝周先生、吳松雲先生、梁強先生及王澎世先生將於應屆股東週年大會上退任，惟彼合資格，並願意重選連任。

董事購買股份或債權證之權利

於本年任何時間內，本銀行、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，使本銀行董事可藉購買本銀行或任何其他法人團體之股份或債權證而獲益。

董事於交易、安排或合約之權益

於本年末或本年任何時間內，本銀行、其任何控股公司、附屬公司或同系附屬公司概無簽訂任何涉及本集團之業務而本銀行之董事或其有關連實體直接或間接在其中擁有重大權益之交易、安排或合約。

管理合約

於本年內，本銀行概無就全部或任何重大部分業務之管理及行政工作簽訂或存有任何合約。

獲准許的彌償條文

根據本銀行組織章程細則，每名董事均可就本銀行有關事務而引致的任何責任獲本銀行從資產中撥付彌償。本銀行已為可合法投保之董事責任安排保險。

符合《銀行業（披露）規則》

截至 2016 年 12 月 31 日止的綜合財務報表完全遵守香港《銀行業條例》項下《銀行業（披露）規則》之要求。

核數師

本銀行截至 2016 年 12 月 31 日止年度的綜合財務報表乃由安永會計師事務所（「安永」）審計。安永將於 2017 年度股東週年大會上退任，並表示願意繼續受聘。

承董事會命

陳孝周

董事長

香港，2017 年 3 月 28 日

Report of the Directors

The Directors are pleased to present their report together with the audited consolidated financial statements of Nanyang Commercial Bank, Limited (hereinafter as the “Bank”) and its subsidiaries (together with the Bank hereinafter as the “Group”) for the year ended 31 December 2016.

Principal Activities

The Bank is a licensed bank authorised under the Hong Kong Banking Ordinance. The principal activities of the Bank are provision of banking and related financial services. The principal activities of the Bank’s subsidiaries are shown in “Appendix – Subsidiaries of the Bank” to the Financial Statements.

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 27.

Donations

Charitable and other donations made by the Group during the year amounted to approximately HK\$174,000.

Shares Issued

No shares were issued by the Bank during the year. Details of the issued shares of the Bank are set out in Note 34 to the Financial Statements.

Directors

The Directors of the Bank during the year and up to the date of this report are:

Board of Directors

Chairman:	Chen Xiaozhou	(appointed as Director and elected as Chairman of the Board of Directors effective from 30 May 2016)
	Yue Yi [#]	(resigned as Director and Chairman of the Board of Directors effective from 30 May 2016)
Vice Chairman:	Fang Hongguang	
Directors:	Wu Songyun [#]	(appointed effective from 30 May 2016)
	Liang Qiang [#]	(appointed effective from 30 May 2016)
	Wang Tong Sai	(appointed effective from 30 May 2016)
	Chan Sai Ming	
	Lau Hon Chuen*	
	Lan Hong Tsung, David*	
	Chang Hsin Kang*	
	Li Jiuzhong [#]	(resigned effective from 30 May 2016)
	Sui Yang [#]	(resigned effective from 30 May 2016)

[#] Non-executive Directors

* Independent Non-executive Directors

Report of the Directors (continued)

Directors (continued)

Save for Messrs. Chen Xiaozhou, Fang Hongguang, Yue Yi** and Li Jiuzhong** being also directors of a subsidiary of the Bank, other directors of the subsidiaries of the Bank during the year and up to the date of this report are:

Sun Jiandong	Cheng Zeyu	Zhang Zaiming	Shen Jiamu	Zhao Hongwei
Zhang Changyi	Ye Yonggang	Leung Ka Chun	Hui Hoi Suen	Ng Kwok Yuen
Lin Jingzhen**	Wang Jianqiang**	Xiao Wei**	Gong Huazhang**	Cheng Po Kee**
Chow Tak Man**				

** Resigned during the year.

In accordance with Article 81 of the Articles of Association of the Bank, Mr. Chan Sai Ming and Mr. Lan Hong Tsung David retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with Article 82 of the Articles of Association of the Bank, Messrs. Chen Xiaozhou, Wu Songyun, Liang Qiang and Wang Tong Sai retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Directors' Interests in Equity or Debt Securities

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 of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

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 of the Bank 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.

Permitted Indemnity Provision

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

Compliance with the Banking (Disclosure) Rules

The consolidated financial statements for the year ended 31 December 2016 comply with the requirements set out in the Banking (Disclosure) Rules under the Hong Kong Banking Ordinance.

Auditor

The consolidated financial statements for the year ended 31 December 2016 have been audited by Ernst & Young who retire and offer themselves for re-appointment at the 2017 annual general meeting.

On behalf of the Board

Chen Xiaozhou

Chairman

Hong Kong, 28 March 2017

公司治理

本集團致力達至優良之企業管治，並已遵循香港金融管理局頒佈之監管政策手冊《本地註冊認可機構的企業管治》(CG-1) 指引。

董事會及管理層

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。於 2016 年 5 月 30 日股權變動前，董事會由八位董事組成。當中兩位為執行董事，其餘六位為非執行董事。在六位非執行董事中，三位為獨立非執行董事。於股權變動後，董事會由九位具備不同經驗及專業之人士組成。當中四位為執行董事，其餘五位為非執行董事。在五位非執行董事中，三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四次會議，年內出席率達 100%。以總裁為首的管理層負責按已審定的策略及政策，制定及執行具體落實方案，並定期向董事會提交本集團表現之詳細報告，以便董事會能夠有效地履行其職責。為了能專注在對本集團財務及長遠發展有重大影響之策略性及重要事宜上，董事會在股權變動後新增了執行委員會、戰略與發展委員會及關聯交易委員會，並解散了行政委員會。現時董事會共設立下列六個委員會負責監督本集團各主要範疇。各委員會之詳情如下：

執行委員會

執行委員會（「執委會」）在董事會的授權下負責本集團的整體管理，包括整體營運及重要行政管理事項，以促進本集團的整體協同營運及各項業務及管理的順暢及有效，其主要職責包括：

- 管理本集團的整體運作及業務；
- 協調處理和決定本銀行與附屬公司及本集團與控股公司之間的協同營運所涉及之各類事項；
- 制定本集團的發展戰略，並提請戰略與發展委員會審議，以及於董事會批准後監督本集團發展戰略的執行和落實；
- 制定本集團年度業務及資金計劃、預算案及其他策略措施建議，以提請董事會審議，並於董事會批核後監督有關計劃、預算案及策略的執行和落實；
- 為本集團業務營運及發展所需，設立及維持有效的財務、營運及管理控制系統，並確保符合法律及監管規定，按監管當局及控股公司制定的政策，審議本集團的制度及執行細則；
- 討論及檢討有可能對本集團造成重大影響的其他政策事宜；及
- 在上述職責外，就董事會下設其他委員會職責和權力範圍外的事項行使管理、審議、建議、監督等權力，包括資訊科技管理、人力資源戰略及企業文化建設等。

年內，執行委員會成員包括陳孝周先生（主席）、方紅光先生、王澍世先生、陳細明先生、孫建東先生、曲和磊先生、肖沃根先生、駱航魯先生及程澤宇先生，其中陳孝周先生、方紅光先生、王澍世先生及陳細明先生為本銀行的執行董事。

公司治理（續）

戰略與發展委員會

戰略與發展委員會負責對本集團中長期發展戰略和重大投資決策進行研究，並提出建議，其主要職責包括：

- 製備本銀行的中長期戰略計劃，呈董事會審批；
- 審查、動議、監控、重檢和更新本銀行的中長期戰略計劃，並向董事會提出調整建議；
- 審查本銀行中長期戰略的制定程式，確保其已充分考慮到一定範圍內的所有備選方案；
- 按照既定的標準監控中長期戰略實施情況，向管理層提供方向性的指引；
- 審查管理層提出的重大兼併及收購方案，並向董事會提出建議；及
- 就本銀行主要投資、資本性支出和戰略性承諾向董事會提出建議，並監控其實施情況。

年內，戰略與發展委員會成員包括陳孝周先生（主席）、方紅光先生及王滂世先生。彼等均為本銀行的執行董事。

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；
- 內部控制系統；
- 內部稽核職能和人員的工作表現；
- 外部核數師的聘任及其資格、獨立性和工作表現的評估；
- 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
- 強化公司治理架構。

我行 2016 年 5 月 30 日股權變動之前，稽核委員會成員包括劉漢銓先生（主席）、藍鴻震先生及隋洋女士。彼等均為本銀行之非執行董事。其中劉漢銓先生及藍鴻震先生均為獨立非執行董事。在股權變動之後，稽核委員會成員包括劉漢銓先生（主席）、藍鴻震先生及梁強先生。彼等均為本銀行之非執行董事。其中劉漢銓先生及藍鴻震先生均為獨立非執行董事。

公司治理（續）

風險管理委員會

風險管理委員會協助董事會就本銀行之風險管理履行以下的職責：

- 建立本銀行的風險偏好和風險管理戰略，確定本銀行的風險組合狀況；
- 識別、評估、管理本銀行面臨的重大風險；
- 審查和評估本銀行風險管理政策、制度和內部監控的充分性，包括本銀行在開展業務時是否符合審慎、合法及合規的要求；
- 審查和批准高層次風險管理政策；及
- 審查和批准重大或高風險的風險承擔或交易。

本銀行於 2016 年 5 月 30 日股權變動之前，風險管理委員會成員包括李久仲先生（主席）、方紅光先生、張信剛先生、劉漢銓先生及陳細明先生。彼等均為本銀行之董事。其中張信剛先生及劉漢銓先生均為獨立非執行董事。股權變動之後，風險管理委員會成員包括吳松雲先生（主席）、梁強先生、方紅光先生、劉漢銓先生及藍鴻震先生。彼等均為本銀行之董事。其中劉漢銓先生及藍鴻震先生均為獨立非執行董事。

關聯交易委員會

關聯交易委員會協助董事會就本銀行之關聯交易履行以下的職責：

- 審閱並批准本行關聯交易管理政策；
- 定期收取關聯交易報備，並充分瞭解本行關聯交易管理情況，並給出指導意見；及
- 按照法律、行政法規的規定和公正、公允的商業原則，及時審批重大關聯交易。

年內，關聯交易委員會成員包括藍鴻震先生（主席）、劉漢銓先生及陳細明先生。彼等均為本銀行之董事。其中藍鴻震先生及劉漢銓先生均為獨立非執行董事。

公司治理（續）

提名及薪酬委員會

提名及薪酬委員會成員共有 5 名，其中包括 2 名非執行董事吳松雲先生及梁強先生，以及 3 名獨立非執行董事張信剛先生、劉漢銓先生及藍鴻震先生，委員會主席由藍鴻震先生擔任。自 2016 年 5 月 30 日起，非執行董事隋洋女士辭任提名及薪酬委員會委員，張信剛先生、吳松雲先生及梁強先生於 2016 年 5 月 30 日獲委任為提名及薪酬委員會委員。獨立非執行董事在股權變更前佔委員會成員的 66.7%，變更後為 60%。

提名及薪酬委員會負責協助董事會對本集團在以下方面(但不僅限於以下方面)履行職責：

- 本集團的人力資源策略、薪酬策略及激勵框架；
- 董事、董事會附屬委員會成員、及由董事會不時指定的高級管理人員的篩選和提名（定義為「高級管理人員」）；
- 董事會和各委員會的結構、規模、組成（包括但不限於性別、年齡、文化及教育背景、種族、地區、專業經驗、技能、知識等）；
- 董事、各委員會成員、高級管理人員及主要人員的薪酬；
- 董事會及各委員會的有效性；及
- 董事及高級管理人員的培訓及持續專業發展。

提名及薪酬委員會於 2016 年內的工作主要包括根據職責及權限進行審批、審議並向董事會建議：

- 重要人力資源及薪酬政策的制訂、重檢和修訂，包括本行的《薪酬及激勵政策》及《浮薪遞延政策》，以及根據香港金融管理局《穩健的薪酬制度指引》所定義之「高級管理人員」、「主要人員」、「特定員工團隊」、「風險控制人員」四種人員的年度重檢結果；
- 高級管理人員及主要人員 2015 年度的績效考核結果；
- 高級管理人員及主要人員 2015 年度花紅發放方案、2016 年度薪酬調整方案及特別獎金發放；
- 2016 年度高級管理人員及主要人員的績效考核目標；
- 重檢提名及薪酬委員會職責約章、工作規則及會議常設議程；
- 重檢董事獨立性政策；
- 2016 年董事輪選事宜；
- 2015 年董事獨立性報告；
- 2015 年董事會及各附屬委員會的自我評估報告；
- 處理本集團調整及委任董事事宜；
- 處理主要人員任免事宜。

提名及薪酬委員會於 2016 年內共召開 3 次會議，全部董事出席率達 93.3%。

公司治理（續）

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鉤，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，並適用於南洋商業銀行有限公司及其所有附屬機構。

- **「高級管理人員」及「主要人員」**

本集團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「高級管理人員」及「主要人員」：

- 「高級管理人員」：董事會直接管理的高級管理人員，負責總體策略或重要業務，包括管理董事、總裁、副總裁、執委會委員、執委會各小組負責人、首席策略官、財務總監、風險總監、技術總監、董事會秘書、稽核部主管及其他指定崗位人員。
- 「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單位主管、資金處主管及風險管理部主管。

- **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處主責提出建議，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。薪酬政策建議提呈提名及薪酬委員會審查後，報董事會審定。提名及薪酬委員會及董事會視實際需要徵詢董事會其他屬下委員會（如風險管理委員會、稽核委員會等）的意見。

公司治理（續）

薪酬及激勵機制（續）

- 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。本集團年度目標在平衡計分卡的框架下，向下層分解，從財務、客戶、基礎建設／重點工作、人員、風險管理及合規等維度對高級管理人員及不同單位（包括業務單位、風險監控職能單位及其他單位）的績效表現作出評核。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及合規守紀等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，確保本集團安全及正常運作。

2. 薪酬的風險調節

為落實績效及薪酬與風險掛鈎的原則，因應本集團風險調節方法，把銀行涉及的主要風險調節因素結合到本集團的績效考核機制中。風險調節方法以信貸風險、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。而本銀行的浮薪總額則按經董事會審定的風險調節後的績效結果計算，並由董事會酌情決定，以確保本銀行浮薪總額是在充分考慮本銀行的風險概況及變化情況後決定，從而使薪酬制度貫徹有效的風險管理。

公司治理（續）

薪酬及激勵機制（續）

• 薪酬及激勵機制的主要特色（續）

3. 以績效為本、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。

每年本集團將結合薪酬策略、市場薪酬趨勢、員工薪金水平等因素，並根據本集團的支付能力及集團、單位和員工的績效表現，定期重檢員工的固薪。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。

按本銀行《浮薪資源總額管理政策》的相關規定，董事會主要根據本銀行的財務績效表現、與本銀行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，審批浮薪資源總額。除按有關規定的公式計算外，董事會可根據實際情況對本銀行的浮薪資源總額作酌情調整。在本銀行業績表現較遜色時（如未達至銀行績效的門檻條件），原則上不發當年浮薪，惟董事會仍有權視實際情況作酌情處理。

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。在本集團可接受的風險水平以內，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。

公司治理（續）

薪酬及激勵機制（續）

- 薪酬及激勵機制的主要特色（續）

- 4. 浮薪發放與風險期掛鉤，體現本集團的長遠價值創造

為實現薪酬與風險期掛鉤的原則，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，員工工作涉及風險期愈長、職等愈高或浮薪水平愈高的崗位，遞延浮薪的比例愈大。遞延的年期為 3 年。

遞延浮薪的歸屬與本集團長遠價值創造相連結，其歸屬條件與本集團未來 3 年的年度績效表現及員工個人行為緊密掛鉤。每年在本集團績效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。若員工在浮薪遞延期間被發現曾有欺詐行為、任何評定績效表現或浮薪所涉及的財務性或非財務性因素其後被發現明顯遜於當年評估結果、因個人行為或管理模式對其所在單位乃至集團造成負面影響，包括但不限於不適當或不充分的風險管理等情況，本集團將取消員工未歸屬的遞延浮薪，不予發放。

- 薪酬披露

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

Corporate Governance

The Group strives to achieve high standards of corporate governance and has followed CG-1 “Corporate Governance of Locally Incorporated Authorised Institutions” of the Supervisory Policy Manual issued by the Hong Kong Monetary Authority.

Board of Directors and the Management

The Board is responsible for setting objectives and formulating long term strategies as well as managing the Group’s overall business. Before the shares transfer on 30 May 2016, it comprised eight Directors. Among them, two were Executive Directors, while the remaining six were Non-executive Directors. Of the six Non-executive Directors, three were Independent Non-executive Directors. After the shares transfer, it comprises nine Directors with a variety of different experience and professionalism. Among them, four are Executive Directors, while the remaining five are Non-executive Directors. Of the five Non-executive Directors, three 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 attendance rate of 100% in the year. The Management, led by the Chief Executive, is responsible for formulating and implementing detailed programmes to effect the approved strategies and policies, and providing detailed reports on the Group’s performance to the Board on a regular basis to enable the Board to discharge its responsibilities effectively. In order to focus its attention on strategic and material issues that have significant impact on the Group’s finances and long-term development, the Board has newly set up the Executive Committee, Strategic and Development Committee, Connected Transaction Committee and disbanded the former Executive Committee after the shares transfer. It currently has set up the following six committees to oversee the major areas of the Group. Details of the committees are given below:

Executive Committee

Under the authority given by the Board, the Executive Committee is responsible for the overall management of the Group, including overall operation and essential executive management, in order to facilitate the flow and effectiveness of the overall collaboration, businesses and management of the Group. Its main duties include:

- management of the overall operation and business of the Group;
- coordination and determination of all kinds of matters in the collaboration between the Bank and its subsidiaries and between the Group and its holding company;
- formulation of the Group’s development strategies for the discussion and approval by the Strategy and Development Committee, and monitoring the execution and implementation of the Group’s development strategy after the approval by the Board;
- proposal of the Group’s annual business and capital plans, budgets and other strategic measures for the Board’s approval and monitor the execution and implementation of the aforesaid plans, budgets and strategies thereafter;
- establishment and maintenance of effective financial, operational and management control systems for the Group’s business operation and development with full compliance with relevant legal and regulatory requirements; and discussion and approval of the Group’s systems and rules of implementation in accordance with the policies of the regulatory authority and the holding company;
- discussion and review of other policies which may have material impact on the Group; and
- other than the duties as mentioned above, management, discussion, approval, suggestion and monitoring of other matters beyond the duties and authorities of other committees under the Board, including information technology management, human resource strategies, building up corporate culture, etc.

During the year, members of the Executive Committee included Mr. Chen Xiaozhou (Chairman), Mr. Fang Hongguang, Mr. Wang Tong Sai, Mr. Chan Sai Ming, Mr. Sun Jiandong, Mr. Qu Helei, Mr. Xiao Wogen, Mr. Luo Hanglu and Mr. Cheng Zeyu, of which Mr. Chen Xiaozhou, Mr. Fang Hongguang, Mr. Wang Tong Sai and Mr. Chan Sai Ming were the executive directors of the Bank.

Corporate Governance (continued)

Strategy and Development Committee

Strategy and Development Committee is responsible for the consideration and suggestion of the medium and long term development strategies of the Group. Its main duties include:

- preparation of the Bank's medium and long term strategies for the Board's approval;
- examination, proposing, monitoring, review and update of the Bank's medium and long strategies and recommend the Board on necessary adjustments of the strategies;
- examination of the formulation of the Bank's medium and long term strategies and ensure all the potential plans in a certain selective scope have been adequately considered;
- monitoring the implementation of medium and long term strategies in accordance with established standards and provide directive guidance to the management on the implementation;
- examination of material merge and acquisition plans proposed by the management and advise the management on the plans;
and
- advice to the Board on the Bank's major investment, capital expenditure and strategic commitment and monitoring the implementation of the aforesaid.

During the year, members of the Strategy and Development Committee included Mr. Chen Xiaozhou (Chairman), Mr. Fang Hongguang and Mr. Wang Tong Sai. All of them were the executive directors of the Bank.

Corporate Governance (continued)

Audit Committee

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

- integrity of financial statements and the financial reporting process;
- internal control system;
- performance of internal audit functions and internal auditors;
- appointment of external auditor and evaluation of external auditor's qualifications, independence and performance;
- periodic review and annual audit of the Group's financial statements;
- compliance with applicable accounting standards and legal and regulatory requirements on financial disclosures; and
- enhancement of the corporate governance framework.

Before the shares transfer on 30 May 2016, the members of Audit Committee were Mr. Lau Hon Chuen (Chairman), Mr. Lan Hong Tsung David and Ms. Sui Yang. All were Non-executive Directors of the Bank. Among them, Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David were Independent Non-executive Directors. After the shares transfer, the members of Audit Committee were Mr. Lau Hon Chuen (Chairman), Mr. Lan Hong Tsung David and Mr. Liang Qiang. All were Non-executive Directors of the Bank. Among them, Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David were Independent Non-executive Directors.

Corporate Governance (continued)

Risk Management Committee

The Risk Management Committee assists the Board in performing the duties in respect of the risk management of the Bank in the following areas:

- formulation of the risk appetite and risk management strategy of the Bank and determination of the Bank's risk profile;
- identification, assessment and management of material risks faced by the Bank;
- the review and assessment of the adequacy of the Bank's risk management policies, system and internal control, including the Bank's compliance with prudential, legal and regulatory requirements governing the businesses of the Bank;
- review and approval of high-level risk-related policies of the Bank; and
- review and approval of significant or high risk exposures or transactions.

Before the shares transfer on 30 May 2016, the members of the Risk Management Committee were Mr. Li Jiuzhong (Chairman), Mr. Fang Hongguang, Mr. Chang Hsin Kang, Mr. Lau Hon Chuen and Mr. Chan Sai Ming. All were Directors of the Bank. Among them, Mr. Chang Hsin Kang and Mr. Lau Hon Chuen were Independent Non-executive Directors. After the shares transfer, the members of the Risk Management Committee were Mr. Wu Songyun (Chairman), Mr. Liang Qiang, Mr. Fang Hongguang, Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David. All were Directors of the Bank. Among them, Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David were Independent Non-executive Directors.

Connected Transactions Committee

The Connected Transaction Committee assists the Board in performing the duties in respect of connected transaction of the Bank in the following areas:

- Review and approve the Bank's connected transaction policy;
- Regularly receives connected transactions information and fully understands the management of connected transactions of the Bank and gives guidance; and
- In accordance with the provisions of laws and administrative regulations and fair and equitable business principles, timely approve the bank's major connected transactions.

The members of the Connected Transaction Committee during the year were Mr. Lan Hong Tsung David (Chairman), Mr. Lau Hon Chuen and Mr. Chan Sai Ming. All were Directors of the Bank. Among them, Mr. Lan Hong Tsung David and Mr. Lau Hon Chuen were Independent Non-executive Directors.

Corporate Governance (continued)

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises five members, including two Non-executive Directors, Mr. Wu Songyun and Mr. Liang Qiang, and three Independent Non-executive Directors, namely Mr. Chang Hsin Kang, Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David. It was chaired by Mr. Lan Hong Tsung David. With effect from 30 May 2016, Ms. Sui Yang, a Non-executive Director of the Board, resigned as the member of Nomination and Remuneration Committee. Mr. Chang Hsin Kang, Mr. Wu Songyun and Mr. Liang Qiang were appointed as members of Nomination and Remuneration Committee at 30 May 2016. The Independent Non-executive Directors represent 66.7% and 60% of the Committee members prior and subsequent to such changes respectively.

The Nomination and Remuneration Committee assists the Board in performing the duties in respect of the Group in, among others, the following areas:

- human resources, remuneration strategy and incentive framework of the Group;
- selection and nomination of Directors, Board Committee members and certain senior executives as designated by the Board from time to time (defined as “Senior Management”);
- structure, size and composition (including but not limited to gender, age, cultural and educational background, ethnicity, geographical location, professional experience, skills and knowledge etc.) 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.

Key tasks performed by the Nomination and Remuneration Committee during 2016 included the approval, review and proposal to the Board on the following according to the responsibilities and authorities:

- formulation, review and amendment on major human resources and remuneration policies, including the review of the “Remuneration and Incentive Policy” and “Deferral Variable Remuneration Policy”; as well as the review of “Senior Management”, “Key Personnel”, “Key Employee Group” and “Risk Control Personnel” as delineated in the “Guideline on a Sound Remuneration System” published by Hong Kong Monetary Authority;
- performance appraisal result of the Senior Management and Key Personnel for year 2015;
- proposal on staff bonus for year 2015, salary adjustment for year 2016 and special bonus of the Senior Management and Key Personnel;
- key performance indicators of the Senior Management and Key Personnel for year 2016;
- review of the Mandate, Working Rules and Standing Agenda of the Nomination and Remuneration Committee;
- review of Directors’ Independency Policy;
- election of Directors for 2016;
- Directors’ independency report for 2015;
- self-evaluation report of the Board and Board Committees for 2015;
- consideration of the matters relating to the adjustment and appointment of the Directors of the Group;
- consideration of the appointment and resignation of Key Personnel.

There were three Nomination and Remuneration Committee meetings held during 2016. The attendance rate of all the Directors was 93.3%.

Corporate Governance (continued)

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 broad principles set out in the HKMA’s “Guideline on a Sound Remuneration System” and applicable to Nanyang Commercial Bank Limited and all of its subsidiaries.

- **“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 directly managed by the Board who are responsible for oversight of the firm-wide strategy or material business lines, including Managing Director, Chief Executive, Deputy Chief Executives, Executive Committee Members, Heads of Executive Committee Working Group, Chief Strategy Officer, Chief Financial Officer, Chief Risk Officer, Chief Technology Officer, Board Secretary, Head of Audit Department and other particular personnel.
- “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 heads of material business lines, Head of Treasury, as well as Head of Risk Management Department.

- **Determination of the Remuneration Policy**

To fulfill the above-mentioned principles and to facilitate effective risk management within the framework of the Remuneration Policy of the Group, Human Resources Division is responsible for proposing the Remuneration Policy of the Group and will seek consultation of 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 Policy will be submitted to the Nomination and Remuneration Committee for review and thereafter to the Board of Directors for approval. The Nomination and Remuneration Committee and the Board of Directors will seek opinions from other Board Committees (e.g. Risk Management Committee, Audit Committee, etc.) where they consider necessary.

Corporate Governance (continued)

Remuneration and Incentive Mechanism (continued)

- **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. The annual targets of the Group will be cascaded down under the framework of balanced scorecard whereby the performance of the Senior Management and different units (including business units, risk control units and other units) would be assessed from the perspectives of financial, customer, building blocks/key tasks, human capital, risk management and compliance. 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 and fulfilment of risk management duties and compliance, etc. Not only is target accomplishment taken into account, but the risk exposure involved during the course of work could also be evaluated and managed, ensuring security and normal operation of the Group.

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 of the Group. 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. The size of the variable remuneration pool of the Bank is calculated according to the risk adjusted performance results approved by the Board and is subject to its discretion. This method ensures the Bank to fix the Bank's variable remuneration pool after considering risk exposures and changes and to maintain effective risk management through the remuneration mechanism.

Corporate Governance (continued)

Remuneration and Incentive Mechanism (continued)

- **Key Features of the Remuneration and Incentive Mechanism (continued)**

3. Performance-based and 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. Generally speaking, the higher the job grades and/or the greater the responsibilities, the higher will be the proportion of variable remuneration so as to encourage the staff to follow the philosophy of prudent risk management and sound long-term financial stability.

Every year, the Group will conduct periodic review on the fixed remuneration of the staff with reference to various factors like remuneration strategy, market pay trend and staff salary level, and will determine the remuneration based on the affordability of the Group as well as the performance of the Group, units and individuals. As mentioned above, performance assessment criteria include quantitative and qualitative factors, as well as financial and non-financial indicators.

According to the Bank Bonus Funding Policy, the size of the variable remuneration pool of the Bank is determined by the Board on the basis of the financial performance of the Bank and the achievement of non-financial strategic business targets under the long-term development of the Bank. Thorough consideration is also made to the risk factors in the determination process. The size of the pool is reached based on pre-defined formulaic calculations but the Board can make discretionary adjustment to it if deemed appropriate under prevailing circumstances. When the Bank’s performance is relatively weak (e.g. failed to meet the threshold performance level), no variable remuneration will be paid out that year in principle. However, the Board reserves the rights to exercise its discretion.

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 attaching 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, 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. Within the acceptable risk level of the Group, the better the performance of the unit and the individual staff, the higher will be the variable remuneration for the individual staff.

Corporate Governance (continued)

Remuneration and Incentive Mechanism (continued)

- **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**

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 longer the time horizon of risk in the activities conducted by the staff, the higher the job grade or the higher amount of the variable remuneration, the higher will be the proportion of deferral. Deferral period lasts for 3 years.

The vesting of the deferred variable remuneration is linked with the long term value creation of the Group. The vesting conditions are closely linked to the annual performance of the Group in the next 3 years and the individual behaviour of the staff concerned. When the Group's performance has met the threshold requirement, the deferred variable remuneration would be vested following the corresponding schedule. However, if a staff is found to have committed fraud, or any financial or non-financial factors used in performance measurement or variable pay determination are later proven to have been manifestly worse than originally understood in a particular year, or individual behaviour / management style pose negative impacts to the business unit and even the Group, including but not limited to improper or inadequate risk management, etc., the unvested portion of the deferred variable remuneration of the relevant staff would be forfeited.

- **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 disclosure information in relation to our remuneration and incentive mechanism.

獨立核數師報告

致南洋商業銀行有限公司全體成員

(於香港註冊成立的有限公司)

審計意見

本核數師(以下簡稱「我們」)審計了載於第 27 頁至第 239 頁南洋商業銀行有限公司(「貴銀行」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於 2016 年 12 月 31 日的綜合資產負債表與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。

我們認為,上述綜合財務報表已經根據香港會計師公會頒佈的《香港財務報告準則》,真實而中肯地反映了貴集團於 2016 年 12 月 31 日的財務狀況以及截至該日止年度的財務表現和現金流量,並已符合香港《公司條例》妥為編製。

形成審計意見的基礎

我們按照香港會計師公會頒佈的《香港審計準則》的規定執行了審計工作。審計報告的“核數師對合併財務報表審計的責任”部分進一步闡述了我們在這些準則下的責任。按照香港會計師職業道德準則理事會發佈的香港職業會計師道德守則,我們獨立於集團,並已按照香港職業會計師道德守則履行了職業道德方面的其他責任。我們相信,我們獲取的審計證據是充分、適當的,為發表審計意見提供了基礎。

年度報表涵蓋的其他信息

貴銀行董事對其他信息負責。其他信息包括年度報表中涵蓋的信息。

我們對綜合財務報表的審計意見並不涵蓋其他信息,我們也不對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財務報表或我們在審計過程中瞭解的情況存在重大不一致或者似乎存在重大錯報。基於我們已經執行的工作,如果我們確定其他信息存在重大錯報,我們必須報告該事實。在這方面,我們無可報告事項。

董事對綜合財務報表的責任

貴銀行董事根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》編製綜合財務報表,以使其真實而中肯列報,並確定貴銀行董事認為必要的內部控制,以使其編製的綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編制綜合財務報表時,貴銀行董事負責評估集團的持續經營能力、披露與持續經營有關的事項(如適用),並運用持續經營假設,除非管理層計劃清算銀行、停止運營或別無其他現實的選擇。

稽核委員會協助貴銀行貴銀行董事負責監督集團的財務報告流程。

獨立核數師報告（續）

致南洋商業銀行有限公司全體成員

（於香港註冊成立的有限公司）

核數師對合併財務報表審計的責任

我們的目標是對綜合財務報表整體是否不存在由於舞弊或錯誤導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。我們按照香港《公司條例》第 405 條，僅向全體成員（作為一個整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水準的保證，但並不能保證按照香港審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由舞弊或錯誤所導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據合併財務報表作出的經濟決策，則錯報是重大的。

在按照香港審計準則執行審計的過程中，我們運用了職業判斷，保持了職業懷疑。我們同時：

- 識別和評估由於舞弊或錯誤導致的綜合財務報表重大錯報風險；對這些風險有針對性地設計和實施審計程式；獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。
- 瞭解與審計相關的內部控制，以設計恰當的審計程式，但目的並非對集團內部控制的有效性發表意見。
- 評價管理層選用會計政策的恰當性和作出會計估計及相關披露的合理性。
- 對管理層使用持續經營假設的恰當性得出結論。同時，基於所獲取的審計證據，對是否存在與事項或情況相關的重大不確定性，從而可能導致對集團的持續經營能力產生重大疑慮作出結論。如果我們得出結論認為存在重大不確定性，審計準則要求我們在審計報告中提請報告使用者注意綜合財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於審計報告日可獲得的資訊。然而，未來的事項或情況可能導致集團不能持續經營。
- 評價綜合財務報表的總體列報、結構和內容（包括披露），並評價綜合財務報表是否公允反映交易和事項。
- 就集團內實體或業務活動的財務資訊獲取充分、適當的審計證據，以對合併財務報表發表意見。我們負責指導、監督和執行集團審計。我們對審計意見承擔全部責任。

除其他事項外，我們與稽核委員會就計劃的審計範圍、時間安排和重大審計發現（包括我們在審計中識別的值得關注的內部控制缺陷）進行溝通。

我們還向審計委員會提供一份確定我們已遵守相關獨立性和道德要求的聲明，並與他們溝通所有可能影響我們獨立性的關係、其相關保護措施和其他可能影響我們獨立性的事項。

安永會計師事務所

執業會計師

香港

2017 年 3 月 28 日

Independent Auditor's Report

To the members of Nanyang Commercial Bank, Limited
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Nanyang Commercial Bank, Limited (the "Bank") and its subsidiaries (the "Group") set out on pages 27 to 239, which comprise the consolidated balance sheet as at 31 December 2016, and 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 2016, 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 ("HKSA") 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.

Other information included in the Annual Report

The directors of the Bank are responsible for the other information. The other information comprises 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 of the Bank 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 of the Bank 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 of the Bank 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 of the Bank either intend to liquidate the Bank or to cease operations or have no realistic alternative but to do so.

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

Independent Auditor's Report (continued)

To the members of Nanyang Commercial Bank, Limited
(Incorporated in Hong Kong with limited liability)

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. Our 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Ernst & Young
Certified Public Accountants
Hong Kong
28 March 2017

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	2016	2015
			港幣千元 HK\$'000	港幣千元 HK\$'000
利息收入	Interest income		7,550,115	8,746,484
利息支出	Interest expense		(3,015,306)	(4,026,334)
淨利息收入	Net interest income	6	4,534,809	4,720,150
服務費及佣金收入	Fee and commission income		1,633,666	1,446,527
服務費及佣金支出	Fee and commission expense		(61,595)	(89,577)
淨服務費及佣金收入	Net fee and commission income	7	1,572,071	1,356,950
淨交易性收益	Net trading gain	8	134,695	54,159
界定為以公允價值變化計入損益之 金融工具淨虧損	Net loss on financial instruments designated at fair value through profit or loss		(7,708)	(6,382)
其他金融資產之淨收益	Net gain on other financial assets	9	192,772	336,421
其他經營收入	Other operating income	10	27,059	42,408
提取減值準備前之淨經營收入	Net operating income before impairment allowances		6,453,698	6,503,706
減值準備淨撥備	Net charge of impairment allowances	11	(486,075)	(633,324)
淨經營收入	Net operating income		5,967,623	5,870,382
經營支出	Operating expenses	12	(2,656,577)	(2,632,162)
經營溢利	Operating profit		3,311,046	3,238,220
投資物業出售／公允價值調整之 淨收益	Net gain from disposal of/fair value adjustments on investment properties	13	29,340	121,046
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	14	4,136	19,246
除稅前溢利	Profit before taxation		3,344,522	3,378,512
稅項	Taxation	15	(597,145)	(481,735)
年度溢利	Profit for the year		2,747,377	2,896,777
股息	Dividends	16	-	542,500

第 27 至 239 頁之附註屬本綜合財務報表之組成部分。

The notes on pages 27 to 239 are an integral part of these consolidated 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	2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
年度溢利	Profit for the year	2,747,377	2,896,777
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	(64,385)	374,898
遞延稅項	Deferred tax	43,529	10,657
		(20,856)	385,555
界定利益福利計劃：	Defined benefit plan:		
重新計量精算虧損	Actuarial losses on remeasurement	(1,700)	-
遞延稅項	Deferred tax	280	-
		(1,420)	-
		(22,276)	385,555
其後可重新分類至收益表內的項目：	Items that may be reclassified subsequently to income statement:		
可供出售證券：	Available-for-sale securities:		
可供出售證券之公允值變化	Change in fair value of available-for-sale securities	(474,312)	280,066
因處置可供出售證券之轉撥重新分類至收益表	Release upon disposal of available-for-sale securities reclassified to income statement	(91,985)	(256,051)
由可供出售證券轉至持有至到期日證券產生之攤銷重新分類至收益表	Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities reclassified to income statement	1,057	1,054
遞延稅項	Deferred tax	109,313	(15,548)
		(455,927)	9,521
現金流對沖：	Cash flow hedge:		
對沖工具之公允值變化	Change in fair value of hedging instruments	(64,130)	-
遞延稅項	Deferred tax	16,032	-
		(48,098)	-
淨投資對沖下對沖工具之公允值變化	Change in fair value of hedging instruments under net investment hedges	-	44,284
貨幣換算差額	Currency translation difference	(634,878)	(589,711)
		(1,138,903)	(535,906)
年度除稅後其他全面收益	Other comprehensive income for the year, net of tax	(1,161,179)	(150,351)
年度全面收益總額	Total comprehensive income for the year	1,586,198	2,746,426

第 27 至 239 頁之附註屬本綜合財務報表之組成部分。 The notes on pages 27 to 239 are an integral part of these consolidated financial statements.

綜合資產負債表
Consolidated Balance Sheet

於 12 月 31 日	As at 31 December	附註 Notes	2016 港幣千元 HK\$'000	2015 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	52,327,583	54,244,805
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		14,679,699	7,056,785
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	20	3,680,401	6,963,572
衍生金融工具	Derivative financial instruments	21	896,476	696,266
貸款及其他賬項	Advances and other accounts	22	192,119,592	168,924,014
金融投資	Financial investments	24	76,935,082	55,407,983
投資物業	Investment properties	25	383,830	414,736
物業、器材及設備	Properties, plant and equipment	26	6,929,407	7,008,020
應收稅項資產	Current tax assets		-	46,690
遞延稅項資產	Deferred tax assets	32	100,652	5,962
其他資產	Other assets	27	879,987	4,295,231
待出售資產	Assets held for sale	33	-	132,729
資產總額	Total assets		348,932,709	305,196,793
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		30,450,210	30,961,174
公允值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	28	3,223,456	4,575,356
衍生金融工具	Derivative financial instruments	21	934,244	302,944
客戶存款	Deposits from customers	29	257,527,530	218,261,983
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	30	1,095,937	-
其他賬項及準備	Other accounts and provisions	31	15,908,708	12,974,800
應付稅項負債	Current tax liabilities		371,981	187,530
遞延稅項負債	Deferred tax liabilities	32	735,675	812,352
待出售資產之相關負債	Liabilities associated with assets held for sale	33	-	21,884
負債總額	Total liabilities		310,247,741	268,098,023

綜合資產負債表 (續) Consolidated Balance Sheet (continued)

於 12 月 31 日	As at 31 December	附註 Notes	2016	2015
			港幣千元 HK\$'000	港幣千元 HK\$'000
資本	EQUITY			
股本	Share capital	34	3,144,517	3,144,517
儲備	Reserves		35,540,451	33,954,253
資本總額	Total equity		<u>38,684,968</u>	<u>37,098,770</u>
負債及資本總額	Total liabilities and equity		<u>348,932,709</u>	<u>305,196,793</u>

第 27 至 239 頁之附註屬本綜合財務報表之組成部分。

The notes on pages 27 to 239 are an integral part of these consolidated financial statements.

經董事會於 2017 年 3 月 28 日通過核准並由以下人士代表簽署：

Approved by the Board of Directors on 28 March 2017 and signed on behalf of the Board by:

方紅光
董事
Fang Hongguang
Director

陳細明
董事
Chan Sai Ming
Director

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

		儲備 Reserves								
		股本 Share capital	資本儲備 Capital reserve	房產 重估儲備 Premises revaluation reserve	可供出售 證券公允價值 變動儲備 Reserve for fair value changes of available-for-sale securities	現金流 對沖儲備 Cash flow Hedges reserve	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	留存盈利 Retained earnings	資本總計 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 2015 年 1 月 1 日	At 1 January 2015	3,144,517	605	5,937,109	206,908	-	2,173,590	714,819	22,717,296	34,894,844
年度溢利	Profit for the year	-	-	-	-	-	-	-	2,896,777	2,896,777
其他全面收益：	Other comprehensive income:									
房產	Premises	-	-	385,555	-	-	-	-	-	385,555
可供出售證券	Available-for-sale securities	-	-	-	9,521	-	-	-	-	9,521
淨投資對沖下對沖 工具之公允價值變化	Change in fair value of hedging instruments under net investment hedges	-	-	-	-	-	-	44,284	-	44,284
貨幣換算差額	Currency translation difference	-	-	(8,455)	(2,675)	-	-	(578,581)	-	(589,711)
全面收益總額	Total comprehensive income	-	-	377,100	6,846	-	-	(534,297)	2,896,777	2,746,426
因房產出售之轉撥	Release upon disposal of premises	-	-	(459,399)	-	-	-	-	459,399	-
轉撥自留存盈利	Transfer from retained earnings	-	-	-	-	-	82,083	-	(82,083)	-
股息（附註 16）	Dividends (Note 16)	-	-	-	-	-	-	-	(542,500)	(542,500)
於 2015 年 12 月 31 日	At 31 December 2015	3,144,517	605	5,854,810	213,754	-	2,255,673	180,522	25,448,889	37,098,770
於 2016 年 1 月 1 日	At 1 January 2016	3,144,517	605	5,854,810	213,754	-	2,255,673	180,522	25,448,889	37,098,770
年度溢利	Profit for the year	-	-	-	-	-	-	-	2,747,377	2,747,377
其他全面收益：	Other comprehensive income:									
房產	Premises	-	-	(20,856)	-	-	-	-	-	(20,856)
界定利益福利計劃 之精算虧損	Actuarial losses on defined benefit plan	-	-	-	-	-	-	-	(1,420)	(1,420)
可供出售證券	Available-for-sale securities	-	-	-	(455,927)	-	-	-	-	(455,927)
現金流對沖下對沖 工具之公允價值變化	Change in fair value of hedging instruments under cash flow hedges	-	-	-	-	(48,098)	-	-	-	(48,098)
貨幣換算差額	Currency translation difference	-	-	(10,321)	(4,692)	-	-	(619,865)	-	(634,878)
全面收益總額	Total comprehensive income	-	-	(31,177)	(460,619)	(48,098)	-	(619,865)	2,745,957	1,586,198
因房產出售之轉撥	Release upon disposal of premises	-	-	(161,352)	-	-	-	-	161,352	-
轉撥至留存盈利	Transfer to retained earnings	-	-	-	-	-	(244,450)	-	244,450	-
於 2016 年 12 月 31 日	At 31 December 2016	3,144,517	605	5,662,281	(246,865)	(48,098)	2,011,223	(439,343)	28,600,648	38,684,968

* 除按香港會計準則第 39 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）。

* 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 HKAS 39.

第 27 至 239 頁之附註屬本綜合財務報表之組成部分。

The notes on pages 27 to 239 are an integral part of these consolidated 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	2016 港幣千元 HK\$'000	2015 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（流出）／流入	Operating cash (outflow)/inflow before taxation	35(a)	(5,651,317)	3,079,357
支付香港利得稅	Hong Kong profits tax paid		(394,116)	(464,589)
退回／（支付）海外利得稅	Overseas profits tax refund/(paid)		3,898	(112,701)
經營業務之現金（流出）／流入淨額	Net cash (outflow)/inflow from operating activities		(6,041,535)	2,502,067
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	26	(211,821)	(74,240)
購入投資物業	Purchase of investment properties	25	-	(2,903)
出售物業、器材及設備所得款項	Proceeds from disposal of properties, plant and equipment		187,047	398,673
出售投資物業所得款項	Proceeds from disposal of investment properties		-	986,800
投資業務之現金（流出）／流入淨額	Net cash (outflow)/inflow from investing activities		(24,774)	1,308,330
融資業務之現金流量	Cash flows from financing activities			
發行債務證券及存款證	Issue of debt securities and certificates of deposit		1,095,937	-
支付股息	Dividend paid		-	(542,500)
融資業務之現金流入／（流出）淨額	Net cash inflow/(outflow) from financing activities		1,095,937	(542,500)
現金及等同現金項目（減少）／增加	(Decrease)/increase in cash and cash equivalents		(4,970,372)	3,267,897
於 1 月 1 日之現金及等同現金項目	Cash and cash equivalents at 1 January		53,822,409	52,301,071
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		(1,283,309)	(1,746,559)
於 12 月 31 日之現金及等同現金項目	Cash and cash equivalents at 31 December	35(b)	47,568,728	53,822,409

第 27 至 239 頁之附註屬本綜合財務報表之組成部分。 The notes on pages 27 to 239 are an integral part of these consolidated financial statements.

財務報表附註**Notes to the Financial Statements****1. 主要業務****1. Principal activities**

南洋商業銀行有限公司於香港註冊成立（下稱「本銀行」）及其附屬公司於香港或上海成立（以下連同本銀行統稱「本集團」）。本銀行為根據香港銀行業條例所規定獲認可之持牌銀行。

本銀行主要從事銀行及相關之金融服務。本銀行之附屬公司的主要業務載於「附錄－本銀行之附屬公司」內。本銀行之公司註冊地址為香港中環德輔道中151號。

自2016年5月30日，本集團直接控股公司為信達金融控股有限公司（「信達金控」）。本集團前直接控股公司中國銀行（香港）有限公司（「中銀香港」）將持有本集團的全部股權出售，並已於2016年5月30日進行交割，本集團股權轉讓自該日起正式生效。

Nanyang Commercial Bank, Limited was incorporated in Hong Kong (hereinafter as the “Bank”) and its subsidiaries were incorporated in Hong Kong or Shanghai (together with the Bank hereinafter as the “Group”). The Bank is a licensed bank authorised under the Hong Kong Banking Ordinance.

The principal activities of the Bank are the provision of banking and related financial services. The principal activities of the Bank’s subsidiaries are shown in “Appendix – Subsidiaries of the Bank”. The address of the Bank’s registered office is 151 Des Voeux Road Central, Hong Kong.

The immediate holding company of the Bank is Cinda Financial Holdings Co. Limited (“Cinda Financial Holdings”) since 30 May 2016. Bank of China (Hong Kong) Limited (“BOCHK”), the Group’s former immediate holding company, disposed all its interests in the Group. The transaction was completed and the share transfer of the Group effected on 30 May 2016.

財務報表附註（續）**Notes to the Financial Statements (continued)****2. 主要會計政策****2. Significant accounting policies**

用於編製本綜合財務報表之主要會計政策詳列如下。

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

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。

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

2.1 編製基準**2.1 Basis of preparation**

本集團之綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則（香港財務報告準則為一統稱，當中包括所有適用之香港財務報告準則、香港會計準則及詮釋）編製，並符合香港《公司條例》之規定。

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs is a collective term which 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”) and the Hong Kong Companies Ordinance.

本綜合財務報表乃按歷史成本法編製，惟就重估可供出售證券、以公允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）、以公允值列賬之貴金屬、以公允值列賬之投資物業及以公允值或重估扣除累計折舊及累計減值損失後列賬之房產作出調整。收回資產及待出售資產會以其賬面值及公允值扣除出售成本之較低者列賬，並已分別列載於附註 2.23 及 2.26。

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale securities, 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. Repossessed assets and assets held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in Notes 2.23 and 2.26 respectively.

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。

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.

除已於 2016 年 1 月 1 日起開始的年度強制性生效之完善香港財務報告準則條文外，於 2016 年本集團未有採用其他準則或修訂。採用該等完善香港財務報告準則對本集團之財務報表沒有重大影響。

Except for the annual improvements to HKFRSs that are already mandatorily effective for accounting period beginning on 1 January 2016, there is no other standard or amendment adopted by the Group in 2016. The impact of the adoption of these annual improvements is not material to the Group’s financial statements.

財務報表附註 (續) Notes to the 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2016年1月1日起開始的會計年度強制性生效的準則及修訂

(a) Standards and amendments that are already mandatorily effective for accounting period beginning on 1 January 2016

準則/ 修訂 Standards/ Amendments	內容 Content	起始適用之年度 Applicable for financial years beginning on	於本年度與 本集團相關 Currently relevant to the Group
香港會計準則第1號(經修訂) HKAS 1 (Amendments)	披露的自主性 Disclosure Initiative	2016年1月1日 1 January 2016	是 Yes
香港會計準則第16號、香港會計準則第41號(經修訂) HKAS 16 and HKAS 41 (Amendments)	農業：生產性植物 Agriculture: Bearer Plants	2016年1月1日 1 January 2016	否 No
香港會計準則第16號、香港會計準則第38號(經修訂) HKAS 16 and HKAS 38 (Amendments)	澄清折舊及攤銷之可接納方法 Clarification of Acceptable Methods of Depreciation and Amortisation	2016年1月1日 1 January 2016	否 No
香港會計準則第27號(2011)(經修訂) HKAS 27 (2011) (Amendments)	獨立財務報表內的權益法 Equity Method in Separate Financial Statements	2016年1月1日 1 January 2016	是 Yes
香港會計準則第28號(2011)、香港財務報告準則第10號及香港財務報告準則第12號(經修訂) HKAS 28 (2011), HKFRS 10 and HKFRS 12 (Amendments)	投資實體：綜合併賬例外處理的應用 Investment entities: Applying the Consolidation Exception	2016年1月1日 1 January 2016	否 No
香港財務報告準則第11號(經修訂) HKFRS 11 (Amendments)	收購合資業務權益之會計處理 Accounting for Acquisitions of Interests in Joint Operations	2016年1月1日 1 January 2016	否 No
香港財務報告準則第14號 HKFRS 14	監管遲延賬目 Regulatory Deferral Accounts	2016年1月1日 1 January 2016	否 No

財務報表附註 (續) Notes to the 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2016年1月1日起
開始的會計年度強制性
生效的準則及修訂(續)**

- 香港會計準則第1號(經修訂)「披露的自主性」。香港會計準則第1號的修訂旨在進一步鼓勵企業運用專業判斷去決定在其財務報表中需披露的資料。例如，此修訂明確指出重大性需應用於整個財務報表，而包含不重要的資料會減低財務披露的效益。此外，此修訂闡明企業應運用專業判斷去決定在何處及以什麼次序把資料呈列在財務披露內。該項修訂對本集團的財務報表沒有重大影響。

- 香港會計準則第27號(2011)(經修訂)「獨立財務報表內的權益法」。該項修訂重新允許企業在單獨財務報表中對其子公司、聯營公司、合資企業之投資採用權益法列賬的選項。改用權益法的企業需要在單獨財務報表中，對每項作出此選項的投資分類採用一致的會計處理及作出追溯性修訂。該項修訂對本集團的財務報表沒有重大影響。

**(a) Standards and amendments that are already mandatorily effective for
accounting period beginning on 1 January 2016 (continued)**

HKAS 1 (Amendment), "Disclosure Initiative". The amendments to HKAS 1 are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. This amendment does not have material impact on the Group's financial statements.

HKAS 27 (2011) (Amendment), "Equity Method in Separate Financial Statements". The amendment restores the option to allow an entity to apply the equity method to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. Entities electing to change to the equity method in its separate financial statements shall have to apply the same accounting for each category of investments so elected and are required to apply this change retrospectively. This amendment does not have any material impact on the Group's financial statements.

財務報表附註 (續)
2. 主要會計政策 (續)
Notes to the Financial Statements (continued)
2. Significant accounting policies (continued)
2.1 編製基準 (續)

(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂

以下已頒佈之準則及修訂於2017年1月1日起或以後開始的會計年度始強制性生效。

2.1 Basis of preparation (continued)

(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016

The following standards and amendments have been issued and are mandatory for accounting periods beginning on or after 1 January 2017:

準則/ 修訂 Standards/ Amendments	內容 Content	起始適用之年度 Applicable for financial years beginning on/after	於本年度與 本集團相關 Currently relevant to the Group
香港會計準則第7號 (經修訂) Amendments to HKAS 7	披露的自主性 Disclosure Initiative	2017年1月1日 1 January 2017	是 Yes
香港會計準則第12號 (經修訂) Amendments to HKAS 12	對未實現損失確認遞延所得稅資產 Recognition of Deferred Tax Assets for Unrealised Losses	2017年1月1日 1 January 2017	否 No
香港財務報告準則第10號及香港會計準則第28號 (經修訂) Amendments to HKFRS 10 and HKAS 28 (2011)	投資者與其聯營或合營企業之間的資產出售或注入 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	待定 To be determined	否 No
香港財務報告準則第2號 (經修訂) Amendments to HKFRS 2	以股份為基本的支付交易的分類和計量 Classification and Measurement of Share-based Payment Transactions	2018年1月1日 1 January 2018	否 No
香港財務報告準則第4號 (經修訂) Amendments to HKFRS 4	結合香港財務報告準則第4號「保險合同」應用香港財務報告準則第9號「金融工具」 Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts	2018年1月1日 1 January 2018	否 No
香港財務報告準則第9號 HKFRS 9	金融工具 Financial Instruments	2018年1月1日 1 January 2018	是 Yes
香港財務報告準則第15號 HKFRS 15	源於客戶合同的收入 Revenue from Contracts with Customers	2018年1月1日 1 January 2018	是 Yes
香港財務報告準則第15號 (經修訂) Amendments to HKFRS 15	對香港財務報告準則第15號源於客戶合同的收入的澄清 Clarifications to HKFRS 15 Revenue from Contracts with Customers	2018年1月1日 1 January 2018	是 Yes
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	是 Yes

財務報表附註 (續) Notes to the Financial Statements (continued)**2. 主要會計政策 (續) 2. Significant accounting policies (continued)****2.1 編製基準 (續)****(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)**

- 對《香港會計準則第7號》的修訂旨在提供相關資訊以協助投資者更好地瞭解主體債務變動，包括現金流量和非現金變動引起的變動。該修訂要求在財務報表中提供有關融資活動引起的負債變動的額外披露。本集團正在評估應用該準則的財務影響及其應用時間。

2.1 Basis of preparation (continued)**(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)**

- Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group is considering the financial impact of the standard and the timing of its application.

財務報表附註 (續)
Notes to the 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)
(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)

- 香港財務報告準則第9號「金融工具」。國際財務報告準則第9號「金融工具」的頒佈完成了國際會計準則委員會對金融危機的全面回應。香港財務報告準則第9號，即香港財務報告準則之下對應國際財務報告準則第9號的會計準則，包含具邏輯的分類及計量模型，單一旦具前瞻性的「預期損失」減值模型，及與風險管理更緊密連繫的對沖會計方法。對香港財務報告準則第9號的修訂詳細闡述如下：

(i) 分類及計量
金融資產

金融資產被要求分類為以下其中一種計量類別：(1)以攤餘成本作後續計量，(2)以公允值變化計入其他全面收益作後續計量(除了利息的計提和攤銷，及減值外，所有公允值變動皆計入其他全面收益)，或(3)以公允值變化計入損益作後續計量。金融資產的分類應在過渡時確定，之後則在初始確認時確定。該分類取決於企業管理金融工具的業務模型，以及該工具的合約現金流特徵。

(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)

- HKFRS 9, "Financial Instruments". The issuance of IFRS 9 "Financial Instruments" completes the International Accounting Standards Board's comprehensive response to the financial crisis. HKFRS 9, the equivalent standard of IFRS 9 under HKFRS, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a tighter linkage of risk management to hedge accounting. The changes introduced in HKFRS 9 are highlighted as follows:

(i) Classification and Measurement
Financial assets

Financial assets are required to be classified into one of the following measurement categories: (1) measured subsequently at amortised cost, (2) measured subsequently at fair value through other comprehensive income (all fair value changes other than interest accrual, amortisation and impairment will be recognised in other comprehensive income) or (3) measured subsequently at fair value through profit or loss. Classification is to be made on transition, and subsequently on initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instruments.

財務報表附註 (續)**Notes to the 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)**

(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)

(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)

(i) 分類及計量 (續)

(i) Classification and Measurement (continued)

金融資產 (續)

Financial assets (continued)

如以攤餘成本對一項金融工具進行後續計量，其必須是一項債務工具，及企業的業務模型是持有該資產以收取合約現金流為目的，以及該資產的合約現金流特徵只代表沒有槓桿的本金及利息支付。如持有債務工具的業務模型旨在同時收取合約現金流及出售金融資產，而該工具本身符合合約現金流特徵，則該債務工具會以公允值變化計入其他全面收益進行後續計量。所有其他債務工具需以公允值變化計入損益計量。

A financial instrument is subsequently measured at amortised cost only if it is a debt instrument, and the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows characteristics represent only unleveraged payments of principal and interest. A debt instrument is subsequently measured at fair value through other comprehensive income if it is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the instrument fulfils the contractual cash flows characteristics. All other debt instruments are to be measured at fair value through profit or loss.

股份權益工具一般以公允值作後續計量，除非在罕有的情況下成本乃是合適的估計公允值。持有作交易用途之股份權益工具將以公允值變化計入損益計量。對於所有的權益性投資，可於初始確認時作出不可撤回的選擇，將未實現及已實現的公允值收益或虧損確認於其他全面收益。而日後即使出售投資，公允值收益及虧損亦不可轉回收益表內。當收取派息的權利確立，股息將於收益表內確認。

Equity instruments are generally measured subsequently at fair value with limited circumstances that cost may be an appropriate estimate of fair value. Equity instruments that are held for trading will be measured at fair value through profit or loss. For all other equity investments, an irrevocable election can be made at initial recognition to recognise unrealised and realised fair value gains and losses in other comprehensive income without subsequent reclassification of fair value gains and losses to the income statement even upon disposal. Dividend income is recognised in the income statement when the right to receive payment is established.

財務報表附註 (續)**Notes to the 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)**

(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)

(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)

(i) 分類及計量 (續)

(i) Classification and Measurement (continued)

金融負債

Financial liabilities

除下述兩項主要變化外，金融負債的分類及計量基本上保留了香港會計準則第39號的要求，沒有太多修訂。

Except for the two substantial changes described below, the classification and measurement requirements of financial liabilities have been basically carried forward with minimal amendments from HKAS 39.

為應對自有信貸風險，準則內有關金融負債的公允值選擇權的處理已被修訂。凡金融負債因其信貸風險的改變而導致的公允值變動，需列示於其他全面收益。收益或虧損總額的剩餘部分則包括於收益表內。若此要求會產生或擴大損益的會計錯配，則整項公允值變動需列示於收益表內。對釐定有否存在錯配情況，需在初始確認個別負債時確定，且不能被重新評估。列示於其他全面收益的金額其後不可重新分類至收益表內，但可於權益內撥轉。此做法可消除經選擇以公允值計量的負債因信貸風險變動而產生的損益波動。亦代表因負債的自有信貸風險轉差而引致的收益將不再於損益反映。

The accounting for fair value option of financial liabilities were changed to address own credit risk. The amount of change in fair value attributable to changes in the credit risk of the financial liabilities will be presented in other comprehensive income. The remaining amount of the total gain or loss is included in the income statement. If this creates or enlarges an accounting mismatch in profit or loss, then the whole fair value change is presented in the income statement. The determination of whether there will be a mismatch will need to be made at initial recognition of individual liabilities and will not be re-assessed. Amounts presented in other comprehensive income are not subsequently reclassified to the income statement but may be transferred within equity. This removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. It also means that gains caused by the deterioration of an entity's own credit risk on such liabilities will no longer be recognised in profit or loss.

財務報表附註 (續)**Notes to the 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)****(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)****(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)****(i) 分類及計量 (續)****(i) Classification and Measurement (continued)****金融負債 (續)****Financial liabilities (continued)**

如該準則亦取消了載於香港會計準則第39號有關與非上市股份權益工具掛鉤及交付的衍生金融工具可豁免以公允值計量的要求。

The standard also eliminates the exception from fair value measurement contained in HKAS 39 for derivative financial instruments that are linked to and must be settled by delivery of an unquoted equity instrument.

(ii) 減值**(ii) Impairment**

該準則引入需要更為及時確認預計信用損失的嶄新預期信用損失減值模型。具體而言，該準則要求企業在初始確認金融工具時，需核算12個月的預期信用損失。當金融工具在初始確認後出現信用風險顯著增加的情況，則需要及時地針對金融工具的整體年期確認預期信用損失。該準則亦規範以攤餘成本作後續計量的金融工具、以公允值變化計入其他全面收益作後續計量的債務工具、貸款承諾及財務擔保合同的減值處理。

The standard introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, it requires entities to account for 12 months expected credit losses from inception when financial instruments are first recognised and to recognise full lifetime expected credit losses on a more timely basis when there have been significant increases in credit risk since initial recognition. The impairment for financial instruments that are subsequently measured at amortised cost, fair value through other comprehensive income (debt instruments), loan commitments and financial guarantees will be governed by this standard.

財務報表附註 (續)**Notes to the 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)****(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)****(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)***(iii) 對沖會計**(iii) Hedge accounting*

有關對沖會計的規定將令會計處理與風險管理活動更趨一致，財務報表更能反映該等活動的情況。有關規定放寬對沖有效性評估的要求，使對沖會計或會適用於更多的風險管理策略，並將對沖工具的可使用範圍擴闊至非衍生金融工具，以及提高可被對沖項目的彈性。用家將能從財務報表獲取更多有關風險管理的資訊，及掌握對沖會計對財務報表的影響。

The requirements related to hedge accounting would better align the accounting treatments with risk management activities and enable entities to better reflect these activities in their financial statements. It relaxes the requirements for assessing hedge effectiveness which more risk management strategies may be eligible for hedge accounting. It also relaxes the rules on using non-derivative financial instruments as hedging instruments and allows greater flexibility on hedged items. Users of the financial statements will be provided with more relevant information about risk management and the effect of hedge accounting on the financial statements.

香港財務報告準則第9號允許提前採納但必須整份同時一併實施。自有信貸風險的部分則可選擇獨立提前採納。本集團已成立集團性的項目組以評估香港財務報告準則第9號的影響，釐定工作計劃及落實準則。項目組已在分析集團的金融工具、建立模型及設計新的工作流程方面做了大量的工作。由於項目的複雜性，現時仍未有確實之潛在影響的量化信息。

Early application of HKFRS 9 in its entirety at the same time is permitted. Only the part related to own credit risk can be elected to be early applied in isolation. The Group has already formed a group-wide project team to assess the impact of HKFRS 9, formulate the work plan and implement the standard. Significant works has been done on analysing our financial instruments, building models and designing new workflows. Due to the complication of the project, no quantitative information of the potential effect is concluded yet.

財務報表附註 (續)**Notes to the 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)****(b) 已頒佈但尚未強制性生效及未被本集團於 2016 年提前採納之準則及修訂 (續)****(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)**

- 香港財務報告準則第 15 號「源於客戶合同的收入」。香港財務報告準則第 15 號應用單一模型並明確所有源於客戶合同收入的會計處理。該新準則的核心原則乃是對經承諾的商品或服務在控制權轉移至客戶時，會被確認為收入以反映預期取得之作價。其亦適用於確認及計量出售部分非金融資產，例如物業、設備等非經常性活動所產生的盈虧。香港財務報告準則第 15 號亦包括一套有關源於客戶合同收入的披露要求。該新準則將取代現有香港財務報告準則下不同準則對於商品、服務和建造合同的各自模型。該新準則允許企業提前採納。本集團正在評估應用該準則的財務影響及其應用時間。
- 於 2016 年 6 月，香港會計師公會頒佈對《香港財務報告準則第 15 號—對香港財務報告準則第 15 號源於客戶合同的收入的澄清》的修訂旨在解決收入確認聯合過渡資源小組討論的若干實施問題。本集團正在評估應用該準則的財務影響及其應用時間。

- HKFRS 15, “Revenue from Contracts with Customers”. HKFRS 15 applies a single model and specifies the accounting treatment for all revenue arising from contracts with customers. The new standard is based on the core principle that revenue is recognised to reflect the consideration expected to be entitled when control of promised good or service transfers to customer. It is also applicable to the recognition and measurement of gains or losses on the sale of some non-financial assets such as properties or equipment that are not an output of ordinary activities. HKFRS 15 also includes a set of disclosure requirements about revenue from customer contracts. The new standard will replace the separate models for goods, services and construction contracts stipulated in different standards under the current HKFRS. Early application is permitted. The Group is considering the financial impact of the standard and the timing of its application.
- In June 2016, HKICPA has issued amendment to HKFRS 15, “Clarifications to HKFRS 15 Revenue from Contracts with Customers”. The amendments are intended to address several implementation issues discussed by the Joint Transition Resource Group for Revenue Recognition. The Group is considering the financial impact of the standard and the timing of its application.

財務報表附註 (續) Notes to the Financial Statements (continued)**2. 主要會計政策 (續) 2. Significant accounting policies (continued)****2.1 編製基準 (續)****(b) 已頒佈但尚未強制性生效及未被本集團於2016年提前採納之準則及修訂 (續)**

- 香港財務報告準則第16號「租賃」。香港財務報告準則第16號將取代現有與租賃相關之會計準則及詮釋。當中將採用單一控制模型以識別及區別租賃及服務合同。承租人的會計處理將引入重大的改變，以消除經營租賃與融資租賃之間的區分。除短期及低值租賃外，需要確認資產使用權及租賃負債。對出租人的會計處理要求則沒有重大改動。本準則將會追溯性實施，企業若已採納香港財務報告準則第15號「源於客戶合同的收入」，可提前採納此準則。本集團正在評估該準則的財務影響及其應用時間。

2.1 Basis of preparation (continued)**(b) Standards and amendments issued that are not yet mandatorily effective and have not been early adopted by the Group in 2016 (continued)**

- HKFRS 16, "Leases". HKFRS 16 supersedes the existing standard and interpretations related to leases. It applies a single control model to identify leases and distinguish between leases and service contracts. Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and the right-of-use assets and lease liabilities recognised except under short term and low value leases. There are no significant changes to the lessor accounting requirements. The standard is applied retrospectively. Early application is permitted for entities that have also adopted HKFRS 15 "Revenue from Contracts with Customers". The Group is considering the financial impact of the standard and the timing of its application.

財務報表附註 (續)**Notes to the 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)****(c) 完善香港財務報告準則****(c) Improvements to HKFRSs**

- 「完善香港財務報告準則」包含多項被香港會計師公會認為非緊急但有需要的修訂。當中包括引致在列示、確認或計量方面出現會計變更的修訂，以及多項與個別香港財務報告準則相關之術語或編輯上的修訂。該等修訂已於2016年1月1日起開始的會計年度生效。採納有關修訂對本集團的財務報表沒有重大影響。

“Improvements to HKFRSs” contains numerous amendments to HKFRSs which the HKICPA considers not urgent but necessary. It comprises amendments that result in accounting changes for presentation, recognition or measurement purpose as well as terminology or editorial amendments related to a variety of individual HKFRSs. The amendments are already effective for annual periods beginning on or after 1 January 2016. The adoption of these improvements does not have a material impact on the Group's financial statements.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.2 綜合財務報表****2.2 Consolidation**

綜合財務報表包含本公司及其所有其附屬公司截至 12 月 31 日的財務報表。

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

附屬公司

附屬公司是指由本集團控制的企業。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）。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。

Subsidiaries

Subsidiaries are entities 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). 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.

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。

Inter-company transactions, balances and unrealised gains on transactions between Group 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.

於本銀行的資產負債表內，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。

In the Bank's balance sheet, 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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.3 分類報告****2.3 Segmental reporting**

分類的經營業績與呈報予管理層的內部報告方式一致，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。在釐定經營分類表現時，將會包括與各分類直接相關的收入及支出。

The operating result of segments are reported in a manner consistent with the internal reporting provided to the 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**2.4 Foreign currency translation**

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。

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.

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現金流對沖或合資格淨投資對沖除外。

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 cash flow hedge or qualifying net investment hedges.

以公允值變化計入損益的貨幣性證券的兌換差額會列作公允值收益或虧損的一部分。對於被分類為可供出售，以外幣為本位的貨幣性證券，其公允值變動可分為源自證券攤餘成本變動的兌換差額和證券賬面值的其他兌換變動兩部分。源自證券攤餘成本變動的兌換差額會於收益表內確認，而證券賬面值的其他兌換變動則被確認於其他全面收益。

Translation differences on monetary securities held at fair value through profit or loss are reported as part of the fair value gain or loss. Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the securities and other changes in the carrying amount of the securities. Translation differences related to changes in the amortised cost are recognised in the income statement, and other changes in the carrying amount are recognised in other comprehensive income.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.4 外幣換算 (續)****2.4 Foreign currency translation (continued)**

對於非貨幣性項目，其兌換差額會列作公允價值收益或虧損的一部分。而非貨幣性金融資產(例如可供出售股權投資)的兌換差額會包含在其他全面收益內。

Translation differences on non-monetary items are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in other comprehensive income.

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：

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:

- 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。

- assets and liabilities are translated at the closing rates 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.

於合併財務報表時，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。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，並確認於收益表內。

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. When a foreign entity is sold, such exchange differences are recognised in 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**2.5 Derivative financial instruments and hedge accounting**

衍生金融工具以衍生交易合同簽訂當日的公允價值進行初始確認，並以公允價值進行後續計量。公允價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)。當公允價值為正值時，衍生金融工具將被列為資產；當公允價值為負值時，則被列為負債。

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.

財務報表附註（續）**Notes to the Financial Statements (continued)****2. 主要會計政策（續）****2. Significant accounting policies (continued)****2.5 衍生金融工具及對沖會計（續）****2.5 Derivative financial instruments and hedge accounting (continued)**

若干衍生金融工具會嵌藏在其他的金融工具中，當其經濟特徵和風險與主合同沒有緊密關聯，而主合同並非以公允值變化計入損益時，這些嵌藏式衍生金融工具需要單獨以公允值計量，並且其公允值變動計入收益表。

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement.

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，其公允值變動即時於收益表內確認。

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.

對於被界定為對沖工具，並有效地對沖的衍生金融工具，確認其收益或虧損的方法是按被對沖項目的性質而定。本集團界定若干衍生金融工具如下：

For derivative instruments designated as hedging instrument and are effectively hedged, the method of recognising the resulting fair value gain or loss depends on the nature of the item being hedged. The Group designates certain derivatives as follows:

(a) 對沖與已確認之資產、負債相關，或與高度可能發生的預期交易相關，並高度可能發生的未來現金流的某一特定風險（現金流對沖）。

(a) Hedges of a particular risk associated with a highly probable future cash flow attributable to a recognised asset or liability, or a highly probable forecasted transaction (cash flow hedge).

被界定為此類對沖之衍生金融工具，會採用對沖會計入賬。

Hedge accounting is used for derivatives designated in this way.

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允值或現金流變動，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。

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 flow of hedged items. These criteria should be met before a hedge can be qualified to be accounted for under hedge accounting.

財務報表附註（續）**Notes to the Financial Statements (continued)****2. 主要會計政策（續）****2. Significant accounting policies (continued)****2.5 衍生金融工具及對沖會計（續）****2.5 Derivative financial instruments and hedge accounting (continued)****(a) 現金流對沖**

對於已被界定為符合採用現金流對沖，並且有效的衍生金融工具，其公允值變動的有效部分將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。於權益內累計的金額，會於被對沖項目影響損益期間重新分類至收益表內。

當對沖工具到期或被出售，或當對沖不再符合對沖會計之要求，任何已記入權益的累計收益或虧損仍保留於權益內，直至預期交易最終被確認時，才確認於收益表內。當預期交易預計不會再發生時，累計於權益的收益或虧損會即時被重新分類至收益表內。

(b) 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，並把淨額於資產負債表內列賬。

(a) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in equity at that time remains in equity and is recognised in the income statement when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the accumulated gain or loss that was reported in equity is immediately reclassified to the income statement.

(b) 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 balance sheet 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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****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**

所有金融資產和金融負債，其利息收入和支出按實際利息法在收益表中確認。

實際利息法是一種計算金融資產或金融負債的攤餘成本以及在相關期間分攤利息收入或利息支出的方法。實際利率是在金融工具預計到期日或較短期間(如適用)內，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淨額所使用的利率。在計算實際利率時，本集團在估計未來現金流時，會考慮金融工具的所有合同條款(如提前還款權或為住宅按揭貸款客戶提供的優惠)，但不會考慮未來的信用損失。計算範圍包括訂約各方所支付或所收取的費用、溢價或折讓和點子，以及貸款貸出時產生而屬於整體有效利息一部分之相關費用及成本。

當一項金融資產或一組類似的金融資產確認減值損失後，會按照計量減值損失時對未來現金流進行貼現時使用的利率，按折減後之價值確認利息收入。而日後釋出之貼現準備亦將確認為利息收入。

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

Interest income and expense are recognised in the income statement for all financial assets and financial liabilities using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument (e.g. prepayment options or incentives relating to residential mortgage loans) but does not consider future credit losses. The calculation includes fees, premiums or discounts and basis points paid or received between parties to the contract, and directly attributable origination fees and costs which represent an integral part of the effective yield.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised on the written down value using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Subsequent unwinding of the discount allowance is recognised as interest income.

財務報表附註 (續)**Notes to the Financial Statements (continued)****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)**

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。

2.8 金融資產

本集團將金融資產分為四類：以公允價值變化計入損益之金融資產、貸款及應收款、持有至到期日證券和可供出售金融資產。管理層在初始確認時即對金融資產進行分類。金融資產是按持有目的作分類，並以公允價值作初始確認。除以公允價值變化計入損益之金融資產外，其他金融資產之交易成本均已包含於初始賬面值內。

(1) 以公允價值變化計入損益之金融資產

這類金融資產包括兩個細項：持作交易用途的金融資產，以及購入時即界定為以公允價值變化計入損益之金融資產。

如果取得該金融資產主要是以短期沽售為目的，或屬於組合一部分並共同管理的可識別金融工具，若有證據表明其短期獲利行為，則被分類為持作交易用途。除被界定為有效對沖工具外，所有衍生金融工具均被分類為持作交易用途類別。

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

Fee and commission income and expenses 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 the other participants.

2.8 Financial assets

The Group classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity securities and available for sale financial assets. The Management determines the classification of investments at initial recognition. The classification depends on the purpose for which the financial assets are held. All financial assets are recognised initially at fair value. Except for financial assets carried at fair value through profit or loss, all transaction costs of financial assets are included in their initial carrying amounts.

(1) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception.

A financial asset which has been acquired or incurred principally for the purpose of selling in the short term or is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking is classified as held for trading. Derivatives are also classified as held for trading unless they are designated as effective hedges.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.8 金融資產 (續)****2.8 Financial assets (continued)****(1) 以公允價值變化計入損益之金融資產 (續)**

除持作交易用途的金融資產外，如能滿足以下其中之一項條件，金融資產會被管理層界定為以公允價值變化計入損益之金融資產：

- 可以消除或明顯減少因按不同基準計量金融資產之價值，或確認其收益或虧損，而出現不一致之計量或確認情況（一般被稱為「會計錯配」）；或
- 應用於一組金融資產、金融負債、或兩者兼有的組合，其管理是依據事先書面確立的風險管理或投資策略來運作，其表現是按公允價值為基礎來衡量，並按此基礎將該組金融工具的資訊向管理層作出內部報告；或
- 與包含一個或多個嵌藏式衍生金融工具的金融資產相關，且這些嵌藏式衍生金融工具對該等金融資產的現金流產生重大影響。

這些資產以公允價值進行初始確認，交易費用直接計入收益表，並以公允價值進行後續計量。

該等資產的公允價值變化所產生的損益（不包括利息部分）計入淨交易性收益／虧損或界定為以公允價值變化計入損益之金融工具淨收益／虧損。而利息部分則計入作為利息收入之一部分。

(1) Financial assets at fair value through profit or loss (continued)

A financial asset, other than one held for trading, will be designated as a financial asset at fair value through profit or loss, if it meets one of the criteria set out below, and is so designated by the Management:

- eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring the financial assets or recognising the gains and losses on them on different bases; or
- applies to a group of financial assets, financial liabilities or both that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Management; or
- relates to financial assets containing one or more embedded derivative that significantly modifies the cash flow resulting from those financial assets.

These assets are recognised initially at fair value, with transaction costs taken directly to the income statement, and are subsequently re-measured at fair value.

Gains and losses from changes in the fair value of such assets (excluding the interest component) are reported in net trading gain/loss or net gain/loss on financial instruments designated at fair value through profit or loss. The interest component is reported as part of interest income.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.8 金融資產 (續)****2.8 Financial assets (continued)****(2) 貸款及應收款**

貸款及應收款是指具有固定或可確定支付金額且不在活躍市場報價的非衍生金融資產，主要包括銀行及其他金融機構結餘及存款、沒有活躍市場的債券投資和客戶貸款及應收款。當本集團直接向債務人提供資金、貨品或服務，而沒有出售應收款的意圖時，本集團將其確認為貸款及應收款。貸款及應收款以公允值加上直接相關的交易費用進行初始入賬，並以採用實際利息法計算的攤餘成本扣除減值損失準備進行後續計量。

(2) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, including placements with and advances to banks and other financial institutions, investment debt securities without an active market and loans and advances to customers. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are initially recorded at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses.

(3) 持有至到期日金融投資

分類為持有至到期日投資類別是指能於活躍市場中買賣，並擁有固定或可確定之還款額及還款期，以及本集團管理層有意向及能力持有至到期日之金融資產。如本集團所出售的持有至到期日投資(i)並非因不受本集團控制、非經常性及本集團不能合理預期的個別事件而出售，例如發行人信用狀況嚴重變壞，法定或監管要求重大改變；或(ii)佔持有至到期日資產中多於不重大部分，則整個資產類別將受到影響，需要重新分類至可供出售金融資產。持有至到期日投資以公允值加上直接相關的交易費用進行初始入賬，並以實際利息法計算的攤餘成本扣除減值損失準備進行後續計量。

(3) Held-to-maturity financial investments

Financial assets classified as held-to-maturity are those traded in active markets, with fixed or determinable payments and fixed maturities that the Group's Management has both the positive intention and the ability to hold to maturity. Where the Group sold held-to-maturity assets (i) other than due to an isolated event beyond the Group's control, non-recurring and could not have been reasonably anticipated by the Group, such as a significant deterioration in the issuer's creditworthiness, significant change in statutory or regulatory requirement; or (ii) other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale. They are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses.

(4) 可供出售金融投資

可供出售金融資產包括界定為此類的金融資產以及不屬於以上分類的金融資產。此等金融資產的持有期限不確定，但有可能依據流動資金需求或利率、匯率及權益價格的變動而被出售。

(4) Available-for-sale financial investments

Financial assets classified as available-for-sale are those that are either designated as such or are not classified in any of the other categories. They are intended to be held for an indefinite period of time but may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.8 金融資產 (續)****2.8 Financial assets (continued)****(4) 可供出售金融投資
(續)****(4) Available-for-sale financial investments (continued)**

可供出售金融資產以公允價值加上直接相關的交易費用進行初始入賬，並以公允價值進行後續計量。因該等投資之公允價值變化而產生之未實現收益或虧損直接確認在其他全面收益中；當該類金融資產終止確認或減值時，之前確認於權益儲備中的累計收益或虧損將轉入收益表內。惟包括折溢價攤銷的利息收入將按照實際利息法計算確認在收益表中。分類為可供出售之股份權益工具，其股息於本集團收取股息之權利確定時於其他經營收入內確認。

Available-for-sale financial assets are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value of investments are recognised directly in other comprehensive income, until the financial asset is derecognised or impaired at which time the accumulated gain or loss previously recognised in equity should be transferred to the income statement. However, interest income which includes the amortisation of premium and discount is calculated using the effective interest method and is recognised in the income statement. Dividends on equity instruments classified as available-for-sale are recognised in other operating income when the Group's right to receive payment is established.

若一項金融資產由可供出售類別重新分類，重新分類日的公允價值將成為新分類項下的攤餘成本。而之前在可供出售分類項下已記入其他全面收益之盈虧，則於相關投資的剩餘年內以實際利息法攤銷至損益。新攤餘成本與到期當日之餘額的差額，亦在該金融資產的剩餘年內，以實際利息法攤銷。若該金融資產隨後發生減值時，原已記入其他全面收益的相關金額即時重新分類至損益。

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in other comprehensive income is amortised to profit or loss over the remaining life of the investment using the effective interest method. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the financial asset using the effective interest method. If the financial asset is subsequently determined to be impaired, the amount recorded in other comprehensive income is reclassified to profit or loss immediately.

可供出售證券的兌換差額的處理方法已詳列於附註2.4。

The treatment of translation differences on available-for-sale securities is dealt with in Note 2.4.

2.9 金融負債**2.9 Financial liabilities**

本集團按以下類別分類金融負債：公允價值變化計入損益之金融負債、存款、已發行債務證券及存款證及其他負債。所有金融負債於交易發生時界定其分類並以公允價值進行初始確認。

The Group classifies its financial liabilities under the following categories: financial liabilities at fair value through profit or loss, deposits, debt securities and certificate of deposit in issue, and other liabilities. All financial liabilities are classified at inception and recognised initially at fair value.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.9 金融負債 (續)****2.9 Financial liabilities (continued)****(1) 公允價值變化計入損益之金融負債**

旨在短期內購回之金融負債被分類為持作交易用途之負債。除被界定為有效對沖工具外，所有衍生金融工具均被分類為持作交易用途類別。交易性負債以公允價值列賬，公允價值之變動所產生的收益或虧損確認於收益表內。

(1) Financial liabilities at fair value through profit or loss

A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing in the short term. Derivatives are also classified as held for trading unless they are designated as effective hedges. It is measured at fair value and any gains and losses from changes in fair value are recognised in the income statement.

(2) 存款、已發行債務證券及存款證及其他負債

除被分類為交易性負債外，存款、已發行債務證券及存款證及其他負債均以攤餘成本列賬。扣除交易費用後之淨收款和贖回價值的差額（如有），按照實際利息法於期內在收益表中確認。

(2) Deposit, debt securities and certificates of deposit in issue, and other liabilities

Deposits, debt securities and certificates of deposit in issue and other liabilities, other than those classified as trading liabilities are carried at amortised cost. Any difference (if available) between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period using the effective interest method.

2.10 財務擔保合約**2.10 Financial guarantee contracts**

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。

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.

財務擔保合約以合約簽發當日的公允價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。

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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.11 金融工具的確認和終止確認**

以公允價值變化計入損益、可供出售及持有至到期日之金融資產，其買賣會於交易當日（即本集團購入或售出資產當日）確認。貸款及應收款（沒有活躍市場的投資證券除外）於付出現金予借款人時確認。在從該等金融資產取得現金流之權利完結或本集團已轉讓實質上所有風險及回報時，將終止對該等金融資產之確認。當本集團未有轉讓或未有保留已轉讓金融資產之實質上所有風險及回報，但仍保留對其控制時，本集團會按持續參與的部分繼續確認該等已轉讓的金融資產；若本集團已失去對其控制時，則終止確認。

交易性負債於交易當日確認。交易性負債以外的存款在收到客戶款項時確認，而其他負債於有關責任產生時確認。只有當合約中的指定責任被履行、取消或到期，該金融負債才可從資產負債表上終止確認。

售予交易對手之證券及票據，如根據回購協議，附有按預定價格並於將來指定時間回購之責任稱為「回購」。而向交易對手購入之證券及票據，如根據回售協議，附有按預定價格於將來指定時間再出售予交易對手之責任則稱為「反向回購」。

2.11 Recognition and derecognition of financial instruments

Purchases and sales of financial assets at fair value through profit or loss, available-for-sale and held-to-maturity are recognised on the trade date, the date on which the Group purchases or sells the assets. Loans and receivables (except investment securities without an active market) are recognised when cash is advanced to the borrowers. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. When the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Group either continues to recognise the transferred financial asset to the extent of its continuing involvement if control remains or derecognise it if there is no retained control.

Trading liabilities are recognised on the trade date. Deposits that are not trading liabilities are recognised when money is received from customers, other liabilities are recognised when such obligations arise. Financial liabilities are derecognised from the balance sheet when and only when the obligation specified in the contract is discharged, cancelled or expires.

Securities and bills sold to a counterparty with an obligation to repurchase at a pre-determined price on a specified future date under a repurchase agreement are referred to as repos. Securities and bills purchased from a counterparty with an obligation to re-sell to the counterparty at a pre-determined price on a specified future date under a resale agreement are referred to as reverse repos.

財務報表附註（續）**Notes to the Financial Statements (continued)****2. 主要會計政策（續）****2. Significant accounting policies (continued)****2.11 金融工具的確認和終止確認（續）**

「回購」或借出證券於初始時按已向交易對手所取得之實際現金額，列賬於應付銀行款項或銀行及其他金融機構之存款及結餘（如適用）。用作抵押回購協議之金融資產不會被終止確認，並仍列為金融投資或以公允值變化計入損益之金融資產。「反向回購」或借入證券則於初始時按已付予交易對手之實際現金額，於資產負債表內列為庫存現金及應收銀行款項或在銀行及其他金融機構的結餘及存款（如適用）。於反向回購協議下所收到用作抵押之金融資產將不會被確認於資產負債表上。出售價與回購價之差額則以實際利息法於協議年期內分期確認為利息收入或利息支出。

2.12 公允值計量

本集團於每個會計結算日以公允值計量房產及投資物業、貴金屬及部分金融工具。公允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。

計量資產或負債公允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。

非金融資產之公允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 Recognition and derecognition of financial instruments (continued)

Repos or securities lending are initially recorded as due to banks, placements from banks and other financial institutions, as appropriate, at the actual amount of cash received from the counterparty. Financial assets given as collateral for repurchase agreements are not derecognised and are recorded as financial investments or financial assets at fair value through profit or loss. Reverse repos or securities borrowing are initially recorded in the balance sheet as cash and due from banks or placements with banks and other financial institutions, as appropriate, at the actual amount of cash paid to the counterparty. Financial assets received as collateral under reverse repurchase agreements are not recognised on the balance sheet. The difference between sale and repurchase price is recognised as interest income or interest expense over the life of the agreements using the effective interest method.

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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.12 公允值計量 (續)**

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允值，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。

2.13 貴金屬

貴金屬包括黃金。貴金屬以其公允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。

2.14 金融資產減值

本集團於每個會計結算日對個別或一組金融資產是否存在減值的客觀證據進行評估。當有客觀減值證據表明金融資產在初始確認後因發生一項或多項事件（「損失事件」），且該損失事件對可靠估計該項金融資產或該組金融資產的預計未來現金流產生影響時，則該項或該組金融資產被認為已發生減值並出現減值損失。顯示個別或一組金融資產可能出現減值之客觀證據包括本集團已注意到關於以下可能出現損失事件之可供觀察資料：

2.12 Fair value measurement (continued)

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 Precious metals

Precious metals comprise gold. 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 Impairment of financial assets

The Group assesses as at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the reliably estimated future cash flows of the financial asset or group of financial assets. Objective evidence that a financial asset or group of financial assets may be impaired includes observable data that comes to the attention of the Group about the following probable loss events:

財務報表附註（續）
Notes to the 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）
2.14 Impairment of financial assets (continued)

- (i) 發行人或欠債人遇到嚴重財政困難；
- (ii) 違約，例如逾期或拖欠利息或本金還款；
- (iii) 因應與借入人之財政困難相關之經濟或法律原因，本集團給予借款人在一般情況下放款人不予考慮之優惠條件；
- (iv) 借款人有可能破產或進行其他財務重組；
- (v) 因財政困難致使該金融資產之活躍市場消失或其投資評級被降至投資級別以下；或
- (vi) 可察覺的資料顯示某一金融資產組合所產生之未來預計現金流量將較初始確認時有可量度之下降，雖然有關下降並未能明確為該組合內之個別金融資產。資料包括：
 - 該組合之供款人之還款狀況有不利轉變；或
 - 與該組合資產之逾期還款相關之全國性或本地經濟狀況。

- (i) significant financial difficulty of the issuer or obligor;
- (ii) a breach of contract, such as a default or delinquency in interest or principal payment;
- (iii) the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;
- (iv) it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- (v) the disappearance of an active market or downgrading below investment grade level for that financial asset because of financial difficulties; or
- (vi) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:
 - adverse changes in the payment status of borrowers in the group; or
 - national or local economic conditions that correlate with defaults on the assets in the group.

(1) 以攤餘成本計量的金融資產

本集團首先對單項金額重大的金融資產是否存在減值的客觀證據進行個別評估。如果本集團沒有發現客觀證據表明進行個別評估的金融資產存在減值情況，本集團將其連同其他單項金額不重大的金融資產或尚未識別減值的金融資產包括在具有類似信貸風險特徵的金融資產組別中，進行組合減值評估。經個別進行減值評估並且已確認或繼續確認減值損失的資產，不再納入組合減值評估的範圍。

(1) Financial assets carried at amortised cost

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment together with all other financial assets that are not individually significant or for which impairment has not yet been identified. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

財務報表附註 (續)**Notes to the 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)****2.14 Impairment of financial assets (continued)****(1) 以攤餘成本計量的金融資產 (續)**

如果有客觀證據表明貸款及應收款或持有至到期日證券已發生減值損失，則其減值損失將按照該資產的賬面金額與該金融資產按原來實際利率貼現後的預計未來現金流(不包括尚未發生的未來信用損失)的現值之間的差額進行計量。減值損失通過使用準備金來減少該資產的賬面金額，並確認於收益表內。如果貸款或持有至到期日證券為浮動利率，用於計量減值損失的貼現率為按合約確定的當前實際利率。實務上，本集團亦可以採用觀察到的市場價值確定某項金融工具的公允值，並以此作為基準計算減值。

附有抵押品的金融資產之預計未來現金流的現值包含按照止贖抵押品的價值扣除獲取和出售該抵押品之成本後的現金流。

本集團在進行組合減值評估時，將根據信貸風險特徵的相似性和相關性對金融資產進行分組。此等特徵與預計該等資產組合之未來現金流相關，可以反映債務人按照該等被評估資產的合約條款償還所有到期金額的能力。

對一組金融資產進行組合減值評估測算時，其預計未來現金流乃按該組資產的合約現金流以及於本集團內與該組金融資產具有類似信貸風險特徵的資產的歷史損失經驗為基準。以上歷史損失經驗將根據當期可觀察數據進行調整，以反映並不會影響該段歷史損失期間的當前情況，及從歷史損失經驗數據中移除那些當期已不存在的影響事項。

(1) Financial assets carried at amortised cost (continued)

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity securities has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity security has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral.

For the purposes of a collective assessment of impairment, financial assets are grouped on the basis of similar and relevant credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

財務報表附註 (續)**Notes to the 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)****2.14 Impairment of financial assets (continued)****(1) 以攤餘成本計量的金融資產 (續)**

當貸款無法收回時，在完成所有必要程序及確定損失金額後，本集團對該等貸款進行撇銷，沖減相應的貸款損失減值準備。撇銷後收回的貸款金額沖減在收益表中的貸款減值損失。

如果在以後的會計報表期間，減值損失的金額減少，且該等減少與確認減值後發生的事件有客觀關聯（例如債務人信用評級的改善），則之前已確認的減值損失可按不多於該之前已減值之金額，通過調整準備金予以回撥，回撥的金額於收益表內確認。

當貸款條款經重新商訂後與原來出現重大差異時，該貸款不再被視為逾期貸款，而作為新貸款處理。

(2) 被分類為可供出售的金融資產

如可供出售金融資產存在減值證據時，其累計虧損—即其購入成本或攤餘成本與現時公允值之差額，扣除該金融資產之前已記入收益表內之累計減值損失—需從權益儲備撥轉至收益表內。對於被界定為可供出售的股權投資，在決定其是否出現減值時，會考慮其公允值是否嚴重地或長期地低於其成本。如日後被分類為可供出售金融資產之債務工具之公允值增加，並與收益表確認減值後發生之事項有客觀關聯，有關之減值損失可按不多於該之前已減值之金額於收益表內回撥。至於股份權益工具方面，之後的公允值變化會透過其他全面收益確認於可供出售證券公允值變動儲備，減值損失不會通過收益表回撥。

(1) Financial assets carried at amortised cost (continued)

When a loan is uncollectible, it is written off against the related allowance for impairment losses. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of impairment losses in the income statement.

If, in a subsequent period, the amount of allowance for impairment losses decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss to the extent of its decrease is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

Loans whose terms have been renegotiated with substantial difference in the terms are no longer considered to be past due but are treated as new loans.

(2) Financial assets classified as available-for-sale

If evidence of impairment exists for available-for-sale financial assets, the accumulated losses, measured as the difference between the acquisition cost or amortised cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement, is removed from equity and recognised in the income statement. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss to the extent of its decrease is reversed through the income statement. With respect to equity instruments, further fair value changes are recognised in the reserve for fair value change of available-for-sale securities through other comprehensive income, impairment losses are not reversed through the income statement.

財務報表附註（續）**Notes to the Financial Statements (continued)****2. 主要會計政策（續）****2. Significant accounting policies (continued)****2.15 對附屬公司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」是以公允值低於其原成本值之時期作評價。

資產的賬面值超過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允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。

在本銀行的資產負債表，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，或其在在本銀行的賬面值超過在其綜合資產負債表內已包括商譽的淨資產值時，則需要做投資減值測試。

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。

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 balance sheet, 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 balance sheet exceeds the carrying amount of that entity's net assets including goodwill in its consolidated balance sheet.

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. 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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.16 投資物業 (續)****2.16 Investment properties (continued)**

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,投資物業按公允值計量。

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

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的一部分。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,則以公允值計量。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。

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.

任何公允值之變動會直接於收益表內確認。

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

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允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允值之間的差額作為房產重估,確認於其他全面收益內。惟若公允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。

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.

財務報表附註 (續)**Notes to the 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****2.17 Properties, plant and equipment**

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允值扣除隨後發生之累計折舊列示。重估當日之累計折舊額需先沖銷資產之賬面毛值，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。

Properties are mainly branches and office premises. Premises are shown at fair value based on periodic, at least annual, valuations by external independent valuers less subsequent accumulated depreciation. 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.

所有器材及設備均以歷史成本扣除累計折舊列賬。歷史成本包括因取得及安裝該項目而直接產生之費用。

All plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditures that are directly attributable to the acquisition and installation of the items.

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。

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 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.

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。

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.

財務報表附註 (續)**Notes to the 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)****2.17 Properties, plant and equipment (continued)**

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允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。

出售之收益及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，並於收益表內確認。

分類至待出售資產的物業、器材及設備不會進行折舊並根據香港財務報告準則第 5 號「持作出售用途之非流動資產及終止經營業務」計量。

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 and losses on disposals are determined by comparing proceeds with carrying amount, relevant taxes and expenses. These are recognised in the income statement.

Properties, plant and equipment classified as held for sale is not depreciated and is accounted for in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.18 租賃****2.18 Leases****(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。

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。

(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價值，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。

融資租賃會在租賃開始時，按租賃資產之公允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允值列賬。

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。

(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.

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) 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.

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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****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。

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。

2.21 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。

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.

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.

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.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.21 僱員福利 (續)****2.21 Employee benefits (continued)****(2) 有償缺勤 (續)**

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。

(2) Leave entitlements (continued)

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) 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。

(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.

(4) 界定利益福利計劃

本集團設置了一項非存置基金的界定利益福利計劃，此界定利益福利計劃所提供福利之成本是以預期累計福利單位精算估值方法計算。

(4) Defined benefit plan

The Group operates a defined benefit plan which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit actuarial valuation method.

重新計量界定利益福利計劃之精算盈虧會在發生期內即時確認於綜合資產負債表內，並同時透過借記或貸記其他全面收益列入留存溢利。重新計量之盈虧不會在往後年度重分類至損益。

Remeasurements arising from actuarial gains and losses of the defined benefit plan, is recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained profits through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

往年服務成本在以下情況之較早者確認於損益：

- 界定利益福利計劃作出修訂或削減之日；及
- 本集團確認重組相關費用之日。

Past service costs are recognised in profit or loss at the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises restructuring-related costs.

財務報表附註 (續)**Notes to the Financial Statements (continued)****2. 主要會計政策 (續)****2. Significant accounting policies (continued)****2.21 僱員福利 (續)****2.21 Employee benefits (continued)****(4) 界定利益福利計劃 (續)****(4) Defined benefit plan (continued)**

淨利息是以折現率與界定利益福利計劃淨資產或淨負債計算所得。本集團就以下界定利益福利計劃承擔之變動按其性質確認於綜合收益表內之利息支出或經營支出：

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under “interest expenses” and “operating expenses” in the consolidated income statement by function:

- 服務成本包括當期及以往的服務成本、削減福利之盈虧及非經常性之結算。
- 淨利息支出或收入。

- service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- net interest expense or income

2.22 本期及遞延所得稅項**2.22 Current and deferred income taxes**

在有關期間的稅務支出包括本期及遞延稅項。除因有關項目乃直接記於其他全面收益而需於其他全面收益內確認其稅項外，稅項於收益表內確認。

Tax expenses 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 directly in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

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。

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.

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。

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.

財務報表附註 (續)**Notes to the 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 (續)****2.22 Current and deferred income taxes (continued)**

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，包括可供出售證券及房產。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。

The principal temporary differences arise from asset impairment provisions, depreciation of premises and equipment, and revaluation of certain assets including available-for-sale securities 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.

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。

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.

遞延所得稅項乃記於收益表內。但因可供出售證券的公允值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。

Deferred income tax is charged or credited in the income statement except for deferred income tax relating to fair value re-measurement of available-for-sale securities 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.

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。

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.

財務報表附註 (續)**Notes to the 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允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資產負債表中予以註銷。其後，收回資產取其成本及公允值扣除出售成本後之淨值中之較低者計量，並被確認為「待出售非流動資產」，包括於「其他資產」項下。

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。

2.25 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。

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 balance sheet. Subsequently, repossessed assets are measured at the lower of their cost and fair values less costs to sell and are reported as “non-current assets held for sale” included in “Other assets”.

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 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.

財務報表附註（續）**Notes to the Financial Statements (continued)****2. 主要會計政策（續）****2. Significant accounting policies (continued)****2.25 或然負債及或然資產（續）**

或然資產不會被確認，但如果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。

2.26 待出售資產

倘若非流動資產的賬面值將主要經出售變現，可在現況下供出售及出售的可能性甚高，則會歸類為待出售資產。待出售用途之非流動資產乃根據香港財務報告準則第 5 號「持作出售用途之非流動資產及終止經營業務」，按賬面值與公平價值減去出售成本，以兩者中之較低額計量。

2.27 有關連人士

就此等財務報表而言，若一方人士(i)能控制、共同控制本集團、或對本集團有重大影響力；(ii)與本集團同屬一財務報告集團的成員，例如：母公司、附屬公司、同系附屬公司；(iii)為本集團或母公司集團中的聯營公司或合資企業；(iv)為本集團或母公司的主要高層人員；(v)與本集團受到共同控制；(vi)被識別為受第(iv)類人士所控制的企業；及(vii)向本集團或本集團之母公司提供主要管理人員服務，則該等人士被視為有關連人士。有關連人士可為個人或企業。

2.25 Contingent liabilities and contingent assets (continued)

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.

2.26 Assets held for sale

Non-current assets are classified as held for sale when their carrying amounts will be recovered principally through sale, they are available for sale in their present condition and their sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

2.27 Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if that party (i) controls, jointly controls or has significant influence over the Group; (ii) is a member of the same financial reporting group, such as parents, subsidiaries and fellow subsidiaries; (iii) is an associate or a joint venture of the Group or parent reporting group; (iv) is a key management personnel of the Group or parents; (v) is subject to common control with the Group; (vi) is an entity in which a person identified in (iv) controls; and (vii) provides key management personnel services to the Group or its parent. Related parties may be individuals or entities.

財務報表附註 (續)**Notes to the Financial Statements (continued)****3. 應用會計政策時之重大會計估計及判斷****3. Critical accounting estimates and judgements in applying accounting policies**

本集團作出的會計估計和假設通常會影響下一會計年度的資產和負債的賬面價值。該等估計及判斷是根據過往歷史經驗及於有關情況下被認為合理之其他因素，包括對未來事件的預期而作出，並會持續接受評估。對因必要的估計及判斷轉變，而會影響其賬面值的資產及負債項目範圍，將列示如下。如可釐定，重要假設或其他估量所存在之不明朗因素及其轉變所帶來之影響將於以下列出。而未來有可能根據實際情況的變化對這些會計估計做出重大調整。

The Group makes estimates and assumptions that affect the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Areas susceptible to changes in essential estimates and judgements, which affect the carrying amount of assets and liabilities, are set out below. The effect of changes to either the key assumptions or other estimation uncertainties will be presented below if it is practicable to determine. It is possible that actual results may require material adjustments to the estimates referred to below.

3.1 貸款及應收款減值準備**3.1 Impairment allowances on loans and advances**

本集團至少每季對貸款組合的減值損失情況進行一次評估。於決定是否確認減值損失於收益表時，本集團於識別某一貸款組合內個別貸款之減值損失前，會首先判斷是否有可觀察數據顯示該貸款組合所產生之未來預計現金流量將出現有可量度之下降。該證據包括能顯示該組合內借款人之還款狀況有不利轉變的可觀察資料（如拖欠或逾期還款）或與組合內貸款資產違約有關的經濟狀況。管理層於估計未來現金流量時，將根據具有與該組合類似之信貸風險特徵及客觀減值證據之資產之過往損失經驗作為估計基準。用作估計未來現金流量金額及時間之方法及假設會被定期檢討。

The Group reviews its loan portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans and advances before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group (e.g. payment delinquency or default), or economic conditions that correlate with defaults on assets in the group. The Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when estimating expected future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly.

截至 2016 年 12 月 31 日的貸款及應收款賬面值已列示於附註 22。

Carrying amounts of loans and advances as at 31 December 2016 are shown in Note 22.

財務報表附註（續）**Notes to the Financial Statements (continued)****3. 應用會計政策時之重大會計估計及判斷（續）****3. Critical accounting estimates and judgements in applying accounting policies (continued)****3.2 金融投資減值****3.2 Impairment of financial investments**

本集團至少每季對其投資組合的減值損失情況進行一次評估。於決定該等投資是否出現減值時，會評估其風險特徵和表現，例如外部信用評級及市場價值。本集團會參照該等組合的市場表現、發行人的目前付款情況、相關資產表現、與抵押資產違約直接相關的經濟情況，而對每一項投資的違約率和損失嚴重性作出估計。減值評估中所使用的方法和假設會被定期檢討。

The Group reviews its investment portfolios to assess impairment at least on a quarterly basis. In determining whether any of these investments is impaired, risk characteristics and performance such as external credit rating and market price will be assessed. The Group makes estimates on the default rate and loss severity of each investment with reference to market performance of the portfolios, current payment status of the issuers or performance of the underlying assets, or economic conditions that correlate with defaults on the collateralised assets. The methodology and assumptions used for impairment assessments are reviewed regularly.

截至2016年12月31日的金融投資賬面值已列示於附註24。

Carrying amounts of financial investments as at 31 December 2016 are shown in Note 24.

3.3 衍生金融工具的公允值**3.3 Fair values of derivative financial instruments**

沒有活躍市場報價之衍生金融工具，其公允值會根據估值方法釐定。所採用之估值方法包括貼現現金流量分析，以及從外間購入，並被業內廣泛採用之財務分析或風險管理系統之內置模型，如期權定價模型。在實際操作可行的情況下，定價模型會採用可觀察數據。若估值模型未有考慮某些因素，如信貸風險，估值調整將有可能被採用。選用適合的估值參數、假設和模型技術需要管理層的判斷和估計。具體詳情可參閱附註5。

The fair values of derivative financial instruments that are not quoted in active markets are determined by using valuation techniques. Valuation techniques used include discounted cash flows analysis and models with built-in functions available in externally acquired financial analysis or risk management systems widely used by the industry such as option pricing models. To the extent practical, the models use observable data. In addition, valuation adjustments may be adopted if factors such as credit risk are not considered in the valuation models. Management judgement and estimates are required for the selection of appropriate valuation parameters, assumptions and modeling techniques. Further details will be discussed in Note 5.

截至2016年12月31日的衍生金融工具賬面值已列示於附註21。

Carrying amounts of derivative financial instruments as at 31 December 2016 are shown in Note 21.

財務報表附註（續）**Notes to the Financial Statements (continued)****3. 應用會計政策時之重大會計估計及判斷（續）****3. Critical accounting estimates and judgements in applying accounting policies (continued)****3.4 持有至到期日證券分類****3.4 Classification of held-to-maturity securities**

本集團跟循香港會計準則第39號之指引，將具有固定或確定付款額及還款期的若干非衍生金融資產分類為持有至到期日證券。此分類需運用重大判斷。於使用該判斷時，本集團會考慮其持有之意向及能持有該資產至到期日之能力。除香港會計準則第39號所列出的特定情況外（例如出售之金額不重大；於接近到期日出售；或因信貸顯著轉差而出售），若本集團未能持有該等投資至到期日，則整個類別需被重新分類為可供出售證券，而該投資將以公允值計量，而不能以攤餘成本計量。

The Group follows the guidance of HKAS 39 in classifying certain non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity securities. This classification requires significant management judgement to evaluate the Group's intention and ability to hold such investments to maturity. If the Group fails to hold these investments to maturity other than for specific circumstances defined in HKAS 39, such as selling an insignificant amount, selling close to maturity or due to significant credit deterioration of such investments, it will be required to reclassify the entire portfolio of financial assets as available-for-sale securities. The investments would then be measured at fair value and not amortised cost.

截至2016年12月31日的持有至到期日證券賬面值已列示於附註24。

Carrying amounts of held-to-maturity securities as at 31 December 2016 are shown in Note 24.

3.5 遞延稅項資產**3.5 Deferred tax assets**

按未使用的稅務虧損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。

Deferred tax assets on unused tax losses are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

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。

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.

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

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；批准高層次的風險管理政策，並監督其執行；向董事會建議風險管理高層架構，包括行政總裁最高信貸審批權限及信貸審批委員會的信貸審批範圍。如風險管理委員會認為交易過於重大而應由董事會批准，可把該筆交易申請提交董事會。稽核委員會協助董事會履行內部監控系統的監控職責。

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 ensure 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, a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, approving high-level risk management policies and monitoring their implementation, recommending senior risk management organisational structure to the Board, including credit approval authority for the Chief Executive and scope of credit approval for the Credit Approval Committee. The Risk Management Committee would refer any specific transaction to the Board if it is deemed so significant that Board approval is desirable. The Audit Committee assists the Board in fulfilling its role in overseeing the internal control system.

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****金融風險管理架構（續）**

信貸審批委員會負責在董事會授權範圍內審批信貸業務。行政總裁負責組織落實董事會所確立的風險管理策略及目標，管理各類風險，在董事會授權範圍內審批重大風險承擔或交易。

本集團的不同單位具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。

Financial risk management framework (continued)

The Credit Approval Committee is responsible for credit approval within the authorization granted by the Board of Directors. The Chief Executive is responsible for organising and implementing the risk management strategies and objectives established by the Board of Directors, managing various risks and approving significant risk exposures or transactions within the authorization granted by the Board of Directors.

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 organisational 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.

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****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。策略發展單位負責確保業務發展和產品開發計劃符合集團整體策略；風險管理、法律、合規及財務等方面的專責單位負責對風險評估結果進行審核。

除負責新產品開發項目的管理工作外，產品管理單位將與風險評估單位共同負責識別和評估項目所涉及的各项風險。風險評估單位需要對項目的風險評估結果和風險管理措施進行獨立審查，只有在風險評估單位滿意盡職審查結果，有關產品才可推出市場。

對於提供予客戶的財資產品則採納更審慎的方法，所有新的財資產品在推出前，都必須經由專責委員會審批同意通過。

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。

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. The strategic development unit shall ensure the plans are aligned with the Group's overall strategies. Units that are responsible for risk management, legal, compliance and finance, etc. are accountable for risk assessment and review.

Apart from product development, respective product management units work closely with relevant risk evaluating units to identify and assess the risks of new products. Risk evaluating units conduct independent review on the risk assessment results and the corresponding risk management measures. Products can only be launched upon completion of the product due diligence process to the satisfaction of all risk evaluating units.

A prudent approach is adopted in offering treasury products to our customers. All new treasury products require approval from a specialised committee before launching.

4.1 Credit risk

Credit risk is the risk of loss that a customer or counterparty is unable to or unwilling to meet its contractual obligations. Credit risk exists in the trading book and banking book, as well as from on- and off-balance sheet transactions of the Group. It arises principally from lending, trade finance and treasury businesses.

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****4.1 信貸風險（續）****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。

信貸管理委員會是由行政總裁授權設立的管理委員會，負責落實信貸風險管理策略及審議信貸政策，同時監察本集團信貸組合、信貸資產質素、風險集中程度。本集團的不同單位具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。風險管理單位獨立於業務單位，負責信貸風險的日常管理，對信貸風險的識別、量度、監督和控制進行獨立的盡職調查，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，並向信貸管理委員會、行政總裁、信貸審批委員會及風險管理委員會報告。

南洋商業銀行（中國）有限公司（「南商（中國）」）設有獨立的風險監控團隊，監控信貸風險相關情況，並定期向本銀行提交管理信息和報告。

4.1 Credit risk (continued)**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 organisational structure establishes a clear set of authority and responsibility for monitoring compliance with policies, procedures and limits.

The Credit and Loans Management Committee, a management committee authorised by the Chief Executive, is responsible for the implementation of the credit risk management strategies as well as the approval of credit policies. It also monitors the Group's loan portfolio, quality of credit asset and risk concentration level. Different units of the Group have their respective credit risk management responsibilities. Business units act as the first line of defence. The risk management units, which are independent from the business units, are responsible for the day-to-day management of credit risks and have the primary responsibilities 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. They report directly to the Credit and Loans Management Committee, Chief Executive, Credit Approval Committee and Risk Management Committee.

Nanyang Commercial Bank (China), Limited ("NCB (China)") sets up independent risk monitoring teams to monitor credit risk, and submits management information and reports to the Bank on a regular basis.

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****4.1 信貸風險（續）****信貸風險管理架構（續）**

董事會是最終的信貸權力來源，董事會授權信貸審批委員會及行政總裁審批信貸業務。行政總裁在董事會授予之權限內按管理需要轉授權予信貸業務相關人員。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。所有授信申請須經風險評估及適當審批。除一些符合指定條件的授信外，一般情況下大部份授信須經獨立的風險管理單位人員進行貸前審核。該些指定授信會由獨立於前線業務單位的指定單位作貸後檢（抽）查。非零售風險承擔授信申請需確定債務人評級（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；零售授信交易包括零售小企業貸款、住宅按揭貸款、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。

4.1 Credit risk (continued)**Credit risk management framework (continued)**

The Board of Directors is the ultimate source of credit authority. The Board of Directors delegates credit approval authority to the Credit Approval Committee and the Chief Executive. Based on management needs, the Chief Executive can further delegate to the credit-related subordinates within the 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 size of the credit exposure.

Credit risk measurement and control

In view of the rapidly changing market conditions, the Group has been continuously revising 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. All credit applications are subject to thorough risk assessment and proper approval. In general, most of the credit applications will be reviewed and assessed by independent officer(s) of risk management unit(s) before approval, with exceptions given to designated advances which satisfy certain conditions. After funding being drawn, these designated advances will be (randomly) reviewed by designated unit(s) which is(are) independent from the front line business units. Obligor ratings (in terms of probability of default) and facility ratings (in terms of loss given default) are assigned to credit applications for non-retail exposures 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, personal loans, etc. Loan grades, obligor and facility ratings as well as loss estimates (if applicable) are used to support credit approval.

財務報表附註 (續) Notes to the Financial Statements (continued)**4. 金融風險管理 (續) 4. Financial risk management (continued)****4.1 信貸風險 (續)****信貸風險評估及監控 (續)***貸款 (續)*

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) 外部信用評級相對應。該內部評級總尺度表結構符合香港《銀行業條例》項下《銀行業 (資本) 規則》的要求。

信貸風險管理報告會定期或不定期提供予管理層、信貸審批委員會、執行委員會、風險管理委員會及董事會, 以供其持續監控信貸風險。

4.1 Credit risk (continued)**Credit risk measurement and control (continued)***Advances (continued)*

The Group also uses loan grades, obligor ratings and loss estimates (if applicable) to support monitoring, reporting and analysis of credit risk. 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 employs 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 under the Hong Kong Banking Ordinance.

Regular or ad hoc credit risk management information reports are provided to the Management, Credit Approval Committee, Executive Committee, Risk Management Committee and the Board of Directors to facilitate their continuous monitoring of credit risk.

財務報表附註 (續) Notes to the Financial Statements (continued)**4. 金融風險管理 (續) 4. Financial risk management (continued)****4.1 信貸風險 (續)****信貸風險評估及監控 (續)***貸款 (續)*

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，並監察每一交易對手信貸風險、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。

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：

「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。

「需要關注」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。

「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。

「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。

「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。

4.1 Credit risk (continued)**Credit risk measurement and control (continued)***Advances (continued)*

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

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

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

“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.

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

“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.

“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.

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****4.1 信貸風險（續）****信貸風險評估及監控（續）***債務證券及衍生產品*

對於債務證券及證券化資產的投資，本集團會應用債務人評級或外部信用評級、通過評估證券相關資產的質素及設定客戶及證券發行人信貸限額，以管理債務證券及證券化資產的信貸風險；對於衍生產品，本集團會採用客戶限額及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本集團的交易而產生的所有結算風險。

4.1 Credit risk (continued)**Credit risk measurement and control (continued)***Debt securities and derivatives*

For investments in debt securities and securitisation assets, the obligor ratings or external credit ratings, assessment of the underlying assets and credit limits setting on customer/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. On-going 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 failure 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.

財務報表附註 (續) Notes to the Financial Statements (continued)**4. 金融風險管理 (續) 4. Financial risk management (continued)****4.1 信貸風險 (續)****抵押品及其他改善信貸條件**

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、法律有效性、貸款與估值比率、估損折扣比率、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。抵押品須購買保險並以本集團作為第一受益人。

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、信貸紀錄及履約能力。

於 2016 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 (2015 年：無)。

4.1 Credit risk (continued)**Collateral held as security and other credit enhancements**

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. Collateral is insured with the Group as the primary beneficiary.

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 2016, the Group did not hold any collateral that it was permitted to sell or re-pledge in the absence of default by the borrower (2015: Nil).

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****4.1 信貸風險（續）****(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。

在銀行及其他金融機構的結餘及定期存放

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。

公允值變化計入損益之金融資產及金融投資

一般不會就債務證券尋求抵押品。

4.1 Credit risk (continued)**(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.

Balances and placements with banks and other financial institutions

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

Financial assets at fair value through profit or loss and financial investments

Collateral is generally not sought on debt securities.

財務報表附註 (續) Notes to the 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 (續)****(A) Credit exposures (continued)**衍生金融工具Derivative financial instruments

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用支持附件。根據信用支持附件,抵押品會按情況由交易一方轉交另一方,以減少風險承擔。

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") derivative 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.

貸款及其他賬項、或然負債及承擔Advances and other accounts, contingent liabilities and commitments

一般抵押品種類已載於第 86 頁。本集團根據對貸款及其他賬項、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。有關客戶貸款之抵押品覆蓋率已分析於第 100 至 101 頁。或然負債及承擔之主要組合及性質已載於附註 36,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 2016 年 12 月 31 日,有抵押品覆蓋之或然負債及承擔為 14.05 % (2015 年 : 15.74%)。

The general types of collateral are disclosed on page 86. Advances and other accounts, contingent liabilities and commitments are collateralised to the extent considered appropriate by the Group taking account of the risk assessment of individual exposures. The collateral coverage of advances to customers is analysed on pages 100 to 101. The components and nature of contingent liabilities and commitments are disclosed in Note 36. 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, 14.05% (2015: 15.74%) was covered by collateral as at 31 December 2016.

財務報表附註 (續) Notes to the Financial Statements (continued)
4. 金融風險管理 (續) 4. Financial risk management (continued)
4.1 信貸風險 (續)
(B) 總貸款及其他賬項

提取減值準備前之總貸款及其他賬項按產品類別概述如下：

客戶貸款
個人
- 按揭
- 信用卡
- 其他
公司
- 商業貸款
- 貿易融資

貿易票據

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。

當有客觀證據反映貸款出現一項或多項損失事件，經過評估有關損失事件已影響其預期可靠的未來現金流，則該貸款已出現減值損失。

4.1 Credit risk (continued)
(B) Gross advances and other accounts

Gross advances and other accounts before impairment allowances are summarised by product type as follows:

Advances to customers
Personal
- Mortgages
- Credit cards
- Others
Corporate
- Commercial loans
- Trade finance

Trade bills

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 continuously exceeded the approved limit that was advised to the borrower.

Advances are impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred and that loss event(s) has an impact on the estimated future cash flows of the advances that can be reliably estimated.

	2016	2015
	港幣千元 HK\$'000	港幣千元 HK\$'000
客戶貸款		
個人		
- 按揭	26,219,040	23,956,056
- 信用卡	441,046	732,148
- 其他	11,549,920	9,827,384
公司		
- 商業貸款	141,974,726	115,579,409
- 貿易融資	7,596,230	6,141,777
	187,780,962	156,236,774
貿易票據	5,665,154	14,072,143
	193,446,116	170,308,917

財務報表附註 (續) Notes to the Financial Statements (continued)
4. 金融風險管理 (續) 4. Financial risk management (continued)
4.1 信貸風險 (續)
**(B) 總貸款及其他賬項
(續)**

如有客觀證據反映貸款已出現減值損失，有關損失按該貸款賬面值與未來現金流折現值兩者間之差額計量；貸款已出現減值損失的客觀證據包括那些已有明顯訊息令本集團知悉的損失事件。

本集團根據以下客觀證據來決定是否已出現減值損失：

- 借款人出現重大的財務困難；
- 出現違約事件，例如不履行或逾期償還本金或利息；
- 當借款人出現財務困難，本集團基於經濟或法律因素考慮而特別給予借款人貸款條件上的優惠；
- 有證據顯示借款人將會破產或進行財務重整；或
- 其他明顯訊息反映有關貸款的未來現金流將會出現明顯下降。

4.1 Credit risk (continued)
(B) Gross advances and other accounts (continued)

If there is objective evidence that an impairment loss on advances has been incurred, the amount of loss is measured as the difference between the carrying amount and the present value of estimated future cash flows generated by the advances. Objective evidence that advances are impaired includes observable data that comes to the attention of the Group about the loss events.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty incurred by the borrower;
- A breach of contract, such as a default or delinquency in principal or interest payment;
- For economic or legal reasons related to the borrower's financial difficulty, the Group has granted to the borrower a concession that it would not otherwise consider;
- Probable that the borrower will become bankrupt or undergo other financial reorganisation; or
- Other observable data indicating that there is a measurable decrease in the estimated future cash flows from such advances.

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項 (續)
(B) Gross advances and other accounts (continued)
(a) 非減值未逾期貸款
(a) Advances neither overdue nor impaired

非減值未逾期貸款按內部信貸級別分析如下：

Advances that were neither overdue nor impaired are analysed by internal credit grade as follows:

		2016			
		合格 Pass	需要關注 Special mention	次級或以下 Substandard or below	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
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	25,885,478	40,898	987	25,927,363
- 信用卡	- Credit cards	410,212	19	-	410,231
- 其他	- Others	11,492,203	18,074	-	11,510,277
公司	Corporate				
- 商業貸款	- Commercial loans	139,339,502	1,844,628	2,556	141,186,686
- 貿易融資	- Trade finance	7,453,678	61,053	-	7,514,731
		184,581,073	1,964,672	3,543	186,549,288
貿易票據	Trade bills	5,665,154	-	-	5,665,154
		190,246,227	1,964,672	3,543	192,214,442

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項 (續)
(B) Gross advances and other accounts (continued)
(a) 非減值未逾期貸款 (續)
(a) Advances neither overdue nor impaired (continued)

		2015			
		合格 Pass	需要關注 Special mention	次級或以下 Substandard or below	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
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	23,676,398	23,002	1,265	23,700,665
- 信用卡	- Credit cards	653,134	87	-	653,221
- 其他	- Others	9,740,662	17,864	72	9,758,598
公司	Corporate				
- 商業貸款	- Commercial loans	113,588,886	1,407,580	285	114,996,751
- 貿易融資	- Trade finance	5,959,307	99,892	-	6,059,199
		153,618,387	1,548,425	1,622	155,168,434
貿易票據	Trade bills	14,072,143	-	-	14,072,143
		<u>167,690,530</u>	<u>1,548,425</u>	<u>1,622</u>	<u>169,240,577</u>

當貸款受全數抵押擔保，即使發生損失事件亦未必導致減值損失，當此等貸款被評為「次級」或以下，亦可視為非減值貸款於上表中列示。

The occurrence of loss event(s) may not necessarily result in impairment loss where the advances are fully collateralised. While such advances are of "substandard" or lower grades, they are regarded as not being impaired and have been included in the above tables.

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
(b) 逾期未減值貸款
(b) Advances overdue but not impaired

總逾期未減值貸款分析如下：

The gross amount of advances overdue but not impaired is analysed as follows:

		2016				
		逾期超過 3 個月 但不超過 6 個月 Overdue for six months or less but over three months or less	逾期超過 6 個月 但不超過 1 年 Overdue for one year or less but over six months	逾期 超過 1 年 Overdue for over one year	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
客戶貸款	Advances to customers					
個人	Personal					
- 按揭	- Mortgages	214,590	4,298	1,478	30,167	250,533
- 信用卡	- Credit cards	16,847	-	-	-	16,847
- 其他	- Others	32,829	664	559	517	34,569
公司	Corporate					
- 商業貸款	- Commercial loans	246,822	1,743	4,998	-	253,563
- 貿易融資	- Trade finance	6,722	1,225	-	-	7,947
		517,810	7,930	7,035	30,684	563,459

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
**(b) 逾期未減值貸款
(續)**
(b) Advances overdue but not impaired (continued)

		2015				
		逾期超過 3 個月 但不超過 6 個月 Overdue for three months or less	逾期超過 6 個月 Overdue six months or less but over three months	逾期超過 1 年 Overdue for one year or less but over six months	逾期 超過 1 年 Overdue for over one year	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
客戶貸款	Advances to customers					
個人	Personal					
- 按揭	- Mortgages	191,087	20	1,635	292	193,034
- 信用卡	- Credit cards	51,944	-	-	-	51,944
- 其他	- Others	56,076	3,983	-	2,892	62,951
公司	Corporate					
- 商業貸款	- Commercial loans	77,734	-	-	17,384	95,118
- 貿易融資	- Trade finance	18,863	6,201	-	1,207	26,271
		395,704	10,204	1,635	21,775	429,318

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
(c) 減值貸款
(c) Impaired advances

已個別識別減值
貸款按產品類別
分析如下：

Advances individually identified to be impaired are analysed by product type as follows:

	2016		2015	
	總貸款 Gross advances 港幣千元 HK\$'000	抵押品 市值 Market value of collateral 港幣千元 HK\$'000	總貸款 Gross advances 港幣千元 HK\$'000	抵押品 市值 Market value of collateral 港幣千元 HK\$'000
客戶貸款	Advances to customers			
個人	Personal			
- 按揭	41,144	36,522	62,357	77,392
- 信用卡	13,968	-	26,983	-
- 其他	5,074	12,021	5,835	1,147
公司	Corporate			
- 商業貸款	534,477	236,903	487,540	231,164
- 貿易融資	73,552	1,920	56,307	1,071
	668,215	287,366	639,022	310,774
就上述貸款作出 之減值準備			434,377	
			474,566	
			2016	2015
			港幣千元	港幣千元
			HK\$'000	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	287,366	310,774
上述有抵押品覆蓋 之客戶貸款		Covered portion of such advances to customers	113,048	230,073
上述沒有抵押品覆 蓋之客戶貸款		Uncovered portion of such advances to customers	555,167	408,949

財務報表附註 (續) Notes to the Financial Statements (continued)
4. 金融風險管理 (續) 4. Financial risk management (continued)
4.1 信貸風險 (續)
**(B) 總貸款及其他賬項
(續)**
(c) 減值貸款 (續)

減值準備已考慮
上述貸款之抵押
品價值。

於 2016 年 12 月
31 日，沒有減值
之 貿 易 票 據
(2015 年：
無)。

特定分類或減值
之客戶貸款分析
如下：

特定分類或減值之
客戶貸款總額

特定分類或減值之
客戶貸款總額對
客戶貸款總額比
率

就上述貸款作個別
評估之減值準備

特定分類或減值
之客戶貸款是指
按本集團貸款質
量分類的「次
級」、「呆滯」或
「虧損」貸款或個
別評估為減值的
貸款。

4.1 Credit risk (continued)
(B) Gross advances and other accounts (continued)
(c) Impaired advances (continued)

The impairment allowances were made after taking into account the value of collateral in respect of such advances.

As at 31 December 2016, there were no impaired trade bills (2015: Nil).

Classified or impaired advances to customers are analysed as follows:

	<u>2016</u>	<u>2015</u>
	港幣千元	港幣千元
	HK\$'000	HK\$'000
Gross classified or impaired advances to customers	<u>740,215</u>	<u>684,698</u>
Gross classified or impaired advances to customers as a percentage of gross advances to customers	<u>0.39%</u>	<u>0.44%</u>
Individually assessed impairment allowances made in respect of such advances	<u>474,147</u>	<u>433,567</u>

Classified or impaired advances to customers represent advances which are either classified as "substandard", "doubtful" or "loss" under the Group's classification of loan quality, or individually assessed to be impaired.

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
**(d) 逾期超過 3 個月
之貸款**
(d) 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:

	2016		2015	
	金額 Amount 港幣千元 HK\$'000	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount 港幣千元 HK\$'000	佔客戶貸款總額 百分比 % of gross advances to customers
客戶貸款總額， 已逾期：				
- 超過 3 個月 但不超過 6 個月	205,766	0.11%	102,053	0.06%
- 超過 6 個月 但不超過 1 年	121,647	0.07%	320,702	0.21%
- 超過 1 年	339,655	0.18%	203,026	0.13%
逾期超過 3 個月 之貸款	667,068	0.36%	625,781	0.40%
就上述貸款作個別 評估之減值準備	421,834		412,534	

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
**(d) 逾期超過 3 個月
之貸款 (續)**
(d) Advances overdue for more than three months (continued)

	<u>2016</u>	<u>2015</u>
	港幣千元	港幣千元
	HK\$'000	HK\$'000
就上述有抵押品覆蓋的客戶貸款之抵押品市值	<u>320,355</u>	<u>313,983</u>
上述有抵押品覆蓋之客戶貸款	<u>136,249</u>	<u>228,914</u>
上述沒有抵押品覆蓋之客戶貸款	<u>530,819</u>	<u>396,867</u>

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 2016 年 12 月 31 日，沒有逾期超過 3 個月之貿易票據 (2015 年：無)。

As at 31 December 2016, there were no trade bills overdue for more than three months (2015: Nil).

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
(e) 經重組貸款
(e) Rescheduled advances

	2016		2015	
	金額	佔客戶貸款總額 百分比 % of gross advances to customers	金額	佔客戶貸款總額 百分比 % of gross advances to customers
	Amount		Amount	
	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”	<u>2,292</u>	<u>0.00%</u>	<u>1,329</u>	<u>0.00%</u>

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”.

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
(f) 客戶貸款集中度
(f) Concentration of advances to customers

(i) 按行業分類之
客戶貸款總額

(i) 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.

		2016					
		客戶貸款總額	抵押品或 其他抵押 覆蓋之百分比	特定分類 或減值	逾期	個別評估之 減值準備	組合評估之 減值準備
		Gross advances to customers	% covered by collateral or other security	Classified or impaired	Overdue	Individually assessed impairment allowances	Collectively assessed 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
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	9,395,050	6.41%	-	-	-	21,917
- 物業投資	- Property investment	10,775,101	84.72%	29,680	26,154	762	94,939
- 金融業	- Financial concerns	11,037,686	3.70%	-	-	-	23,910
- 批發及零售業	- Wholesale and retail trade	8,029,810	43.50%	75,789	102,065	52,168	53,357
- 製造業	- Manufacturing	8,334,113	20.75%	35,676	33,786	15,582	31,662
- 運輸及運輸設備	- Transport and transport equipment	5,973,029	11.14%	-	360	-	39,465
- 休閒活動	- Recreational activities	3,437	29.82%	-	-	-	18
- 資訊科技	- Information technology	2,272,628	1.14%	-	-	-	4,733
- 其他	- Others	12,915,062	56.98%	10,631	47,460	5,528	71,099
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	293,571	99.79%	751	9,536	-	210
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	13,105,671	99.93%	6,995	84,233	-	6,049
- 其他	- Others	8,782,704	71.29%	1,864	28,094	186	5,058
在香港使用之貸款總額	Total loans for use in Hong Kong	90,917,862	47.37%	161,386	331,688	74,226	352,417
貿易融資	Trade finance	7,596,230	23.78%	75,083	81,499	58,242	42,275
在香港以外使用之貸款	Loans for use outside Hong Kong	89,266,870	37.67%	503,746	795,102	341,679	457,685
客戶貸款總額	Gross advances to customers	187,780,962	41.81%	740,215	1,208,289	474,147	852,377

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項 (續)

(B) Gross advances and other accounts (continued)

(f) 客戶貸款集中度 (續)

(f) Concentration of advances to customers (continued)

(i) 按行業分類之 客戶貸款總額 (續)

(i) Sectoral analysis of gross advances to customers (continued)

		2015					
		客戶貸款總額 Gross advances to customers	抵押品或 其他抵押 覆蓋之百分比 % covered by collateral or other security	特定分類 或減值 Classified or impaired	逾期 Overdue	個別評估之 減值準備 Individually assessed impairment allowances	組合評估之 減值準備 Collectively assessed 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
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	5,448,761	15.36%	-	-	-	14,435
- 物業投資	- Property investment	10,849,282	92.84%	29,794	24,466	-	110,979
- 金融業	- Financial concerns	4,497,199	9.53%	-	-	-	9,638
- 股票經紀	- Stockbrokers	480	100.00%	-	-	-	4
- 批發及零售業	- Wholesale and retail trade	9,251,574	30.74%	87,956	103,927	65,156	69,887
- 製造業	- Manufacturing	8,523,132	23.30%	30,691	34,384	19,210	36,657
- 運輸及運輸設備	- Transport and transport equipment	4,316,243	7.66%	-	360	-	13,381
- 休閒活動	- Recreational activities	141,637	0.76%	-	-	-	294
- 資訊科技	- Information technology	741,295	2.40%	2,634	4,839	1,309	1,803
- 其他	- Others	14,315,090	42.23%	19,729	25,474	16,498	71,945
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	364,199	99.88%	1,501	8,736	-	241
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	12,304,337	99.86%	648	53,917	-	5,401
- 其他	- Others	7,338,950	56.81%	2,461	27,195	1,410	4,712
在香港使用之貸款總額	Total loans for use in Hong Kong	78,092,179	50.43%	175,414	283,298	103,583	339,377
貿易融資	Trade finance	6,141,777	33.44%	68,558	78,781	49,162	46,830
在香港以外使用之貸款	Loans for use outside Hong Kong	72,002,818	39.30%	440,726	667,966	280,822	565,129
客戶貸款總額	Gross advances to customers	156,236,774	44.63%	684,698	1,030,045	433,567	951,336

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
**(f) 客戶貸款集中度
(續)**
(f) Concentration of advances to customers (continued)

(i) 按行業分類之
客戶貸款總額
(續)

(i) Sectoral analysis of gross advances to customers (continued)

於收益表撥備
之新提減值準
備，及當年撇銷
特定分類或減
值貸款如下：

The amounts of new impairment allowances charged to the income statement, and classified or impaired loans written off during the year are shown below:

	2016		2015	
	新提 減值準備 New impairment allowances 港幣千元 HK\$'000	撇銷特定 分類或 減值貸款 Classified or impaired loans written off 港幣千元 HK\$'000	新提 減值準備 New impairment allowances 港幣千元 HK\$'000	撇銷特定 分類或 減值貸款 Classified or impaired loans written off 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	3,334	2,497	-	-
- 物業投資	2,629	1,351	1,201	2,279
- 金融業	-	-	1,116	-
- 批發及零售業	8,723	8,891	58,030	8,634
- 製造業	1,885	409	8,405	12,015
- 運輸及運輸設備	1,307	236	-	-
- 休閒活動	-	-	55	-
- 資訊科技	246	1,386	415	-
- 其他	175	833	36,413	25,400
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	-	-	-	-
- 購買其他住宅物業之貸款	-	-	223	-
- 其他	12,829	13,658	14,413	16,002
在香港使用之貸款總額	31,128	29,261	120,271	64,330
貿易融資	38,946	8,132	85,798	91,386
在香港以外使用之貸款	620,538	464,549	935,173	992,314
客戶貸款總額	690,612	501,942	1,141,242	1,148,030

財務報表附註 (續) Notes to the Financial Statements (continued)
4. 金融風險管理 (續) 4. Financial risk management (continued)
4.1 信貸風險 (續)
**(B) 總貸款及其他賬項
(續)**
**(f) 客戶貸款集中度
(續)**
**(ii) 按地理區域分
類之客戶貸款
總額**

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。

客戶貸款總額

香港
中國內地
其他

**就客戶貸款總
額作組合評
估之減值準
備**

香港
中國內地
其他

4.1 Credit risk (continued)
(B) Gross advances and other accounts (continued)
(f) Concentration of advances to customers (continued)
(ii) Geographical analysis of gross advances to customers

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.

Gross advances to customers

Hong Kong
Mainland of China
Others

**Collectively assessed impairment
allowances in respect of the gross
advances to customers**

Hong Kong
Mainland of China
Others

	<u>2016</u>	<u>2015</u>
	港幣千元 HK\$'000	港幣千元 HK\$'000
	99,595,734	88,083,058
	78,467,343	61,013,223
	9,717,885	7,140,493
	<u>187,780,962</u>	<u>156,236,774</u>

	399,995	426,019
	414,707	452,571
	37,675	72,746
	<u>852,377</u>	<u>951,336</u>

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
**(f) 客戶貸款集中度
(續)**
(f) Concentration of advances to customers (continued)
**(ii) 按地理區域分
類之客戶貸款
總額 (續)**
(ii) Geographical analysis of gross advances to customers (continued)
逾期貸款
Overdue advances

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
香港	Hong Kong	303,149	276,118
中國內地	Mainland of China	895,663	739,435
其他	Others	9,477	14,492
		1,208,289	1,030,045

**就逾期貸款作
個別評估之
減值準備**
**Individually assessed impairment
allowances in respect of the overdue
advances**

香港	Hong Kong	36,869	51,497
中國內地	Mainland of China	412,222	368,279
其他	Others	301	436
		449,392	420,212

**就逾期貸款作
組合評估之
減值準備**
**Collectively assessed impairment
allowances in respect of the overdue
advances**

香港	Hong Kong	3,105	3,741
中國內地	Mainland of China	12,749	3,183
其他	Others	134	56
		15,988	6,980

財務報表附註 (續) Notes to the 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) 總貸款及其他賬項
(續)**
(B) Gross advances and other accounts (continued)
**(f) 客戶貸款集中度
(續)**
(f) Concentration of advances to customers (continued)
**(ii) 按地理區域分
類之客戶貸款
總額 (續)**
(ii) Geographical analysis of gross advances to customers (continued)
**特定分類或減
值貸款**
Classified or impaired advances

 香港
中國內地
其他

 Hong Kong
Mainland of China
Others

2016
港幣千元
HK\$'000
2015
港幣千元
HK\$'000
121,649
617,750
816

 131,490
552,753
455

740,215
684,698
**就特定分類或
減值貸款作
個別評估之
減值準備**
**Individually assessed impairment
allowances in respect of the
classified or impaired advances**

 香港
中國內地
其他

 Hong Kong
Mainland of China
Others

37,167
436,679
301

 59,480
373,651
436

474,147
433,567
**就特定分類或
減值貸款作
組合評估之
減值準備**
**Collectively assessed impairment
allowances in respect of the
classified or impaired advances**

 香港
中國內地

 Hong Kong
Mainland of China

705
731

 1,043
1,187

1,436
2,230

財務報表附註 (續)
4. 金融風險管理 (續)
Notes to the Financial Statements (continued)
4. Financial risk management (continued)
4.1 信貸風險 (續)
(C) 收回資產

於年內，本集團通過對抵押品行使收回資產權而取得並於12月31日持有的資產，其種類及賬面值概述如下：

商業物業
工業物業
住宅物業

本集團於2016年12月31日持有的收回資產之估值為港幣109,837,000元（2015年：港幣122,509,000元）。這包括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。

當收回資產的變現能力受到影響時，本集團將按情況以下列方式處理：

- 調整出售價格
- 連同抵押資產一併出售貸款
- 安排債務重組

4.1 Credit risk (continued)
(C) Repossessed assets

During the year, the Group obtained assets by taking possession of collateral held as security. The nature and carrying value of these assets held as at 31 December are summarised as follows:

	<u>2016</u>	<u>2015</u>
	港幣千元 HK\$'000	港幣千元 HK\$'000
Commercial properties	592	4,251
Industrial properties	-	80,250
Residential properties	<u>1,031</u>	<u>13,968</u>
	<u><u>1,623</u></u>	<u><u>98,469</u></u>

The estimated market value of repossessed assets held by the Group as at 31 December 2016 amounted to HK\$109,837,000 (2015: HK\$122,509,000). The repossessed assets comprise 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.

When the repossessed assets are not readily convertible into cash, the Group may consider the following alternatives:

- adjusting the selling prices
- selling the loans together with the assets
- arranging loan restructuring

財務報表附註 (續) Notes to the Financial Statements (continued)
4. 金融風險管理 (續) 4. Financial risk management (continued)
4.1 信貸風險 (續)
(D) 在銀行及其他金融機構的結餘及存款

下表為在銀行及其他金融機構的非逾期或減值之結餘及存款於12月31日按評級機構之評級分析。

4.1 Credit risk (continued)
(D) Balances and placements with banks and other financial institutions

The following tables present an analysis of balances and placements with banks and other financial institutions that are neither overdue nor impaired as at 31 December by rating agency designation.

		2016			
		Aaa 至 A3 Aaa to A3	A3 以下 Lower than A3	無評級 Unrated	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
中央銀行	Central banks	18,761,393	-	-	18,761,393
銀行及其他金融機構	Banks and other financial institutions	23,417,390	11,734,600	12,532,312	47,684,302
		42,178,783	11,734,600	12,532,312	66,445,695
		2015			
		Aaa 至 A3 Aaa to A3	A3 以下 Lower than A3	無評級 Unrated	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
中央銀行	Central banks	16,038,647	-	-	16,038,647
銀行及其他金融機構	Banks and other financial institutions	23,767,541	17,650,869	3,250,385	44,668,795
		39,806,188	17,650,869	3,250,385	60,707,442

於 2016 年 12 月 31 日，沒有逾期或減值之銀行及其他金融機構結餘及存款 (2015 年：無)。

As at 31 December 2016, there were no overdue or impaired balances and placements with banks and other financial institutions (2015: Nil).

財務報表附註 (續) Notes to the 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) 債務證券及存款證
(E) Debt securities and certificates of deposit

下表為以發行評級分析之債務證券及存款證賬面值。在無發行評級的情況下，則會按發行人的評級報告。

The following tables present an analysis of the carrying values of debt securities and certificates of deposit by issue rating. In the absence of such issue ratings, the ratings designated for the issuers are reported.

		2016					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
		港幣千元	港幣千元	港幣千元	Lower than A3	Unrated	Total
		HK\$'000	HK\$'000	HK\$'000	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
可供出售證券	Available-for-sale securities	13,616,860	23,809,336	15,150,997	7,729,268	9,791,483	70,097,944
持有至到期日證券	Held-to-maturity securities	207,630	1,856,312	-	-	-	2,063,942
貸款及應收款	Loans and receivables	-	842,909	397,410	-	3,519,496	4,759,815
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	3,233,647	205,116	241,638	-	-	3,680,401
		17,058,137	26,713,673	15,790,045	7,729,268	13,310,979	80,602,102
		2015					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
		港幣千元	港幣千元	港幣千元	Lower than A3	Unrated	Total
		HK\$'000	HK\$'000	HK\$'000	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
可供出售證券	Available-for-sale securities	3,814,391	27,409,836	16,575,057	1,781,530	2,298,167	51,878,981
持有至到期日證券	Held-to-maturity securities	208,732	2,257,798	-	-	-	2,466,530
貸款及應收款	Loans and receivables	-	-	585,792	-	-	585,792
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	6,714,292	249,280	-	-	6,963,572
		4,023,123	36,381,926	17,410,129	1,781,530	2,298,167	61,894,875

財務報表附註 (續) Notes to the 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) 債務證券及存款證
(續)**
(E) Debt securities and certificates of deposit (continued)

下表為非逾期或減值之債務證券及存款證於12月31日按發行評級之分析。在無發行評級的情況下，則會按發行人的評級報告。

The following tables present an analysis of debt securities and certificates of deposit neither overdue nor impaired as at 31 December by issue rating. In the absence of such issue ratings, the ratings designated for the issuers are reported.

		2016					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下 Lower than A3	無評級 Unrated	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
可供出售證券	Available-for-sale securities	13,616,860	23,809,336	15,150,997	7,729,268	9,791,483	70,097,944
持有至到期日證券	Held-to-maturity securities	207,630	1,856,312	-	-	-	2,063,942
貸款及應收款	Loans and receivables	-	842,909	397,410	-	-	1,240,319
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	3,233,647	205,116	241,638	-	-	3,680,401
		17,058,137	26,713,673	15,790,045	7,729,268	9,791,483	77,082,606
		2015					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下 Lower than A3	無評級 Unrated	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
可供出售證券	Available-for-sale securities	3,814,391	27,409,836	16,575,057	1,781,530	2,298,167	51,878,981
持有至到期日證券	Held-to-maturity securities	208,732	2,257,798	-	-	-	2,466,530
貸款及應收款	Loans and receivables	-	-	585,792	-	-	585,792
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	6,714,292	249,280	-	-	6,963,572
		4,023,123	36,381,926	17,410,129	1,781,530	2,298,167	61,894,875

財務報表附註 (續) Notes to the 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) 債務證券及存款證
(續)**
(E) Debt securities and certificates of deposit (continued)

下表為減值債務證券之發行評級分析。在無發行評級的情況下，則會按發行人的評級報告。

The following tables present an analysis of impaired debt securities by issue rating. In the absence of such issue ratings, the ratings designated for the issuers are reported.

		2016					其中：	
		賬面值					累計減值準備	
		Carrying values					Of which	
		Aa1 至 Aa3		A3 以下		accumulated		
		Aa1 至 Aa3	A1 至 A3	Lower	無評級	總計	impairment	
		Aa1 to Aa3	A1 to A3	than A3	Unrated	Total	allowances	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
貸款及應收款	Loans and receivables	-	-	-	-	3,519,496	3,519,496	15,424
其中：累計減值準備	Of which accumulated impairment allowances	-	-	-	-	15,424	15,424	

於 2016 年 12 月 31 日，沒有減值之存款證及沒有逾期之債務證券及存款證。

As at 31 December 2016, there were no impaired certificates of deposit and no overdue debt securities and certificates of deposit.

於 2015 年 12 月 31 日，沒有減值或逾期之債務證券及存款證。

As at 31 December 2015, there were no impaired or overdue debt securities or certificates of deposit

財務報表附註（續） Notes to the Financial Statements (continued)**4. 金融風險管理（續） 4. Financial risk management (continued)****4.2 市場風險**

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）波動導致整體的外匯、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，有效管理資金業務中可能產生的市場風險，促進資金業務健康發展。

本集團按照風險管理企業管治原則管理市場風險，董事會以及其屬下的風險管理委員會、高層管理人員和市場風險職能單位，各司其職，各負其責。風險管理單位是負責協助高層管理人員履行日常管理職責，獨立監察本集團市場風險狀況以及管理政策和限額執行情況，並確保整體和個別市場風險均控制在可接受水平內。風險暴露情況，每日由獨立單位負責根據已設定的風險限額進行監控，並定期連同損益報告向高層管理人員提交，若持倉超越風險限額，需即時向高層管理人員報告。南商（中國）設有獨立的風險監控團隊，監控每日的市場風險及限額執行情況，並定期向本銀行提交管理信息和報告。

4.2 Market risk

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.

In accordance with the Group's corporate governance principles in respect of risk management, the Board and Risk Management Committee, Senior Management and functional units perform their duties and responsibilities to manage the Group's market risk. The risk management units are responsible for 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, to ensure that the aggregate and individual market risks are within acceptable levels. Independent units are assigned to monitor the risk exposure against risk limits on a daily basis, together with profit and loss reports submitted to Senior Management on a regular basis, while limit excess will be reported to Senior Management at once when it occurs. NCB (China) sets up independent risk monitoring teams to monitor daily market risk and limit compliance, and submit management information and reports to the Bank on a regular basis.

財務報表附註（續） **Notes to the Financial Statements (continued)****4. 金融風險管理（續）** **4. Financial risk management (continued)****4.2 市場風險（續）**

本集團設定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（基點價值）等。主要風險指標和限額視管理需要劃分為四個層級，分別由風險管理委員會、資產負責管理委員會或高層管理人員批准，各單位必須在批核的市場風險指標和限額範圍內開展業務。

(A) 風險值

本集團採用風險度量度一般市場風險，並定期向風險管理委員會和高層管理人員報告。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2年歷史市場數據為參照，計算99%置信水平下及1天持有期內本集團層面及本銀行的風險值，並設定本集團和本銀行的風險值限額。

4.2 Market risk (continued)

The Group sets up market risk indicators and limits to identify, measure, monitor and control market risk. Major risk indicators and limits include but not limited to VAR (Value-at-Risk), Stop Loss, Open Position, Stress Testing and Sensitivity Analysis (Basis Point Value). To meet management requirements, major risk indicators and limits are classified into four levels, and are approved by the Risk Management Committee, Asset and Liability Management Committee or Senior Management respectively. Treasury business units are required to conduct their business within approved market risk indicators and limits.

(A) VAR

The Group uses the VAR to measure and report general market risks to the Risk Management Committee 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 and the Bank over one-day holding period with a 99% confidence level, and sets up the VAR limit of the Group and the Bank.

財務報表附註 (續) Notes to the 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)

下表詳述本集團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 exposure¹ of the Group.

			年份	於 12 月 31 日	全年 最低數值	全年 最高數值	全年 平均數值
			Year	At 31 December	Minimum for the year	Maximum for the year	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	2016	2,008	466	2,670	1,615	
		2015	939	559	1,387	861	
匯率風險之風險值	VAR for foreign exchange risk	2016	1,998	354	2,675	1,535	
		2015	714	463	1,398	820	
利率風險之風險值	VAR for interest rate risk	2016	215	145	723	348	
		2015	225	53	301	176	
商品風險之風險值 ²	VAR for commodity risk ²	2016	-	-	128	44	
		2015	-	-	-	-	

註：
1. 不包括外匯結構性敞口的風險值。
2. 商品業務及敞口始於 2016 年 11 月

Note:
1. Structural FX positions have been excluded.
2. Position in commodity since Nov-2016.

財務報表附註 (續) Notes to the Financial Statements (continued)**4. 金融風險管理 (續) 4. Financial risk management (continued)****4.2 市場風險 (續)****(A) 風險值 (續)**

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；
- 一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，可能未及在一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；以及
- 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。

4.2 Market risk (continued)**(A) VAR (continued)**

Although VAR is a valuable guide to risk, it 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.

財務報表附註 (續) Notes to the 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)**

本集團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1997亞洲金融風暴以及2008金融海嘯等。

The Group recognises these limitations by formulating stress test indicators and limits to assess and manage the market risk not covered by VAR. The market risk stress testing includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1997 Asian Financial Crisis and 2008 Financial Tsunami, etc.

(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 managed at 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.

財務報表附註 (續) Notes to the 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)
(B) 外匯風險 (續)
(B) Currency risk (continued)

下表列出本集團因自營交易、非自營交易及結構性倉盤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, non-trading and structural positions and is prepared with reference to the completion instructions for the HKMA return of foreign currency position.

		2016			
		港幣千元等值			
		Equivalent in thousand of HK\$			
		美元 US 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	89,820,749	116,285,504	8,951,419	215,057,672
現貨負債	Spot liabilities	(73,408,148)	(114,083,563)	(6,962,887)	(194,454,598)
遠期買入	Forward purchases	24,235,532	18,169,822	2,851,778	45,257,132
遠期賣出	Forward sales	(38,954,759)	(20,994,854)	(4,819,645)	(64,769,258)
長 / (短) 盤淨額	Net long/(short) position	1,693,374	(623,091)	20,665	1,090,948
結構性倉盤淨額	Net structural position	121,810	8,554,006	-	8,675,816
		2015			
		港幣千元等值			
		Equivalent in thousand of HK\$			
		美元 US 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	62,789,261	105,966,748	14,036,470	182,792,479
現貨負債	Spot liabilities	(56,280,126)	(96,346,613)	(10,103,847)	(162,730,586)
遠期買入	Forward purchases	23,762,419	7,770,358	2,767,918	34,300,695
遠期賣出	Forward sales	(28,585,949)	(17,344,597)	(6,688,061)	(52,618,607)
長盤淨額	Net long position	1,685,605	45,896	12,480	1,743,981
結構性倉盤淨額	Net structural position	293,056	8,431,220	-	8,724,276

財務報表附註 (續) Notes to the 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。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：

- 利率重訂風險：資產與負債的到期日或重訂價格期限可能錯配，進而影響淨利息收入；
- 利率基準風險：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；
- 收益率曲線風險：由於收益率曲線非平行式移動而對淨利息收入或經濟價值產生負面影響；及
- 客戶擇權風險：由於資產、負債或表外項目附設有期權，當期權行使時會改變相關資產或負債的現金流。

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:

- Repricing risk: mismatches in the maturity or repricing periods of assets and liabilities that may affect net interest income;
- 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;
- Yield curve risk: non-parallel shifts in the yield curve that may have an adverse impact on net interest income or economic value; and
- Option risk: exercise of the options embedded in assets, liabilities or off-balance sheet items that can cause a change in the cash flows of assets and liabilities.

財務報表附註 (續) Notes to the 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)**

本集團風險管理架構同樣適用於利率風險管理。根據風險管理委員會批准的《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。財務管理處主責利率風險管理，在資金處的配合下，財務管理處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，向管理層以及風險管理委員會提交利率風險管理報告等。

The Group's risk management framework applies also to interest rate risk management. The Asset and Liability Management Committee exercises its oversight of interest rate risk in accordance with the "Banking Book Interest Rate Risk Management Policy" approved by Risk Management Committee. Financial Management Division is responsible for interest rate risk management. With the cooperation of the Treasury Division, Financial Management Division assists the Asset and Liability Management Committee 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 Management and Risk Management Committee.

財務報表附註 (續) Notes to the Financial Statements (continued)**4. 金融風險管理 (續) 4. Financial risk management (continued)****4.2 市場風險 (續)****(C) 利率風險 (續)**

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、久期、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三個層級，分別由風險管理委員會、資產負債管理委員會及中台副總批准。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，並考慮現行的利率風險監控機制是否足夠。如擬推出的新產品或新業務對銀行利率風險造成重大影響，須報風險管理委員會批准。

4.2 Market risk (continued)**(C) Interest rate risk (continued)**

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, duration, price value of a basis point ("PVBP"), net interest income sensitivity ratio ("NII"), economic value sensitivity ratio ("EV"). The indicators and limits are classified into three levels, which are approved by the Risk Management Committee, Asset and Liability Management Committee and Deputy General Manager of Middle-office respectively. 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 Risk Management Committee for approval.

財務報表附註 (續) Notes to the 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)**

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。

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的影響。

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 Risk Management Committee on these two indicators to monitor and control the Group's banking book interest rate risk.

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 arising from the optionality of savings deposits and the prepayment of mortgage loans.

財務報表附註 (續) Notes to the 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)

本集團主要面對港元、美元及人民幣利率風險。截至 2016 年 12 月 31 日，若港元、美元及人民幣的收益率曲線平行上移 100 個基點，其他因素不變情況下，對集團未來 12 個月的淨利息收入及對儲備的敏感度如下：

The Group is principally exposed to HK Dollar, US Dollar and Renminbi in terms of interest rate risk. As at 31 December 2016, if HK Dollar, US Dollar and Renminbi market interest rates had a 100 basis point parallel upward shift of the yield curve in relevant currency with other variables held constant, the sensitivities on net interest income over a twelve-month period and on reserves for the Group would have been as follows:

		於 12 月 31 日對未來 12 個月 淨利息收入的影響		於 12 月 31 日對儲備的影響	
		Impact on net interest income over the next twelve months at 31 December		Impact on reserves at 31 December	
		2016	2015	2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
港元	HK Dollar	344,852	298,266	(145,477)	(79,004)
美元	US Dollar	(65,468)	(74,762)	(239,489)	(114,872)
人民幣	Renminbi	(109,140)	(39,332)	(283,703)	(301,279)

財務報表附註 (續) Notes to the 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)**

上述貨幣對淨利息收入的整體正面影響較2015年減少主要由於人民幣貨幣的短期檔利率敏感負缺口擴闊所致。同時，可供出售證券會因收益率曲線平行上移100個基點，預計出現估值減少而令集團儲備減少。儲備減少幅度較2015年增加乃由於港元及美元資本市場之可供出售證券規模增加。

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 overall positive impact on net interest income of the above currencies has decreased when compared with 2015 and is mainly because of the widened short term negative gaps in Renminbi. Reserves would have been reduced because of the expected reduction in valuation of available-for-sale securities due to a parallel shift up of 100 basis points in the yield curve. The reduction of reserves is increased compared with 2015 because the sizes of HK Dollar and US Dollar available-for-sale securities in capital market are increased.

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.

財務報表附註 (續) Notes to the 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)

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.

		2016						
		一個月內	一至三個月	三至十二個月	一至五年	五年以上	不計息	總計
		Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Non-interest-bearing	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	50,470,449	-	-	-	-	1,857,134	52,327,583
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	-	4,552,714	10,126,985	-	-	-	14,679,699
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	210,443	2,217,212	1,252,746	-	-	-	3,680,401
衍生金融工具	Derivative financial instruments	-	-	-	-	-	896,476	896,476
貸款及其他賬項	Advances and other accounts	126,655,688	26,491,174	34,357,922	4,455,523	157,070	2,215	192,119,592
金融投資	Financial investments							
- 可供出售	- Available-for-sale	11,387,979	15,290,801	20,667,974	22,009,605	741,585	13,381	70,111,325
- 持有至到期日	- Held-to-maturity	-	475,559	426,416	1,161,967	-	-	2,063,942
- 貸款及應收款	- Loans and receivables	115,373	-	1,461,965	3,182,477	-	-	4,759,815
投資物業	Investment properties	-	-	-	-	-	383,830	383,830
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	6,929,407	6,929,407
其他資產(包括遞延稅項資產)	Other assets (including deferred tax assets)	-	-	-	-	-	980,639	980,639
資產總額	Total assets	188,839,932	49,027,460	68,294,008	30,809,572	898,655	11,063,082	348,932,709

財務報表附註 (續) Notes to the 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)

		2016						
		一至	三至			不計息		
		一個月內	三個月	十二個月	一至五年	五年以上	Non-	
		Up to	1 to 3	3 to 12	1 to 5	Over	interest-	
		1 month	months	months	years	5 years	bearing	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
負債	Liabilities						總計	
							Total	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	12,774,352	5,311,595	11,947,531	-	-	416,732	30,450,210
公允值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	1,880,498	816,180	526,778	-	-	-	3,223,456
衍生金融工具	Derivative financial instruments	-	-	-	-	-	934,244	934,244
客戶存款	Deposits from customers	143,254,320	48,321,171	46,879,361	1,631,983	-	17,440,695	257,527,530
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	-	541,378	554,559	-	-	1,095,937
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)	8,046,649	804,515	1,839,269	22,513	5,615	6,297,803	17,016,364
負債總額	Total liabilities	165,955,819	55,253,461	61,734,317	2,209,055	5,615	25,089,474	310,247,741
利率敏感度缺口	Interest sensitivity gap	22,884,113	(6,226,001)	6,559,691	28,600,517	893,040	(14,026,392)	38,684,968

財務報表附註 (續) Notes to the 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)

		2015						
		一個月內	一至三個月	三至十二個月	一至五年	五年以上	不計息	總計
		Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Non-interest-bearing	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	50,565,792	-	-	-	-	3,679,013	54,244,805
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	-	3,157,041	3,899,744	-	-	-	7,056,785
公允價值變化計入損益之金融資產	Financial assets at fair value through profit or loss	1,762,994	2,479,360	2,471,938	249,280	-	-	6,963,572
衍生金融工具	Derivative financial instruments	-	-	-	-	-	696,266	696,266
貸款及其他賬項	Advances and other accounts	107,765,185	28,446,478	27,748,294	4,792,519	171,538	-	168,924,014
金融投資	Financial investments							
- 可供出售	- Available-for-sale	8,601,020	10,455,974	14,442,944	18,494,300	356,810	4,613	52,355,661
- 持有至到期日	- Held-to-maturity	-	-	298,771	2,167,759	-	-	2,466,530
- 貸款及應收款	- Loans and receivables	182,257	48,142	355,393	-	-	-	585,792
投資物業	Investment properties	-	-	-	-	-	414,736	414,736
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	7,008,020	7,008,020
其他資產 (包括應收及遞延稅項資產)	Other assets (including current and deferred tax assets)	31	-	-	-	-	4,347,852	4,347,883
待出售資產	Assets held for sale	-	-	-	-	-	132,729	132,729
資產總額	Total assets	168,877,279	44,586,995	49,217,084	25,703,858	528,348	16,283,229	305,196,793

財務報表附註 (續) Notes to the 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)

		2015					
		一至	三至			不計息	
		一個月內	三個月	十二個月	一至五年	五年以上	Non-
		Up to	1 to 3	3 to 12	1 to 5	Over	interest-
		1 month	months	months	years	5 years	bearing
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
							總計
							Total
							港幣千元
							HK\$'000
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	19,054,571	2,501,295	6,689,467	-	-	2,715,841 30,961,174
公允值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	1,084,486	1,907,861	1,583,009	-	-	- 4,575,356
衍生金融工具	Derivative financial instruments	-	-	-	-	-	302,944 302,944
客戶存款	Deposits from customers	135,919,721	34,269,925	30,101,149	5,512,157	-	12,459,031 218,261,983
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)	1,666,422	2,713,701	6,158,633	454,913	19,427	2,961,586 13,974,682
待出售資產之相關負債	Liabilities associated with assets held for sale	-	-	-	-	-	21,884 21,884
負債總額	Total liabilities	157,725,200	41,392,782	44,532,258	5,967,070	19,427	18,461,286 268,098,023
利率敏感度缺口	Interest sensitivity gap	11,152,079	3,194,213	4,684,826	19,736,788	508,921	(2,178,057) 37,098,770

財務報表附註（續） Notes to the Financial Statements (continued)**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。

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.

財務報表附註（續） Notes to the 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）

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，安排資產組合的結構（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。本集團致力實現融資渠道和資金運用的多樣化，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，如貸款承諾和衍生工具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。

4.3 Liquidity risk (continued)

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 source of funds and the use of funds 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 and derivatives. 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.

財務報表附註（續） Notes to the 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風險委員會設定的流動資金風險偏好和政策規定。財務管理處主責本集團流動資金風險管理，它與資金處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、貸存比率、最大累計現金流出、以及流動性緩衝資產組合等。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），評估本集團抵禦各種嚴峻流動資金危機的能力。本集團亦建立了資產負債管理系統，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。

4.3 Liquidity risk (continued)

Risk Management Committee (RMC) is the decision-making authority of liquidity risk management, and assumes the ultimate responsibility of liquidity risk management. As authorised by RMC, the Asset and Liability Management Committee (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 RMC. Financial Management Division is responsible for overseeing the Group's liquidity risk. It cooperates with Treasury Division 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"), loan-to-deposit ratio, Maximum Cumulative Cash Outflow ("MCO") and liquidity buffer asset portfolio. 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) at least on monthly basis to assess the Group's capability to withstand various severe liquidity crises. Also, the Assets and Liabilities Management System is developed to provide data and the preparation for regular management reports to facilitate liquidity risk management duties.

財務報表附註 (續) Notes to the 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)**

本集團根據金管局於2011年頒佈之監管政策手冊LM-2《穩健的流動資金風險管理系統及管控措施》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2016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457,877,000元（2015年：港幣9,723,236,000元），符合內部限額要求。

4.3 Liquidity risk (continued)

In accordance with the requirements of Supervisory Policy Manual LM-2 “Sound Systems and controls for Liquidity Risk Management” issued by the HKMA in 2011, 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 day 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 2016, 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\$457,877,000 (2015: HK\$9,723,236,000) and was in compliance with the internal limit requirements.

財務報表附註（續） Notes to the 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）**

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2016年12月31日，本集團在以上三種壓力情景下都能維持正現金流，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或擔保，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2016年12月31日，本銀行流動資金緩衝（折扣前）為港幣28,653,565,000元（2015年：港幣29,189,795,000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。

4.3 Liquidity risk (continued)

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 2016, the Group was able to maintain a positive cash flow 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 or guaranteed 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 2016, the Bank's liquidity cushion (before haircut) was HK\$28,653,565,000 (2015: HK\$29,189,795,000). 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.

財務報表附註（續） Notes to the 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）**

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2016年度，本集團須維持流動性覆蓋比率不少於70%。

在部分衍生工具合約中，交易對手有權基於對集團的信用狀況的關注而向集團收取額外的抵押品。

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。

本集團制訂統一的流動資金風險管理政策，附屬銀行根據集團的統一政策，結合自身特點制訂具體的管理辦法，並承擔管理本機構流動資金風險的責任。主要附屬銀行獨立地履行日常風險管理職能，並定期向本集團管理層匯報。

4.3 Liquidity risk (continued)

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 2016, the Group is required to maintain a LCR not less than 70%.

In certain derivative contracts, the counterparties have right to request from the Group additional collateral if they have concerns about the Group's creditworthiness.

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 Risk Management Committee for approval.

The Group has established a set of uniform liquidity risk management policies. On the basis of the Group's uniform policy, the principal banking subsidiary develops its own liquidity management policies according to its own characteristics, and assumes its own liquidity risk management responsibility, executes its daily risk management processes independently, and reports to the Group's Management on a regular basis.

財務報表附註 (續) Notes to the 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) 流動性覆蓋比率 (A) Liquidity coverage ratio

		2016 年季度結算至 2016 quarter ended			
		12 月 31 日 31 December	9 月 30 日 30 September	6 月 30 日 30 June	3 月 31 日 31 March
流動性覆蓋比率的平均值	Average value of liquidity coverage ratio	141.78%	165.40%	145.26%	130.84%
		2015 年季度結算至 2015 quarter ended			
		12 月 31 日 31 December	9 月 30 日 30 September	6 月 30 日 30 June	3 月 31 日 31 March
流動性覆蓋比率的平均值	Average value of liquidity coverage ratio	120.02%	114.10%	163.68%	123.70%

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。

流動性覆蓋比率是以綜合基礎計算，並根據《銀行業（流動性）規則》由本銀行及金管局指定之附屬公司組成。

有關流動性覆蓋比率披露的補充資料可於本銀行網頁 www.ncb.com.hk 中「監管披露」一節瀏覽。

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.

The liquidity coverage ratio is computed on the consolidated basis which comprises the positions of the Bank and the subsidiaries specified by the HKMA in accordance with the Banking (Liquidity) Rules.

The additional information of liquidity coverage ratio disclosures is available under section "Regulatory Disclosures" on the Bank's website at www.ncb.com.hk.

財務報表附註 (續) Notes to the 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) 到期日分析
(B) 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 balance sheet date to the contractual maturity date.

		2016							
		即期	一個月內	一至三個月	三至十二個月	一至五年	五年以上	不確定日期	總計
		On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Indefinite	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	22,715,971	29,611,612	-	-	-	-	-	52,327,583
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	-	-	4,552,714	10,126,985	-	-	-	14,679,699
公允價值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性	- Held for trading								
- 債務證券	- Debt securities	-	210,443	2,217,212	1,011,108	-	-	-	3,438,763
- 界定為以公允價值變化計入損益	- Designated at fair value through profit or loss								
- 債務證券	- Debt securities	-	-	-	241,638	-	-	-	241,638
衍生金融工具	Derivative financial instruments	336,361	62,105	150,734	347,276	-	-	-	896,476
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- Advances to customers	6,757,582	6,710,603	10,567,311	36,092,176	85,944,627	39,903,860	478,279	186,454,438
- 貿易票據	- Trade bills	1,780	1,427,406	1,967,532	2,268,436	-	-	-	5,665,154
金融投資	Financial investments								
- 可供出售	- Available-for-sale								
- 債務證券	- Debt securities	-	3,884,572	10,733,506	9,178,135	22,886,731	739,120	-	47,422,064
- 存款證	- Certificates of deposit	-	4,504,881	11,055	7,612,342	2,778,873	-	-	14,907,151
- 其他	- Others	-	1,673,061	1,679,707	4,415,961	-	-	-	7,768,729
- 持有至到期日	- Held-to-maturity								
- 債務證券	- Debt securities	-	-	348,456	553,519	1,161,967	-	-	2,063,942
- 貸款及應收款	- Loans and receivables								
- 債務證券	- Debt securities	-	-	-	1,240,319	-	-	-	1,240,319
- 其他	- Others	-	115,373	-	221,646	3,182,477	-	-	3,519,496
- 股份證券	- Equity securities	-	-	-	-	-	-	13,381	13,381
投資物業	Investment properties	-	-	-	-	-	-	383,830	383,830
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	6,929,407	6,929,407
其他資產(包括應收及遞延稅項資產)	Other assets (including current and deferred tax assets)	357,748	328,403	157,587	85,150	(41,271)	-	93,022	980,639
資產總額	Total assets	30,169,442	48,528,459	32,385,814	73,394,691	115,913,404	40,642,980	7,897,919	348,932,709

財務報表附註 (續) Notes to the 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) 到期日分析 (續) (B) Maturity analysis (continued)

		2016							
		即期	一個月內	一至三個月	三至十二個月	一至五年	五年以上	不確定日期	總計
		On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Indefinite	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
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	1,331,420	10,457,704	4,835,461	11,125,398	2,700,227	-	-	30,450,210
公允價值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	1,880,498	816,180	526,778	-	-	-	3,223,456
衍生金融工具	Derivative financial instruments	110,954	25,609	138,511	535,864	123,306	-	-	934,244
客戶存款	Deposits from customers	102,970,686	55,417,442	50,119,358	47,365,113	1,654,931	-	-	257,527,530
已發行債券證券及存款證	Debt securities and certificates of deposit in issue	-	-	-	541,378	554,559	-	-	1,095,937
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)	8,633,899	1,373,150	1,181,545	4,878,344	948,759	667	-	17,016,364
負債總額	Total liabilities	113,046,959	69,154,403	57,091,055	64,972,875	5,981,782	667	-	310,247,741
流動資金缺口	Net liquidity gap	(82,877,517)	(20,625,944)	(24,705,241)	8,421,816	109,931,622	40,642,313	7,897,919	38,684,968

財務報表附註 (續) Notes to the 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) 到期日分析 (續) (B) Maturity analysis (continued)

		2015							
		即期	一個月內	一至三個月	三至十二個月	一至五年	五年以上	不確定日期	總計
		On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Indefinite	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	13,738,576	31,379,966	-	-	-	-	9,126,263	54,244,805
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	-	-	3,157,041	3,899,744	-	-	-	7,056,785
公允價值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性	- Held for trading								
- 債務證券	- Debt securities	-	1,762,994	2,479,360	2,471,938	-	-	-	6,714,292
- 界定為以公允價值變化計入損益	- Designated at fair value through profit or loss								
- 債務證券	- Debt securities	-	-	-	2,168	247,112	-	-	249,280
衍生金融工具	Derivative financial instruments	320,134	96,765	21,483	255,610	2,274	-	-	696,266
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- Advances to customers	5,500,045	7,436,513	14,184,098	36,000,440	61,815,074	29,138,201	777,500	154,851,871
- 貿易票據	- Trade bills	7	3,372,536	4,090,506	6,609,094	-	-	-	14,072,143
金融投資	Financial investments								
- 可供出售	- Available-for-sale								
- 債務證券	- Debt securities	-	7,295,867	6,428,028	8,657,828	18,096,760	356,810	-	40,835,293
- 存款證	- Certificates of deposit	-	216,318	1,404,198	6,404,497	3,018,675	-	-	11,043,688
- 其他	- Others	-	472,067	-	-	-	-	-	472,067
- 持有至到期日	- Held-to-maturity								
- 債務證券	- Debt securities	-	-	1,237	299,330	2,165,963	-	-	2,466,530
- 貸款及應收款	- Loans and receivables								
- 債務證券	- Debt securities	-	182,257	48,142	355,393	-	-	-	585,792
- 股份證券	- Equity securities	-	-	-	-	-	-	4,613	4,613
投資物業	Investment properties	-	-	-	-	-	-	414,736	414,736
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	7,008,020	7,008,020
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	164,183	3,936,533	13,518	134,702	(7,648)	-	106,595	4,347,883
待出售資產	Assets held for sale	-	132,729	-	-	-	-	-	132,729
資產總額	Total assets	19,722,945	56,284,545	31,827,611	65,090,744	85,338,210	29,495,011	17,437,727	305,196,793

財務報表附註 (續) Notes to the 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) 到期日分析 (續) (B) Maturity analysis (continued)

		2015							
		即期	一個月內	一至三個月	三至十二個月	一至五年	五年以上	不確定日期	總計
		On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Indefinite	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
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	3,648,010	18,122,402	2,501,295	6,689,467	-	-	-	30,961,174
公允價值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	1,084,486	1,907,861	1,583,009	-	-	-	4,575,356
衍生金融工具	Derivative financial instruments	103,804	76,539	29,472	73,219	19,910	-	-	302,944
客戶存款	Deposits from customers	90,852,158	55,539,932	34,371,019	31,798,000	5,700,874	-	-	218,261,983
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)	1,998,248	1,315,194	2,943,651	6,315,257	1,376,345	25,987	-	13,974,682
待出售資產之相關負債	Liabilities associated with assets held for sale	-	21,884	-	-	-	-	-	21,884
負債總額	Total liabilities	96,602,220	76,160,437	41,753,298	46,458,952	7,097,129	25,987	-	268,098,023
流動資金缺口	Net liquidity gap	(76,879,275)	(19,875,892)	(9,925,687)	18,631,792	78,241,081	29,469,024	17,437,727	37,098,770

財務報表附註 (續) Notes to the 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) 到期日分析 (續)****(B) Maturity analysis (continued)**

上述到期日分類乃按照《銀行業(披露)規則》之相關條文而編製。本集團將逾期不超過 1 個月之資產，例如貸款及債務證券列為「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，但假若對該資產之償還存有疑慮，則將該等款項列為「不確定日期」。上述列示之資產已扣除任何相關準備(如有)。

按尚餘到期日對債務證券之分析是為遵循《銀行業(披露)規則》之相關條文而披露的。所作披露不代表此等證券將持有至到期日。

The above maturity classifications have been prepared in accordance with relevant provisions under the Banking (Disclosure) Rules. The Group has reported assets such as advances and debt securities which have been overdue for not more than one month 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 unless the repayment of the asset is in doubt in which case the amount is reported as "Indefinite". The above assets are stated after deduction of provisions, if any.

The analysis of debt securities by remaining period to maturity is disclosed in order to comply with relevant provisions under the Banking (Disclosure) Rules. The disclosure does not imply that the securities will be held to maturity.

財務報表附註 (續) Notes to the 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)
**(C) 按合約到期日分析
之未折現現金流**
(C) 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.

	2016					
	一 個月內	一 至三 個月	三 至十 二個 月	一 至五 年	五 年以 上	總 計
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	
	港幣 千元	港幣 千元	港幣 千元	港幣 千元	港幣 千元	港幣 千元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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					
公允值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss					
客戶存款	Deposits from customers					
已發行債券證券及存款證	Debt securities and certificates of deposit in issue					
其他金融負債	Other financial liabilities					
金融負債總額	Total financial liabilities					
	11,793,677	4,861,160	11,299,739	2,780,866	-	30,735,442
	1,881,000	817,000	529,000	-	-	3,227,000
	158,435,965	50,246,344	48,055,316	1,728,767	-	258,466,392
	-	-	556,295	579,673	-	1,135,968
	9,812,259	802,538	4,820,369	62,468	667	15,498,301
	181,922,901	56,727,042	65,260,719	5,151,774	667	309,063,103

	2015					
	一 個月內	一 至三 個月	三 至十 二個 月	一 至五 年	五 年以 上	總 計
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	
	港幣 千元	港幣 千元	港幣 千元	港幣 千元	港幣 千元	港幣 千元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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					
公允值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss					
客戶存款	Deposits from customers					
其他金融負債	Other financial liabilities					
金融負債總額	Total financial liabilities					
	21,779,006	2,508,618	6,731,882	-	-	31,019,506
	1,084,500	1,908,000	1,583,500	-	-	4,576,000
	146,416,843	34,462,462	32,206,656	6,056,730	-	219,142,691
	3,151,954	2,732,681	6,292,647	506,860	26,038	12,710,180
	172,432,303	41,611,761	46,814,685	6,563,590	26,038	267,448,377

財務報表附註 (續) Notes to the 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)****(C) 按合約到期日分析
之未折現現金流
(續)****(C) 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允值列示外，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.

財務報表附註 (續) Notes to the 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)
**(C) 按合約到期日分析
之未折現現金流
(續)**
(C) Analysis of undiscounted cash flows by contractual maturities (continued)
**(b) 衍生工具之現金
流 (續)**
(b) Derivative cash flows (continued)

		2016					
		一個月內	一至三個月	三至十二個月	一至五年	五年以上	總計
		Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
按淨額基準結算之衍生金融負債	Derivative financial liabilities settled on a net basis	220,874	-	(8,499)	-	-	212,375
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	22,242,268	11,910,851	18,004,474	-	-	52,157,593
總流出	Total outflow	(22,210,298)	(13,025,286)	(19,871,987)	-	-	(55,107,571)

		2015					
		一個月內	一至三個月	三至十二個月	一至五年	五年以上	總計
		Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
按淨額基準結算之衍生金融負債	Derivative financial liabilities settled on a net basis	(104,510)	(2,043)	(17,962)	(8,160)	-	(132,675)
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	22,039,048	7,838,682	13,446,442	75,357	-	43,399,529
總流出	Total outflow	(22,024,752)	(7,850,203)	(13,357,472)	(75,249)	-	(43,307,676)

財務報表附註 (續) Notes to the 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)
**(C) 按合約到期日分析
之未折現現金流
(續)**
(C) Analysis of undiscounted cash flows by contractual maturities (continued)
**(c) 資產負債表外
項目**
(c) Off-balance sheet items
貸款承擔
Loan commitments

有關本集團於 2016 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 91,641,576,000 元 (2015 年：港幣 86,380,519,000 元)，此等貸款承擔可於一年內提取。

The contractual amounts of the Group's off-balance sheet financial instruments as at 31 December 2016 that the Group commits to extend credit to customers and other facilities totalled HK\$91,641,576,000 (2015: HK\$86,380,519,000). Those loan commitments can be drawn within one year.

**財務擔保及其他
財務融資**
Financial guarantees and other financial facilities

本集團於 2016 年 12 月 31 日之財務擔保及其他財務融資金額為港幣 35,050,400,000 元 (2015 年：港幣 36,313,017,000 元)，其到期日少於一年。

Financial guarantees and other financial facilities of the Group as at 31 December 2016 totalled HK\$35,050,400,000 (2015: HK\$36,313,017,000) are maturing no later than one year.

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

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

4.4 資本管理

本集團資本管理的主要目標是維持與集團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。

本集團已經建立並維持一套有效的資本管理政策和調控機制。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：

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，並使用內部評級基準（證券化）計算法計算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。

4.4 Capital management

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.

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. The ALCO monitors the Group's capital adequacy. 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.

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 and the internal ratings-based (securitisation) approach to calculate the credit risk capital charge for its 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.

財務報表附註 (續) Notes to the Financial Statements (continued)**4. 金融風險管理 (續) 4. Financial risk management (continued)****4.4 資本管理 (續)**

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，並根據《銀行業(資本)規則》第 317C 條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。

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。

本集團於 2016 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，從而設定本集團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。本集團認為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。

4.4 Capital management (continued)

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 approval from the HKMA, exclude its structural FX positions pursuant to section 317C of the Banking (Capital) Rules 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.

The Group continues to adopt standardised (operational risk) (“STO”) approach to calculate the operational risk capital charge.

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 2016. 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 on-going process for capital management and periodically reviews and adjusts its capital structure where appropriate in relation to the overall risk profile.

財務報表附註（續） Notes to the Financial Statements (continued)**4. 金融風險管理（續） 4. Financial risk management (continued)****4.4 資本管理（續）**

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。

(A) 監管綜合基礎

監管規定的綜合基礎乃根據《銀行業（資本）規則》由本銀行及其部分金管局指定之附屬公司組成。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「附錄－本銀行之附屬公司」。

4.4 Capital management (continued)

In addition, the capital plan of the Group is drawn up annually and then submitted to the Board 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.

(A) Basis of regulatory consolidation

The consolidation basis for regulatory purposes comprises the positions of the Bank and certain subsidiaries specified by the HKMA in accordance with the Banking (Capital) Rules. For accounting purposes, subsidiaries are consolidated in accordance with HKFRSs and the list of subsidiaries is set out in "Appendix – Subsidiaries of the Bank".

財務報表附註（續） Notes to the 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)
(A) 監管綜合基礎（續）
(A) Basis of regulatory consolidation (continued)

包括在會計準則綜合範圍，而不包括在監管規定綜合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 consolidation are as follows:

名稱	Name	2016		2015	
		資產總額 Total assets 港幣千元 HK\$'000	資本總額 Total equity 港幣千元 HK\$'000	資產總額 Total assets 港幣千元 HK\$'000	資本總額 Total equity 港幣千元 HK\$'000
南洋商業銀行信託有限公司	Nanyang Commercial Bank Trustee Limited	16,450	16,341	16,355	16,246
廣利南投資管理有限公司	Kwong Li Nam Investment Agency Limited	4,137	4,026	4,248	4,026
南洋商業銀行（代理人）有限公司	Nanyang Commercial Bank (Nominees) Limited	1,469	1,469	1,472	1,472

財務報表附註 (續) Notes to the 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)
(A) 監管綜合基礎 (續)
(A) Basis of regulatory consolidation (continued)

以上附屬公司的主要業務載於「附錄一本銀行之附屬公司」。

The principal activities of the above subsidiaries are set out in "Appendix – Subsidiaries of the Bank".

於2016年12月31日，並無任何附屬公司只包括在監管規定綜合範圍，而不包括在會計準則綜合範圍（2015年：無）。

There were no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation as at 31 December 2016 (2015: Nil).

於2016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綜合範圍而使用不同綜合方法（2015年：無）。

Neither were there any subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation where the methods of consolidation differ as at 31 December 2016 (2015: Nil).

(B) 資本比率
(B) Capital ratio

		<u>2016</u>	<u>2015</u>
普通股權一級資本比率	CET1 capital ratio	<u>14.31%</u>	<u>16.20%</u>
一級資本比率	Tier 1 capital ratio	<u>14.31%</u>	<u>16.20%</u>
總資本比率	Total capital ratio	<u>16.19%</u>	<u>18.41%</u>

財務報表附註 (續) Notes to the 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)
(B) 資本比率 (續)
(B) Capital ratio (continued)

用於計算以上資本比率之扣減後的綜合資本基礎分析如下：

The consolidated capital base after deductions used in the calculation of the above capital ratios is analysed as follows:

	2016	2015
	港幣千元	港幣千元
	HK\$'000	HK\$'000
普通股權一級資本：票據及儲備		
直接發行的合資格普通股權一級資本票據	3,144,517	3,144,517
保留溢利	28,648,761	25,495,966
已披露的儲備	6,885,557	8,451,135
監管扣減之前的普通股權一級資本	38,678,835	37,091,618
普通股權一級資本：監管扣減		
估值調整	(18,800)	(8,617)
已扣除遞延稅項負債的遞延稅項資產	(100,652)	(5,962)
現金流對沖儲備	48,098	-
按公平價值估值的負債因本身的信用風險變動所產生的損益	(2,983)	(537)
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	(6,026,176)	(6,190,605)
一般銀行業務風險監管儲備	(2,011,223)	(2,255,673)
對普通股權一級資本的監管扣減總額	(8,111,736)	(8,461,394)
普通股權一級資本	30,567,099	28,630,224

財務報表附註 (續) Notes to the 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)
(B) 資本比率 (續)
(B) Capital ratio (continued)

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
一級資本	Tier 1 capital	<u>30,567,099</u>	<u>28,630,224</u>
二級資本：票據及準備金 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	Tier 2 capital: instruments and provisions Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	<u>1,304,611</u>	<u>1,109,458</u>
監管扣減之前的二級資本	Tier 2 capital before regulatory deductions	<u>1,304,611</u>	<u>1,109,458</u>
二級資本：監管扣減 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	Tier 2 capital: regulatory deductions 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	<u>2,711,779</u>	<u>2,785,772</u>
對二級資本的監管扣減 總額	Total regulatory deductions to Tier 2 capital	<u>2,711,779</u>	<u>2,785,772</u>
二級資本	Tier 2 capital	<u>4,016,390</u>	<u>3,895,230</u>
總資本	Total capital	<u>34,583,489</u>	<u>32,525,454</u>
防護緩衝資本比率分析如 下：	The capital buffer ratios are analysed as follows:	於 2016 年 12 月 31 日 At 31 December <u>2016</u>	於 2015 年 12 月 31 日 At 31 December <u>2015</u>
防護緩衝資本比率	Capital conservation buffer ratio	<u>0.625%</u>	<u>0.000%</u>
逆周期緩衝資本比率	Countercyclical capital buffer ratio	<u>0.34%</u>	<u>0.00%</u>

財務報表附註 (續) Notes to the 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)****(B) 資本比率 (續)****(B) Capital ratio (continued)**

根據《銀行業(資本)規則》，於2016至2019年間分階段引入防護緩衝資本(「CCB比率」)，目的是確保銀行在受壓期外，建立風險加權資產之2.5%之資本。逆周期緩衝資本(「CCyB比率」)則是由個別司法管轄區設置，用以在信貸增長過度時期抵禦未來的損失。香港金融管理局公佈香港地區適用的逆周期緩衝資本，由2016年1月1日及2017年1月1日起分別為風險加權資產之0.625%及1.25%，而當《巴塞爾協定三》全面實施時則為風險加權資產之2.5%。

有關資本披露的補充資料可於本銀行網頁www.ncb.com.hk中「監管披露」一節瀏覽。

In accordance with the Banking (Capital) Rules, the phase-in from 2016 to 2019 of the Capital Conservation Buffer (“CCB”) is designed to ensure banks build up capital outside periods of stress of 2.5% of risk-weighted assets (“RWAs”). The Countercyclical Capital Buffer (“CCyB”) which is set on an individual country basis and is built up during periods of excess credit growth to protect against future losses. The HKMA announced a CCyB for Hong Kong of 0.625% and 1.25% of RWAs from 1 January 2016 and 1 January 2017 respectively under the phase in arrangements of Basel III, equivalent to 2.5% once fully phased in.

The additional information of capital disclosures is available under section “Regulatory Disclosures” on the Bank’s website at www.ncb.com.hk.

財務報表附註 (續) Notes to the 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)
(C) 槓桿比率
(C) Leverage ratio

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
一級資本	Tier 1 capital	<u>30,567,099</u>	<u>28,630,224</u>
槓桿比率風險承擔	Leverage ratio exposure	<u>379,536,120</u>	<u>339,678,093</u>
槓桿比率	Leverage ratio	<u>8.05%</u>	<u>8.43%</u>

有關槓桿比率披露的補充資料可於本銀行網頁 www.ncb.com.hk 中「監管披露」一節瀏覽。

The additional information of leverage ratio disclosures is available under section "Regulatory Disclosures" on the Bank's website at www.ncb.com.hk.

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

5. 資產和負債的公允值 5. Fair values of assets and liabilities

所有以公允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「公允值計量」的定義，於公允值層級表內分類。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，並基於對整體公允值計量有重大影響之最低層級因素來釐定：

- 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、若干場內交易的衍生合約及貴金屬。
- 第二層級：乃基於估值技術所採用的最低層級因素（同時需對整體公允值計量有重大影響）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貴金屬及物業。
- 第三層級：乃基於估值技術所採用的最低層級因素（同時需對整體公允值計量有重大影響）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、衍生工具及債務工具。同時亦包括對可觀察的市場因素進行了重大調整的物業。

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:

- Level 1: based on quoted prices (unadjusted) in active markets for identical assets or liabilities. This category includes debt instruments issued by certain governments, certain exchange-traded derivative contracts and precious metals.
- 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 precious metals and 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, derivatives and debt instruments with significant unobservable components. It also includes properties with significant adjustments made to observable market inputs.

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)**

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（基於對整體公允值計量有重大影響之最低層級因素），以確定有否在公允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.

5.1 以公允值計量的金融工具**5.1 Financial instruments measured at fair value**

本集團建立了完善的公允值管治及控制架構，公允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允值數據。其他特定控制程序包括核實可觀察的估值參數。重大估值事項將向管理層匯報。

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. Significant valuation issues are reported to the Management.

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)****5.1 以公允值計量的金融工具 (續)**

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允值。

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。

用以釐定以下金融工具公允值的估值方法如下：

債務工具及存款證

此類工具的公允值由交易所、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。

5.1 Financial instruments measured at fair value (continued)

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.

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.

The technique used to calculate the fair value of the following financial instruments is as below:

Debt instruments 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.

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 5. Fair values of assets and liabilities (continued)**
（續）**5.1 以公允值計量的金融工具（續）****5.1 Financial instruments measured at fair value (continued)**衍生工具

場外交易的衍生工具合約包括外匯、利率或商品的遠期、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、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。

Derivatives

OTC derivative contracts include forward, swap and option contracts on foreign exchange, interest rate 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, 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.

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.1 以公允值計量的金融工具 (續)
5.1 Financial instruments measured at fair value (continued)
(A) 公允值的等級
(A) Fair value hierarchy

		2016			
		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				
公允值變化計入損益之金融資產 (附註 20)	Financial assets at fair value through profit or loss (Note 20)				
- 交易性資產	- Trading assets				
- 債務證券	- Debt securities	-	3,438,763	-	3,438,763
- 界定為以公允值變化計入損益之金融資產	- Financial assets designated at fair value through profit or loss				
- 債務證券	- Debt securities	-	241,638	-	241,638
衍生金融工具 (附註 21)	Derivative financial instruments (Note 21)	344,483	551,908	85	896,476
可供出售金融資產 (附註 24)	Available-for-sale financial assets (Note 24)				
- 債務證券及存款證	- Debt securities and certificates of deposit	-	62,329,215	-	62,329,215
- 股份證券	- Equity securities	-	-	13,381	13,381
- 其他	- Others	-	-	7,768,729	7,768,729
		<u>123,638</u>	<u>810,606</u>	<u>-</u>	<u>934,244</u>
金融負債	Financial liabilities				
公允值變化計入損益之金融負債 (附註 28)	Financial liabilities at fair value through profit or loss (Note 28)				
- 交易性負債	- Trading liabilities	-	3,223,456	-	3,223,456
衍生金融工具 (附註 21)	Derivative financial instruments (Note 21)	123,638	810,606	-	934,244

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.1 以公允值計量的金融工具 (續)
5.1 Financial instruments measured at fair value (continued)
(A) 公允值的等級 (續)
(A) Fair value hierarchy (continued)

		2015			
		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				
公允值變化計入損益之金融資產 (附註 20)	Financial assets at fair value through profit or loss (Note 20)				
- 交易性資產	- Trading assets				
- 債務證券	- Debt securities	-	6,714,292	-	6,714,292
- 界定為以公允值變化計入損益之金融資產	- Financial assets designated at fair value through profit or loss				
- 債務證券	- Debt securities	-	249,280	-	249,280
衍生金融工具 (附註 21)	Derivative financial instruments (Note 21)	320,134	376,132	-	696,266
可供出售金融資產 (附註 24)	Available-for-sale financial assets (Note 24)				
- 債務證券及存款證	- Debt securities and certificates of deposit	2,814,257	49,064,724	-	51,878,981
- 股份證券	- Equity securities	-	-	4,613	4,613
- 其他	- Others	-	-	472,067	472,067
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
金融負債	Financial liabilities				
公允值變化計入損益之金融負債 (附註 28)	Financial liabilities at fair value through profit or loss (Note 28)				
- 交易性負債	- Trading liabilities	-	4,575,356	-	4,575,356
衍生金融工具 (附註 21)	Derivative financial instruments (Note 21)	103,804	199,140	-	302,944
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

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 (2015 年：無)。

There were no financial asset and liability transfers between level 1 and level 2 for the Group during the year (2015: Nil).

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.1 以公允值計量的金融工具 (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

		2016 金融資產 Financial assets		
		衍生金融工具 (淨額) Derivative Financial Instruments (net)	可供出售金融資產 Available-for-sale financial assets	其他 Others
		港幣千元 HK\$'000	股份證券 Equity securities 港幣千元 HK\$'000	港幣千元 HK\$'000
於 2016 年 1 月 1 日	At 1 January 2016	-	4,613	472,067
收益	Gains			
- 收益表	- Income statement	85	-	(26,305)
- 其他全面收益	- Other comprehensive income			
- 可供出售證券之公允值變化	- Change in fair value of available-for-sale securities	-	(516)	-
減值準備	Impairment allowance	-	-	-
買入	Purchases	-	9,284	12,229,735
賣出	Sales	-	-	(4,906,768)
結算	Settlements	-	-	-
於 2016 年 12 月 31 日	At 31 December 2016	85	13,381	7,768,729
於 2016 年 12 月 31 日持有的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 financial assets held as at 31 December 2016	-	-	-

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.1 以公允值計量的金融工具 (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)

		2015		
		金融資產		
		Financial assets		
		衍生金融工具 (淨額)	可供出售金融資產	
		Derivative	Available-for-sale	
		Financial	financial assets	
		Instruments	股份證券	其他
		(net)	Equity	Others
		證券	securities	
		港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000
於 2015 年 1 月 1 日	At 1 January 2015	4	75,766	-
收益	Gains			
- 其他全面收益	- Other comprehensive income			
- 可供出售證券之公允值變化	- Change in fair value of available-for-sale securities	-	11,679	-
買入	Purchases	-	-	472,067
賣出	Sales	-	(82,832)	-
結算	Settlements	(4)	-	-
於 2015 年 12 月 31 日	At 31 December 2015	-	4,613	472,067
於 2015 年 12 月 31 日持有的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 financial assets held as at 31 December 2015	-	-	-

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)****5.1 以公允值計量的金融工具 (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)**

於 2016 年 12 月 31 日及 2015 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 2016 and 2015, financial instruments categorised as level 3 are mainly comprised of unlisted equity shares.

非上市可供出售股權的公允值乃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。公允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。若股權投資的企業資產淨值增長／減少 5%，則本集團其他全面收益將增加／減少港幣 669,000 元（2015 年：港幣 231,000 元）。

The fair values of unlisted available-for-sale equity shares are determined 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\$669,000 (2015: HK\$231,000).

對於某些低流動性其他可供出售金融資產，本集團從交易對手處詢價；其公允值的計量可能採用了對估值產生重大影響的不可觀察參數，因此本集團將這些金融工具劃分至第三層級。本集團已建立相關內部控制程序監控集團對此類金融工具的敞口。

For certain illiquid others financial assets classified as available-for-sale, the Group obtains valuation quotations from counterparties which may be based on unobservable inputs with significant impact on the valuation. Therefore, these instruments have been classified by the Group as level 3. The Group has established internal control procedures to control the Group's exposure to such financial instruments.

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)****5.2 非以公允值計量的金融工具**

公允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允值。

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，其賬面值與公允值相若。

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，其賬面值與公允值相若。

持有至到期日證券

持有至到期日證券之公允值釐定與附註5.1內以公允值計量的債務工具及存款證採用之方法相同。

貸款及應收款

貸款及應收款之公允值釐定與附註5.1內以公允值計量的債務工具及存款證採用之方法相同。

客戶存款

大部分之客戶存款將於結算日後一年內到期，其賬面值與公允值相若。

已發行債務證券及存款證

此類工具之公允值釐定與附註5.1內以公允值計量的債務工具及存款證採用之方法相同。

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 balance sheet 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.

Held-to-maturity securities

The fair value of held-to-maturity securities is determined by using the same approach as those debt instruments and certificates of deposit measured at fair value as described in Note 5.1.

Loans and receivables

The fair value of loans and receivables is determined by using the same approach as those debt instruments and certificates of deposit measured at fair value as described in Note 5.1.

Deposits from customers

Substantially all the deposits from customers mature within one year from the balance sheet date and their carrying value approximates fair value.

Debt securities and certificates of deposit in issue

The fair value of these instruments is determined by using the same approach as those debt instruments and certificates of deposit measured at fair value as described in Note 5.1.

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.2 非以公允值計量的金融工具 (續)

除以上其賬面值與公允值相若的金融工具外，下表為非以公允值計量的金融工具之賬面值和公允值。

5.2 Financial instruments not measured at fair value (continued)

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.

	2016		2015	
	Carrying value 賬面值 港幣千元 HK\$'000	Fair value 公允值 港幣千元 HK\$'000	Carrying value 賬面值 港幣千元 HK\$'000	Fair value 公允值 港幣千元 HK\$'000
金融資產	Financial assets			
持有至到期日證券	2,063,942	2,109,576	2,466,530	2,557,828
貸款及應收款	4,759,815	4,773,057	585,792	586,376
金融負債	Financial liabilities			
已發行債務證券及存款證	1,095,937	1,104,033	-	-

下表列示已披露其公允值的金融工具之公允值等級。

The following tables show the fair value hierarchy for financial instruments with fair values disclosed.

	2016			
	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			
持有至到期日證券	-	2,109,576	-	2,109,576
貸款及應收款	-	1,238,137	3,534,920	4,773,057
金融負債	Financial liabilities			
已發行債務證券及存款證	-	1,104,033	-	1,104,033
	2015			
	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			
持有至到期日證券	-	2,557,828	-	2,557,828
貸款及應收款	-	586,376	-	586,376

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)****5.3 以公允值計量的非金融工具**

本集團通過一些估值技術或活躍市場報價來確定非金融工具的公允值。

投資物業及房產

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。估值由獨立特許測量師萊坊測計師行有限公司進行，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，並在估價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。

(i) 第二層級公允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允值，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。

5.3 Non-financial instruments measured at fair value

The Group uses valuation techniques or quoted market prices in active market to determine the fair value of non-financial instruments.

Investment properties and premises

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. 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.

(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.

財務報表附註（續） Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.3 以公允值計量的非金融工具 (續)
5.3 Non-financial instruments measured at fair value (continued)
投資物業及房產 (續)
Investment properties and premises (continued)

(ii) 有關第三層級公允值計量的資料

(ii) Information about Level 3 fair value measurements

被分類為第三層級的本集團物業之公允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。

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.

以下為在公允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：

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	不可觀察因素與公允值的關係 Relationship of unobservable inputs to fair value
其他物業 Other properties	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	-20% (2015: -8%)	溢價越高，公允值越高。 The higher the premium, the higher the fair value. 折價越高，公允值越低。 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 a property is determined after taken into account various factors, such as time for market movement, location, accessibility, building age/condition, floor level, size, layout, with reference to the differences in features with comparable properties.

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.3 以公允值計量的非金融工具 (續)
5.3 Non-financial instruments measured at fair value (continued)
貴金屬

貴金屬之公允值是按活躍市場報價或有若干調整的市場報價為基礎。

Precious metals

The fair values of precious metals are determined by obtaining quoted market prices in active market or market quote with certain adjustments.

(A) 公允值的等級
(A) Fair value hierarchy
非金融資產

投資物業 (附註 25)
物業、器材及設備
(附註 26)
- 房產
其他資產 (附註 27)
- 貴金屬

Non-financial assets

Investment properties (Note 25)
Properties, plant and equipment
(Note 26)
- Premises
Other assets (Note 27)
- Precious metals

2016

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
-	-	383,830	383,830
-	326,756	6,378,855	6,705,611
52,338	178,273	-	230,611

2015

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
-	-	414,736	414,736
-	310,266	6,462,986	6,773,252
-	53,393	-	53,393

非金融資產

投資物業 (附註 25)
物業、器材及設備
(附註 26)
- 房產
其他資產 (附註 27)
- 貴金屬

Non-financial assets

Investment properties (Note 25)
Properties, plant and equipment
(Note 26)
- Premises
Other assets (Note 27)
- Precious metals

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 (2015年：無)。

There were no non-financial asset transfers between level 1 and level 2 for the Group during the year (2015: Nil).

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.3 以公允值計量的非金融工具 (續)
5.3 Non-financial instruments measured at fair value (continued)
(B) 第三層級的項目變動
(B) Reconciliation of level 3 items

		2016	
		非金融資產	
		Non-financial assets	
		投資物業	物業、器材及設備
		Investment properties	Properties, plant and equipment
		房產	Premises
		港幣千元	港幣千元
		HK\$'000	HK\$'000
於 2016 年 1 月 1 日	At 1 January 2016	414,736	6,462,986
收益	Gains		
- 收益表	- Income statement		
- 投資物業公允值調整之淨收益	- Net gain from fair value adjustments on investment properties	29,340	-
- 重估房產之淨收益	- Net gain from revaluation of premises	-	5,271
- 其他全面收益	- Other comprehensive income		
- 房產重估	- Revaluation of premises	-	(66,680)
折舊	Depreciation	-	(116,962)
增置	Additions	-	96,419
出售	Disposals	-	-
轉入第三層級	Transfer into level 3	-	217,000
轉出第三層級	Transfer out of level 3	-	(251,400)
重新分類	Reclassification	(59,082)	59,082
匯兌差額	Exchange difference	(1,164)	(26,861)
		383,830	6,378,855
於 2016 年 12 月 31 日	At 31 December 2016		
於 2016 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 2016		
- 投資物業公允值調整之淨收益	- Net gain from fair value adjustments on investment properties	29,340	-
- 重估房產之淨收益	- Net gain from revaluation of premises	-	5,271
		29,340	5,271

財務報表附註 (續) Notes to the Financial Statements (continued)
5. 資產和負債的公允值 (續) 5. Fair values of assets and liabilities (continued)
5.3 以公允值計量的非金融工具 (續)
5.3 Non-financial instruments measured at fair value (continued)
(B) 第三層級的项目變動 (續)
(B) Reconciliation of level 3 items (continued)

		2015	
		非金融資產	
		Non-financial assets	
		物業、器材及 設備	投資物業
		Properties, plant and equipment	Investment properties
		房產	Premises
		港幣千元	港幣千元
		HK\$'000	HK\$'000
於 2015 年 1 月 1 日	At 1 January 2015	1,280,271	6,821,340
收益	Gains		
- 收益表	- Income statement		
- 投資物業公允值調整之 淨收益	- Net gain from fair value adjustments on investment properties	35,446	-
- 重估房產之淨收益	- Net gain from revaluation of premises	-	2,321
- 其他全面收益	- Other comprehensive income		
- 房產重估	- Revaluation of premises	-	353,940
折舊	Depreciation	-	(123,176)
增置	Additions	2,903	26,099
出售	Disposals	(901,200)	(376,178)
轉出第三層級	Transfer out of level 3	-	(217,000)
重新分類	Reclassification	(1,498)	1,498
匯兌差額	Exchange difference	(1,186)	(25,858)
		<u>414,736</u>	<u>6,462,986</u>
於 2015 年 12 月 31 日	At 31 December 2015		
於 2015 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 2015		
- 投資物業公允值調整之淨 收益	- Net gain from fair value adjustments on investment properties	35,446	-
- 重估房產之淨收益	- Net gain from revaluation of premises	-	2,321
		<u>35,446</u>	<u>2,321</u>

財務報表附註（續） Notes to the Financial Statements (continued)**5. 資產和負債的公允值 5. Fair values of assets and liabilities (continued)**
(續)**5.3 以公允值計量的非金融
工具（續）****5.3 Non-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)**

轉入及轉出第三層級的物業乃因該等被估物業相對其可比較物業在性質上之溢價／（折價）於年內出現變化所引致。性質上之溢價／（折價）乃取決於被估物業與近期成交之可比較物業在性質上的差異。由於每年來自近期市場成交之可比較物業均會不盡相同，被估物業與可比較物業在性質上之溢價／（折價）會相應每年有所變化，從而對可觀察的市場因素所進行之調整之重大性亦會隨之變化，引致物業被轉入及轉出第三層級。

The transfer of properties into and out of level 3 is due to change in the premium/(discount) on features applied between the subject and comparable properties during the year. Premium/(discount) on features is determined with reference to differences in features between the subject properties and the comparable properties recently transacted in the market. As comparable properties that come from recent market transactions may be different in each year, the premium/(discount) on features applied between the subject and comparable properties would change from year to year accordingly. As a result, the significance of adjustments made to observable market inputs may vary and lead to the transfer of properties into and out of level 3.

財務報表附註（續） Notes to the Financial Statements (continued)
6. 淨利息收入
6. Net interest income

	2016	2015
	港幣千元 HK\$'000	港幣千元 HK\$'000
利息收入		
存放於同業及其他金融機構的款項	1,133,134	1,956,071
客戶貸款	5,160,921	5,343,647
證券投資及公允價值變化計入損益之金融資產	1,244,987	1,429,710
其他	11,073	17,056
	7,550,115	8,746,484
利息支出		
同業及其他金融機構存放的款項	(401,536)	(711,066)
客戶存款	(2,373,115)	(3,024,093)
已發行債務證券及存款證	(3,736)	-
其他	(236,919)	(291,175)
	(3,015,306)	(4,026,334)
淨利息收入	4,534,809	4,720,150

截至2016年12月31日止年度之利息收入包括被界定為減值貸款的應計利息收入港幣4,680,000元（2015年：港幣1,150,000元）。

Included within interest income is HK\$4,680,000 (2015: HK\$1,150,000) of interest with respect to income accrued on advances classified as impaired for the year ended 31 December 2016.

非以公允價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（未計算對沖影響）分別為港幣7,526,553,000元（2015年：港幣8,730,926,000元）及港幣3,006,737,000元（2015年：港幣4,024,530,000元）。

Included within interest income and interest expense are HK\$7,526,553,000 (2015: HK\$8,730,926,000) and HK\$3,006,737,000 (2015: HK\$4,024,530,000), before hedging effect, for financial assets and financial liabilities that are not recognised at fair value through profit or loss respectively.

財務報表附註（續） Notes to the Financial Statements (continued)
7. 淨服務費及佣金收入 7. Net fee and commission income

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
服務費及佣金收入	Fee and commission income		
貸款佣金	Loan commissions	471,698	288,530
保險	Insurance	271,640	145,102
匯票佣金	Bills commissions	162,975	198,530
證券經紀	Securities brokerage	158,426	298,548
基金分銷	Funds distribution	131,180	162,948
信用卡業務	Credit card business	87,045	109,915
繳款服務	Payment services	56,266	65,442
保管箱	Safe deposit box	30,636	26,005
信託及託管服務	Trust and custody services	23,075	7,689
買賣貨幣	Currency exchange	502	555
其他	Others	240,223	143,263
		1,633,666	1,446,527
服務費及佣金支出	Fee and commission expense		
證券經紀	Securities brokerage	(22,785)	(40,636)
信用卡業務	Credit card business	(8,646)	(11,336)
保險	Insurance	(227)	(144)
繳款服務	Payment services	(18)	(22)
其他	Others	(29,919)	(37,439)
		(61,595)	(89,577)
淨服務費及佣金收入	Net fee and commission income	1,572,071	1,356,950
其中源自	Of which arise from		
- 非以公允價值變化計入損益 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	452,128	268,307
- 服務費及佣金支出	- Fee and commission expense	(3,677)	(3,800)
		448,451	264,507
- 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	35,463	19,897
- 服務費及佣金支出	- Fee and commission expense	(1,388)	(1,208)
		34,075	18,689

財務報表附註（續） Notes to the Financial Statements (continued)
8. 淨交易性收益 8. Net trading gain

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
淨收益／（虧損）源自	Net gain/(loss) from		
- 外匯交易及外匯交易產品	- foreign exchange and foreign exchange products	146,678	37,696
- 利率工具	- interest rate instruments	17,092	17,171
- 商品	- commodities	(29,075)	(666)
- 股份權益	- equity	-	(42)
		<u>134,695</u>	<u>54,159</u>

9. 其他金融資產之淨收益 9. Net gain on other financial assets

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
可供出售證券之淨收益	Net gain on available-for-sale securities	91,985	256,051
貸款及應收款之淨收益	Net gain on loans and receivables	17	839
其他	Others	100,770	79,531
		<u>192,772</u>	<u>336,421</u>

財務報表附註（續） Notes to the Financial Statements (continued)
10. 其他經營收入 10. Other operating income

	<u>2016</u>	<u>2015</u>
	港幣千元	港幣千元
	HK\$'000	HK\$'000
證券投資股息收入		
- 非上市證券投資	2,338	7,236
投資物業之租金總收入	13,311	31,843
減：有關投資物業之支出	(1,507)	(3,208)
其他	12,917	6,537
	<u>27,059</u>	<u>42,408</u>

「有關投資物業之支出」包括年內未出租投資物業之直接經營支出港幣146,000元（2015年：港幣212,000元）。

Included in the "Outgoings in respect of investment properties" is HK\$146,000 (2015: HK\$212,000) of direct operating expenses related to investment properties that were not let during the year.

「投資物業之租金總收入」包括年內或然租金港幣456,000元（2015年：港幣446,000元）。

Contingent rent included in the "Gross rental income from investment properties" amounted to HK\$456,000 (2015: HK\$446,000).

財務報表附註（續） Notes to the Financial Statements (continued)
11. 減值準備淨撥備 11. Net charge of impairment allowances

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
客戶貸款	Advances to customers		
個別評估	Individually assessed		
- 新提準備	- New allowances	(585,698)	(1,050,285)
- 撥回	- Releases	120,001	256,042
- 收回已撇銷賬項	- Recoveries	43,851	19,453
		<u>(421,846)</u>	<u>(774,790)</u>
按個別評估貸款減值準備淨撥備	Net charge of individually assessed loan impairment allowances		
組合評估	Collectively assessed		
- 新提準備	- New allowances	(104,915)	(90,957)
- 撥回	- Releases	54,823	231,987
- 收回已撇銷賬項	- Recoveries	1,490	785
		<u>(48,602)</u>	<u>141,815</u>
按組合評估貸款減值準備淨（撥備）／撥回	Net (charge)/reversal of collectively assessed loan impairment allowances		
貸款減值準備淨撥備	Net charge of loan impairment allowances	<u>(470,448)</u>	<u>(632,975)</u>
貸款及應收款金融投資淨撥備	Net charge of impairment allowance on loans and receivables financial investments	(15,627)	-
其他	Others	-	(349)
減值準備淨撥備	Net charge of impairment allowances	<u>(486,075)</u>	<u>(633,324)</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
12. 經營支出
12. Operating expenses

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	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	1,256,081	1,151,425
- 退休成本	- Pension cost	150,768	152,819
- 補充退休福利	- Supplementary retirement benefits	5,190	102,330
		1,412,039	1,406,574
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	256,994	256,906
- 資訊科技	- Information technology	157,545	169,431
- 其他	- Others	59,717	57,699
		474,256	484,036
折舊	Depreciation	199,917	222,817
核數師酬金	Auditor's remuneration		
- 審計服務	- Audit services	7,084	6,195
- 非審計服務	- Non-audit services	4,504	219
其他經營支出	Other operating expenses		
- 業務外包費	- Outsourcing activities fee	219,621	110,765
- 其他	- Others	339,156	401,556
		2,656,577	2,632,162

財務報表附註（續） Notes to the Financial Statements (continued)
**13. 投資物業出售／公允
值調整之淨收益 13. Net gain from disposal of/fair value adjustments on investment
properties**

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
出售投資物業之淨收益	Net gain from disposal of investment properties	-	85,600
投資物業公允值調整之 淨收益	Net gain from fair value adjustments on investment properties	<u>29,340</u>	<u>35,446</u>
		<u>29,340</u>	<u>121,046</u>

**14. 出售／重估物業、器材
及設備之淨收益 14. Net gain from disposal/revaluation of properties, plant and
equipment**

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
出售房產之淨收益	Net gain from disposal of premises	1,758	17,468
出售設備、固定設施及裝備 之淨虧損	Net loss from disposal of equipment, fixtures and fittings	(2,893)	(543)
重估房產之淨收益	Net gain from revaluation of premises	<u>5,271</u>	<u>2,321</u>
		<u>4,136</u>	<u>19,246</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
15. 稅項
15. Taxation

收益表內之稅項組成如下：

Taxation in the income statement represents:

	2016	2015
	港幣千元	港幣千元
	HK\$'000	HK\$'000
本期稅項		
香港利得稅		
- 年內計入稅項	430,978	446,508
- 往年超額撥備	(8,498)	(5,168)
	422,480	441,340
海外稅項		
- 年內計入稅項	198,822	59,758
- 往年不足／(超額)撥備	57	(5,193)
	621,359	495,905
遞延稅項		
暫時性差額之產生及撥回及未使用稅項抵免	(24,214)	(14,170)
	597,145	481,735

香港利得稅乃按照本年度估計應課稅溢利依稅率 16.5% (2015 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% (2015: 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.

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:

	2016	2015
	港幣千元	港幣千元
	HK\$'000	HK\$'000
除稅前溢利	3,344,522	3,378,512
按稅率 16.5% (2015 年：16.5%) 計算的稅項	551,846	557,454
其他國家稅率差異的影響	55,331	28,680
無需課稅之收入	(29,401)	(88,297)
稅務上不可扣減之開支	27,465	48,460
未確認的稅務虧損	1	1
使用往年未確認的稅務虧損	(15)	(9)
往年超額撥備	(8,441)	(10,361)
海外預提稅	359	(54,193)
計入稅項	597,145	481,735
實際稅率	17.85%	14.26%

財務報表附註（續） Notes to the Financial Statements (continued)
16. 股息
16. Dividends

	2016		2015	
	每股 港幣 Per share HK\$	總額 港幣千元 Total HK\$'000	每股 港幣 Per share HK\$	總額 港幣千元 Total HK\$'000
中期股息	-	-	77.5	542,500

2016年並無宣派股息(2015年：港幣 542,500,000 元)

No dividend has been declared for the year ended 31 December 2016 (2015: HK\$542,500,000).

財務報表附註（續）**Notes to the Financial Statements (continued)****17. 退休福利成本****17. Retirement benefit costs****(a) 界定供款計劃**

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。僱員收取的僱主供款，須受《強制性公積金計劃條例》所限。

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。

截至2016年12月31日，在扣除約港幣502,000元（2015年：約港幣887,000元）之沒收供款後，職業退休計劃之供款總額約為港幣43,695,000元（2015年：約港幣39,917,000元），而本集團向強積金計劃之供款總額則約為港幣9,313,000元（2015年：約港幣8,184,000元）。

(a) Defined contribution schemes

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 received by employee are subject to MPF Schemes Ordinance.

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.

The Group's total contributions made to the ORSO schemes for the year ended 31 December 2016 amounting to approximately HK\$43,695,000 (2015: approximately HK\$39,917,000), after a deduction of forfeited contributions of approximately HK\$502,000 (2015: approximately HK\$887,000). For the MPF Scheme, the Group contributed approximately HK\$9,313,000 (2015: approximately HK\$8,184,000) for the year ended 31 December 2016.

財務報表附註（續） Notes to the Financial Statements (continued)
17. 退休福利成本（續） 17. Retirement benefit costs (continued)
(b) 界定利益計劃

本集團設置了一項非存置基金的界定利益福利計劃予所有已退休員工。在該計劃下，員工獲得之退休福利包括免費之醫療、房屋津貼及其他退休福利。

本計劃面對利率風險及退休員工之預計生命週期改變風險。

界定利益福利承擔現值之最新一期精算估值於 2016 年 12 月 31 日以預期累計福利單位精算估值方法計算。

在本報告期末所使用之主要精算假設如下：

(b) Defined benefit schemes

The Group operates an unfunded defined benefit plan for all its retired employees. Under the plan, the employees are entitled to retirement benefits which included fully redeemed medical care, housing allowance and other retirement benefits.

The plan is exposed to interest rate risk and the risk of changes in the life expectancy for pensioners.

The most recent actuarial valuations of the present value of the defined benefit obligations were carried out at 31 December 2016 by using the projected unit credit actuarial valuation method.

The principal actuarial assumptions used as at the end of the reporting period are as follows:

		2016	2015
折現率	Discount rate (%)	2.2	2.0
預期醫療保險開支增長率(%)	Expected rate of medical insurance cost increases (%)	6.0	6.0
預期聯誼活動經費增長率(%)	Expected rate of social entertainment cost increases (%)	0.0	0.0
預期退休紀念品開支增長率(%)	Expected rate of retirement souvenir cost increases (%)	0.0	0.0
預期租金增長率(%)	Expected rate of rental increases (%)	3.0	3.0
預期離職率(%)	Expected rate of withdrawal (%)	3.0-18.0	3.0-18.0
預期死亡率	Expected death rate	香港人口生命表 Hong Kong Life Tables 2012	香港人口生命表 Hong Kong Life Tables 2012

財務報表附註 (續) Notes to the Financial Statements (continued)
17. 退休福利成本 (續) 17. Retirement benefit costs (continued)
(b) 界定利益計劃 (續)

在本報告期末對主要精算假設之敏感性分析如下：

(b) Defined benefit schemes (continued)

A quantitative sensitivity analysis for significant assumptions as at the end of the reporting period is shown below:

		2016			
		比率增加 Increase in rate	界定利益福利 承擔之增加/ (減少) Increase/ (decrease) in defined benefit obligations	比率減少 Decrease in rate	界定利益福利 承擔之增加/ (減少) Increase/ (decrease) in defined benefit obligations
		%	港幣千元 HK\$'000	%	港幣千元 HK\$'000
折現率	Discount rate	0.1	(1,850)	0.1	2,450
預期醫療保險開支增長率	Expected rate of medical insurance cost	0.5	10,990	0.5	(9,050)
		2015			
		比率增加 Increase in rate	界定利益福利 承擔之增加/ (減少) Increase/ (decrease) in defined benefit obligations	比率減少 Decrease in rate	界定利益福利 承擔之增加/ (減少) Increase/ (decrease) in defined benefit obligations
		%	港幣千元 HK\$'000	%	港幣千元 HK\$'000
折現率	Discount rate	0.1	(2,010)	0.1	2,070
預期醫療保險開支增長率	Expected rate of medical insurance cost	0.5	10,540	0.5	(9,140)

財務報表附註 (續) Notes to the Financial Statements (continued)
17. 退休福利成本 (續) 17. Retirement benefit costs (continued)
(b) 界定利益計劃 (續)

上述敏感性分析是根據期末主要假設之合理變動推算對界定利益福利承擔之影響。

在綜合收益表內確認本計劃的總開支如下：

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
界定利益計劃	Defined benefit schemes		
- 當期服務成本	- Current service cost	2,510	-
- 過去服務成本	- Past service cost		
- 計劃引進	- plan introduction	-	102,330
- 計劃改變	- plan amendment	660	-
- 淨利息費用	- Net interest cost	<u>2,020</u>	<u>-</u>
總支出	Total expenses	<u><u>5,190</u></u>	<u><u>102,330</u></u>

在綜合全面收益表內確認本計劃的總開支如下：

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
界定利益計劃	Defined benefit schemes		
- 假設變動產生的精算收益	- Actuarial gains arising from changes in assumptions	(4,700)	-
- 經驗調整產生的精算虧損	- Actuarial losses arising from experience adjustments	<u>6,400</u>	<u>-</u>
於全面收益表確認的界定福利成本部分	Components of defined benefit costs recognised in comprehensive income	<u><u>1,700</u></u>	<u><u>-</u></u>

財務報表附註 (續) Notes to the Financial Statements (continued)
17. 退休福利成本 (續) 17. Retirement benefit costs (continued)
(b) 界定利益計劃 (續) (b) Defined benefit schemes (continued)

本計劃的現值變動如下：

The movement in respect of the plan is as follows:

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
福利負債	Benefit liability		
於 1 月 1 日	At 1 January	102,330	-
當期服務成本	Current service cost	2,510	-
過去服務成本	Past service cost		
- 計劃引進	- plan introduction	-	102,330
- 計劃改變	- plan amendment	660	-
淨利息費用	Net interest cost	2,020	-
重新計量精算虧損	Actuarial losses on remeasurement	1,700	-
福利支付額	Benefit paid	<u>(2,660)</u>	<u>-</u>
於 12 月 31 日	At 31 December	<u>106,560</u>	<u>102,330</u>

本界定利益福利計劃在未來之預期開支如下：

Expected payment to the defined benefit plan in future years are as follows:

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
未來 12 個月以內	Within the next 12 months	2,920	2,550
2 年至 5 年	Between 2 and 5 years	12,140	10,620
6 年至 10 年	Between 6 and 10 years	16,960	15,230
10 年以上	Over 10 years	<u>231,140</u>	<u>216,660</u>
預期總開支	Total expected payments	<u>263,160</u>	<u>245,060</u>

界定利益福利承擔在報告期末之平均久期為 20 年。

The average duration of the defined benefit obligations at the end of the reporting period is 20 years.

財務報表附註（續） Notes to the Financial Statements (continued)
18. 董事、高層管理人員及主要人員酬金 18. Directors', senior management's and key personnel's emoluments
(a) 董事酬金

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：

(a) Directors' emoluments

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:

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
袍金	Fees	1,269	1,184
其他酬金	Other emoluments	<u>12,272</u>	<u>9,119</u>
		<u><u>13,541</u></u>	<u><u>10,303</u></u>

財務報表附註 (續) Notes to the Financial Statements (continued)
18. 董事、高層管理人員及主要人員酬金 (續) 18. Directors', senior management's and key personnel's emoluments (continued)
(b) CG-5 下高級管理人員及主要人員的薪酬

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人員及主要人員的薪酬詳情如下：

(i) 於年內授予的薪酬
(b) Remuneration for Senior Management and Key Personnel under CG-5

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) Remuneration awarded during the year

		2016					
		高級管理人員 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	20,972	-	20,972	9,406	-	9,406
浮動薪酬	Variable remuneration						
現金	Cash	6,046	928	6,974	3,487	-	3,487
		27,018	928	27,946	12,893	-	12,893
		2015					
		高級管理人員 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	10,688	-	10,688	6,107	-	6,107
浮動薪酬	Variable remuneration						
現金	Cash	4,391	838	5,229	2,171	-	2,171
		15,079	838	15,917	8,278	-	8,278

以上薪酬包括 13 名 (2015 年：4 名) 高級管理人員及 7 名 (2015 年：5 名) 主要人員。

The remuneration above includes 13 (2015: 4) members of Senior Management and 7 (2015: 5) members of Key Personnel.

財務報表附註 (續) Notes to the Financial Statements (continued)
18. 董事、高層管理人員及主要人員酬金 (續) 18. Directors', senior management's and key personnel's emoluments (continued)
(b) CG-5 下高級管理人員及主要人員的薪酬 (續) (b) Remuneration for Senior Management and Key Personnel under CG-5 (continued)
(ii) 遞延薪酬
(ii) Deferred remuneration

		2016		2015	
		高級管理人員 Senior Management 港幣千元 HK\$'000	主要人員 Key Personnel 港幣千元 HK\$'000	高級管理人員 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	637	-	521	-
未歸屬	Unvested	1,668	-	1,377	-
		2,305	-	1,898	-
於 1 月 1 日	At 1 January	1,377	-	1,060	-
已授予	Awarded	928	-	838	-
已發放	Paid out	(637)	-	(521)	-
調整按績效評估 而扣減部分	Reduced through performance adjustments	-	-	-	-
於 12 月 31 日	At 31 December	1,668	-	1,377	-

就披露用途，本部分提及的高級管理人員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.

- 高級管理人員：董事會直接管理的高級管理人員，負責總體策略或重要業務，包括管理董事、總裁、副總裁、執委會委員、執委會各小組負責人、首席策略官、財務總監、風險總監、技術總監、董事會秘書、稽核部主管及其他指定崗位人員。

- Senior Management: The senior executives directly managed by the Board who are responsible for oversight of the firm-wide strategy or material business lines, including Managing Director, Chief Executive, Deputy Chief Executives, Executive Committee Members, Heads of Executive Committee Working Group, Chief Strategy Officer, Chief Financial Officer, Chief Risk Officer, Chief Technology Officer, Board Secretary, Head of Audit Department and other particular personnel.

- 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單位主管、資金處主管及風險管理部主管。

- 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 heads of material business lines, Head of Treasury, as well as Head of Risk Management Department.

財務報表附註（續） Notes to the Financial Statements (continued)
19. 庫存現金及存放銀行及其他金融機構的結餘

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
庫存現金	Cash	561,587	594,148
存放中央銀行的結餘	Balances with central banks	18,761,393	16,038,647
存放銀行及其他金融機構的結餘	Balances with banks and other financial institutions	3,392,991	6,232,044
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	29,611,612	31,379,966
		52,327,583	54,244,805

20. 公允值變化計入損益之金融資產

		交易性資產 Trading assets		界定為以公允值變化計入損益之金融資產 Financial assets designated at fair value through profit or loss		總計 Total	
		2016	2015	2016	2015	2016	2015
		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
按公允值列賬	At fair value						
庫券	Treasury bills	3,438,763	6,714,292	-	-	3,438,763	6,714,292
其他債務證券	Other debt securities	-	-	241,638	249,280	241,638	249,280
		3,438,763	6,714,292	241,638	249,280	3,680,401	6,963,572

財務報表附註 (續) Notes to the Financial Statements (continued)
20. 公允值變化計入損益之金融資產 (續) 20. Financial assets at fair value through profit or loss (continued)

證券總額按上市地之分類如下：

Total securities are analysed by place of listing as follows:

		交易性資產		界定為以公允值變化計入損益之金融資產	
		Trading assets		Financial assets designated at fair value through profit or loss	
		2016	2015	2016	2015
		港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
債務證券	Debt securities				
- 於香港上市	- Listed in Hong Kong	-	-	241,638	249,280
- 非上市	- Unlisted	3,438,763	6,714,292	-	-
證券總額	Total securities	3,438,763	6,714,292	241,638	249,280

證券總額按發行機構之分類如下：

Total securities are analysed by type of issuer as follows:

		交易性資產		界定為以公允值變化計入損益之金融資產	
		Trading assets		Financial assets designated at fair value through profit or loss	
		2016	2015	2016	2015
		港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
官方實體	Sovereigns	3,438,763	6,714,292	-	-
公司企業	Corporate entities	-	-	241,638	249,280
證券總額	Total securities	3,438,763	6,714,292	241,638	249,280

財務報表附註（續） Notes to the Financial Statements (continued)**21. 衍生金融工具及對沖會計 21. Derivative financial instruments and hedge accounting**

集團訂立下列匯率、利率、商品及股份權益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、利率及貴金屬掉期是指交換不同現金流或商品的承諾。掉期的結果是交換不同貨幣、利率（如固定利率與浮動利率）或貴金屬（如白銀掉期）或以上的所有組合（如交叉貨幣利率掉期）。除某些貨幣掉期合約外，該等交易無需交換本金。

外匯、利率、貴金屬及股份權益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）。

The Group enters into the following exchange rate, interest rate, commodity and equity 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, interest rate and precious metal swaps are commitments to exchange one set of cash flows or commodity for another. Swaps result in an exchange of currencies, interest rates (for example, fixed rate for floating rate), or precious metals (for example, silver swaps) or a combination of all these (for example, cross-currency interest rate swaps). Except for certain currency swap contracts, no exchange of principal takes place.

Foreign currency, interest rate, precious metal and equity 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).

財務報表附註（續） Notes to the Financial Statements (continued)**21. 衍生金融工具及對沖會計（續） 21. Derivative financial instruments and hedge accounting (continued)**

本集團之衍生金融工具合約／名義數額及其公允值詳列於下表。各類型金融工具的合約／名義數額僅顯示於資產負債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資產負債表內所確認的公允值資產或負債的對比基礎。但是，這並不反映所涉及的未來的現金流或當前的公允值，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、市場利率、貴金屬價格或股份權益價格的波動，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。

(a) 衍生金融工具

本集團進行場外衍生產品交易的主要目的是開展客戶業務。集團與客戶及同業市場所做的衍生產品交易均需嚴格遵從本集團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，只有在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。

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 balance sheet dates and certain of them provide a basis for comparison with fair value instruments recognised on the balance sheet. 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, market interest rates, metal prices or equity prices relative to their terms. The aggregate fair values of derivative financial instruments can fluctuate significantly from time to time.

(a) Derivative financial instruments

The Group trades OTC derivative products 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.

財務報表附註 (續) Notes to the Financial Statements (continued)
21. 衍生金融工具及對沖會計 (續) 21. Derivative financial instruments and hedge accounting (continued)
(a) 衍生金融工具 (續)
(a) 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：

The following tables summarise the contract/notional amounts of each class of derivative financial instrument as at 31 December:

		2016			
		買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	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
匯率合約	Exchange rate contracts				
即期及遠期	Spot and forwards	14,183,037	-	-	14,183,037
掉期	Swaps	33,099,594	6,983,272	-	40,082,866
外匯交易期權	Foreign currency options				
- 買入期權	- Options purchased	13,885	-	-	13,885
- 賣出期權	- Options written	13,885	-	-	13,885
		<u>47,310,401</u>	<u>6,983,272</u>	<u>-</u>	<u>54,293,673</u>
利率合約	Interest rate contracts				
掉期	Swaps	37,943,200	-	231,866	38,175,066
商品合約	Commodity contracts	3,464,165	-	-	3,464,165
		<u>88,717,766</u>	<u>6,983,272</u>	<u>231,866</u>	<u>95,932,904</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
21. 衍生金融工具及對沖會計 (續) 21. Derivative financial instruments and hedge accounting (continued)
(a) 衍生金融工具 (續)
(a) Derivative financial instruments (continued)

		2015		
		不符合採用 對沖會計法 Not qualified for hedge accounting		總計 Total
		買賣 Trading		
		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	8,420,500	-	8,420,500
掉期	Swaps	37,601,988	-	37,601,988
外匯交易期權	Foreign currency options			
- 買入期權	- Options purchased	9,135	-	9,135
- 賣出期權	- Options written	9,135	-	9,135
		<u>46,040,758</u>	<u>-</u>	<u>46,040,758</u>
利率合約	Interest rate contracts			
掉期	Swaps	<u>33,758,773</u>	<u>231,725</u>	<u>33,990,498</u>
商品合約	Commodity contracts	<u>26,438</u>	<u>-</u>	<u>26,438</u>
		<u>79,825,969</u>	<u>231,725</u>	<u>80,057,694</u>

不符合採用對沖會計法：為遵循《銀行業(披露)規則》要求，需獨立披露不符合採用對沖會計法資格，但與指定以公平價值經收益表入賬的金融工具一併管理的衍生工具合約。

Not qualified for hedge accounting: derivative contracts which do not qualify as hedges for accounting purposes but are managed in conjunction with the financial instruments designated at fair value through profit or loss are separately disclosed in compliance with the requirements set out in the Banking (Disclosure) Rules.

財務報表附註 (續) Notes to the Financial Statements (continued)
21. 衍生金融工具及對沖會計 (續) 21. Derivative financial instruments and hedge accounting (continued)
(a) 衍生金融工具 (續)
(a) Derivative financial instruments (continued)

下表概述各類衍生金融工具於 12 月 31 日之公允值:

The following tables summarise the fair values of each class of derivative financial instrument as at 31 December:

		2016							
		公允值資產 Fair value assets				公允值負債 Fair value liabilities			
				不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total			不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total
		買賣 Trading	風險對沖 Hedging	港幣千元 HK\$'000	港幣千元 HK\$'000	買賣 Trading	風險對沖 Hedging	港幣千元 HK\$'000	港幣千元 HK\$'000
匯率合約	Exchange rate contracts								
即期及期貨	Spot and forwards	595,124	-	-	595,124	(350,145)	-	-	(350,145)
掉期	Swaps	184,153	95,101	-	279,254	(126,540)	(202,040)	-	(328,580)
外匯交易期權	Foreign currency options								
- 買入期權	- Options purchased	499	-	-	499	-	-	-	-
- 賣出期權	- Options written	-	-	-	-	(499)	-	-	(499)
		779,776	95,101	-	874,877	(477,184)	(202,040)	-	(679,224)
利率合約	Interest rate contracts								
掉期	Swaps	9,210	-	-	9,210	(9,208)	-	(8,431)	(17,639)
商品合約	Commodity contracts	12,389	-	-	12,389	(237,381)	-	-	(237,381)
		801,375	95,101	-	896,476	(723,773)	(202,040)	(8,431)	(934,244)

財務報表附註（續） Notes to the Financial Statements (continued)
21. 衍生金融工具及對沖會計（續） 21. Derivative financial instruments and hedge accounting (continued)
(a) 衍生金融工具（續） (a) Derivative financial instruments (continued)

		2015					
		公允值資產 Fair value assets			公允值負債 Fair value liabilities		
		不符合採用 對沖會計法 Not qualified for hedge accounting		總計 Total	不符合採用 對沖會計法 Not qualified for hedge accounting		總計 Total
		買賣 Trading	買賣 Trading	買賣 Trading	買賣 Trading	買賣 Trading	買賣 Trading
		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
匯率合約	Exchange rate contracts						
即期及遠期	Spot and forwards	373,801	-	373,801	(207,309)	-	(207,309)
掉期	Swaps	311,226	-	311,226	(65,690)	-	(65,690)
外匯交易期權	Foreign currency options						
- 買入期權	- Options purchased	15	-	15	-	-	-
- 賣出期權	- Options written	-	-	-	(15)	-	(15)
		<u>685,042</u>	<u>-</u>	<u>685,042</u>	<u>(273,014)</u>	<u>-</u>	<u>(273,014)</u>
利率合約	Interest rate contracts						
掉期	Swaps	11,135	-	11,135	(12,296)	(17,516)	(29,812)
商品合約	Commodity contracts	89	-	89	(118)	-	(118)
		<u>696,266</u>	<u>-</u>	<u>696,266</u>	<u>(285,428)</u>	<u>(17,516)</u>	<u>(302,944)</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
21. 衍生金融工具及對沖會計 (續) 21. Derivative financial instruments and hedge accounting (continued)
(a) 衍生金融工具 (續)

下表列出衍生金融工具之信貸風險加權數額，並參照有關資本充足比率之金管局報表的填報指示而編製。

(a) Derivative financial instruments (continued)

The table below gives the credit risk-weighted amounts of the derivative financial instruments and is prepared with reference to the completion instructions for the HKMA return of capital adequacy ratio.

	2016	2015
	港幣千元	港幣千元
	HK\$'000	HK\$'000
匯率合約		
遠期	236,167	60,422
掉期	213,873	190,122
外匯交易期權		
- 買入期權	124	23
	450,164	250,567
利率合約		
掉期	37	10,111
	450,201	260,678

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 amounts are calculated in accordance with the Banking (Capital) Rules. The amounts are dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

本集團與有效雙邊淨額結算協議有關的衍生交易公允價值總額為港幣450,268,000元(2015年：港幣190,872,000元)，有效雙邊淨額結算協議的效果為港幣126,038,000元(2015年：港幣19,879,000元)。

The total fair values of derivatives subject to valid bilateral netting agreements for the Group amounted to HK\$450,268,000 (2015: HK\$190,872,000) and the effect of valid bilateral netting agreements amounted to HK\$126,038,000 (2015: HK\$19,879,000).

財務報表附註 (續) Notes to the Financial Statements (continued)
21. 衍生金融工具及對沖會計 (續) 21. Derivative financial instruments and hedge accounting (continued)
(b) 對沖會計

界定為對沖工具之衍生金融工具於 12 月 31 日的公允值如下：

現金流對沖

現金流對沖

本集團利用交叉貨幣利率互換業務對匯率和利率風險導致的現金流量波動進行套期保值。被套期項目為資金拆借。

年內沒有無效部分之收益或虧損於收益表內確認 (2015 年：無)。

(b) Hedge accounting

The fair values of derivative financial instruments designated as hedging instruments as at 31 December are as follows:

Cash flow hedges

Cash flow hedges

The group used cross-currency interest rate swap to minimise the cash flow fluctuation of interbank borrowing triggered by foreign exchange risks and interest rate risk.

There were no gains or losses on ineffective portion recognised in the income statement during the year (2015: Nil).

2016		2015	
資產 Assets	負債 Liabilities	資產 Assets	負債 Liabilities
港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
95,101	(202,040)	-	-

財務報表附註 (續) Notes to the Financial Statements (continued)
22. 貸款及其他賬項 22. Advances and other accounts

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
個人貸款	Personal loans and advances	38,210,006	34,515,588
公司貸款	Corporate loans and advances	149,570,956	121,721,186
客戶貸款	Advances to customers	187,780,962	156,236,774
貸款減值準備 (附註 23)	Loan impairment allowances (Note 23)		
- 按個別評估	- Individually assessed	(474,147)	(433,567)
- 按組合評估	- Collectively assessed	(852,377)	(951,336)
		186,454,438	154,851,871
貿易票據	Trade bills	5,665,154	14,072,143
		192,119,592	168,924,014

於 2016 年 12 月 31 日，客戶貸款包括應計利息港幣 601,123,000 元 (2015 年：港幣 396,489,000 元)。

As at 31 December 2016, advances to customers included accrued interest of HK\$601,123,000 (2015: HK\$396,489,000).

於 2016 年 12 月 31 日，沒有對貿易票據作出任何減值準備 (2015 年：無)。

As at 31 December 2016, no impairment allowance was made in respect of trade bills (2015: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)
23. 貸款減值準備
23. Loan impairment allowances

		2016		
		按個別評估		
		Individually assessed		
		個人 Personal	公司 Corporate	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於 2016 年 1 月 1 日	At 1 January 2016	18,167	415,400	433,567
於收益表撥備／（回撥）	Charged/(credited) to income statement	(4,248)	426,094	421,846
年內撇銷之未收回貸款	Loans written off during the year as uncollectible	(1,461)	(384,313)	(385,774)
收回已撇銷賬項	Recoveries	3,464	40,387	43,851
折現減值準備回撥	Unwind of discount on impairment allowances	-	(4,680)	(4,680)
匯兌差額	Exchange difference	(1,217)	(33,446)	(34,663)
於 2016 年 12 月 31 日	At 31 December 2016	<u>14,705</u>	<u>459,442</u>	<u>474,147</u>
		2016		
		按組合評估		
		Collectively assessed		
		個人 Personal	公司 Corporate	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於 2016 年 1 月 1 日	At 1 January 2016	63,965	887,371	951,336
於收益表撥備／（回撥）	Charged/(credited) to income statement	103,425	(54,823)	48,602
年內撇銷之未收回貸款	Loans written off during the year as uncollectible	(116,169)	-	(116,169)
收回已撇銷賬項	Recoveries	1,490	-	1,490
匯兌差額	Exchange difference	(2,796)	(30,086)	(32,882)
於 2016 年 12 月 31 日	At 31 December 2016	<u>49,915</u>	<u>802,462</u>	<u>852,377</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
23. 貸款減值準備 (續) 23. Loan impairment allowances (continued)

		2015		
		按個別評估		
		Individually assessed		
		個人	公司	總計
		Personal	Corporate	Total
		港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000
於 2015 年 1 月 1 日	At 1 January 2015	17,298	714,300	731,598
於收益表撥備	Charged to income statement	16,063	758,727	774,790
年內撇銷之未收回貸款	Loans written off during the year as uncollectible	(14,983)	(1,015,305)	(1,030,288)
收回已撇銷賬項	Recoveries	1,762	17,691	19,453
折現減值準備回撥	Unwind of discount on impairment allowances	-	(1,150)	(1,150)
匯兌差額	Exchange difference	(1,973)	(58,863)	(60,836)
於 2015 年 12 月 31 日	At 31 December 2015	<u>18,167</u>	<u>415,400</u>	<u>433,567</u>
		2015		
		按組合評估		
		Collectively assessed		
		個人	公司	總計
		Personal	Corporate	Total
		港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000
於 2015 年 1 月 1 日	At 1 January 2015	98,864	1,139,658	1,238,522
於收益表撥備	Charged to income statement	90,172	(231,987)	(141,815)
年內撇銷之未收回貸款	Loans written off during the year as uncollectible	(117,742)	-	(117,742)
收回已撇銷賬項	Recoveries	785	-	785
匯兌差額	Exchange difference	(8,114)	(20,300)	(28,414)
於 2015 年 12 月 31 日	At 31 December 2015	<u>63,965</u>	<u>887,371</u>	<u>951,336</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
24. 金融投資
24. Financial investments

		2016			
		按公允價值列賬	按攤銷成本列賬		
		At fair value	At amortised cost		
		可供出售 金融資產	持有至 到期日證券	貸款及應收款	總計
		Available- for-sale financial assets	Held-to- maturity securities	Loans and receivables	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
庫券	Treasury bills	27,295,389	1,856,312	-	29,151,701
其他債務證券	Other debt securities	20,126,675	207,630	1,240,319	21,574,624
		47,422,064	2,063,942	1,240,319	50,726,325
存款證	Certificates of deposit	14,907,151	-	-	14,907,151
債務證券及存款證總額	Total debt securities and certificates of deposit	62,329,215	2,063,942	1,240,319	65,633,476
股份證券	Equity securities	13,381	-	-	13,381
其他	Others	7,768,729	-	3,519,496	11,288,225
		70,111,325	2,063,942	4,759,815	76,935,082
2015					
		按公允價值列賬	按攤銷成本列賬		
		At fair value	At amortised cost		
		可供出售 金融資產	持有至 到期日證券	貸款及應收款	總計
		Available- for-sale financial assets	Held-to- maturity securities	Loans and receivables	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
庫券	Treasury bills	18,118,392	2,257,798	-	20,376,190
其他債務證券	Other debt securities	22,716,901	208,732	585,792	23,511,425
		40,835,293	2,466,530	585,792	43,887,615
存款證	Certificates of deposit	11,043,688	-	-	11,043,688
債務證券及存款證總額	Total debt securities and certificates of deposit	51,878,981	2,466,530	585,792	54,931,303
股份證券	Equity securities	4,613	-	-	4,613
其他	Others	472,067	-	-	472,067
		52,355,661	2,466,530	585,792	55,407,983

財務報表附註 (續) Notes to the Financial Statements (continued)
24. 金融投資 (續) 24. Financial investments (continued)

金融投資按上市地之分類如下：

Financial investments is analysed by place of listing as follows:

		2016		
		可供出售 金融資產 Available- for-sale financial assets	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
債務證券及存款證	Debt securities and certificates of deposit			
- 於香港上市	- Listed in Hong Kong	5,538,663	-	-
- 於香港以外上市	- Listed outside Hong Kong	<u>7,456,152</u>	<u>97,678</u>	-
		12,994,815	97,678	-
- 非上市	- Unlisted	<u>49,334,400</u>	<u>1,966,264</u>	<u>1,240,319</u>
		<u>62,329,215</u>	<u>2,063,942</u>	<u>1,240,319</u>
股份證券	Equity securities			
- 非上市	- Unlisted	13,381	-	-
其他	Others			
- 非上市	- Unlisted	<u>7,768,729</u>	-	<u>3,519,496</u>
		<u>70,111,325</u>	<u>2,063,942</u>	<u>4,759,815</u>
持有至到期日之上市證券 市值	Market value of listed held-to-maturity securities		<u>99,043</u>	
		2015		
		可供出售 金融資產 Available- for-sale financial assets	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
債務證券及存款證	Debt securities and certificates of deposit			
- 於香港上市	- Listed in Hong Kong	3,219,469	-	-
- 於香港以外上市	- Listed outside Hong Kong	<u>6,265,404</u>	<u>42,543</u>	-
		9,484,873	42,543	-
- 非上市	- Unlisted	<u>42,394,108</u>	<u>2,423,987</u>	<u>585,792</u>
		<u>51,878,981</u>	<u>2,466,530</u>	<u>585,792</u>
股份證券	Equity securities			
- 非上市	- Unlisted	4,613	-	-
其他	Others			
- 非上市	- Unlisted	<u>472,067</u>	-	-
		<u>52,355,661</u>	<u>2,466,530</u>	<u>585,792</u>
持有至到期日之上市證券 市值	Market value of listed held-to-maturity securities		<u>43,286</u>	

財務報表附註 (續) Notes to the Financial Statements (continued)
24. 金融投資 (續) 24. Financial investments (continued)

金融投資按發行機構之分類如下：

Financial investments is analysed by type of issuer as follows:

		2016		
		可供出售 金融資產 Available- for-sale financial assets	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
官方實體	Sovereigns	15,847,705	1,375,850	-
公營單位*	Public sector entities*	2,486,182	109,953	-
銀行及其他金融機構	Banks and other financial institutions	43,820,989	480,461	4,759,815
公司企業	Corporate entities	7,956,449	97,678	-
		70,111,325	2,063,942	4,759,815
		2015		
		可供出售 金融資產 Available- for-sale financial assets	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
官方實體	Sovereigns	17,267,770	1,690,727	-
公營單位*	Public sector entities*	1,397,813	111,195	-
銀行及其他金融機構	Banks and other financial institutions	27,633,868	567,071	355,393
公司企業	Corporate entities	6,056,210	97,537	230,399
		52,355,661	2,466,530	585,792

* 包括在《銀行業 (資本) 規則》內分類為認可公營單位的可供出售金融資產港幣 2,486,182,000 元 (2015 年：港幣 1,397,813,000 元) 及持有至到期日證券港幣 109,953,000 元 (2015 年：港幣 111,195,000 元)。

* Included available-for-sale financial assets of HK\$2,486,182,000 (2015: HK\$1,397,813,000) and held-to-maturity securities of HK\$109,953,000 (2015: HK\$111,195,000) which are eligible to be classified as public sector entities under the Banking (Capital) Rules.

財務報表附註 (續) Notes to the Financial Statements (continued)
24. 金融投資 (續) 24. Financial investments (continued)

金融投資之變動概述如下：

The movements in financial investments are summarised as follows:

		2016		
		可供出售 金融資產 Available- for-sale financial assets	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於 2016 年 1 月 1 日	At 1 January 2016	52,355,661	2,466,530	585,792
增加	Additions	101,143,245	-	4,760,501
處置、贖回及到期	Disposals, redemptions and maturity	(82,239,818)	(278,026)	(581,015)
攤銷	Amortisation	(21,407)	3,088	9,611
公允值變化	Change in fair value	(474,313)	-	-
匯兌差額	Exchange difference	(652,043)	(127,650)	553
年內減值準備	Impairment during the year	-	-	(15,627)
於 2016 年 12 月 31 日	At 31 December 2016	70,111,325	2,063,942	4,759,815
		2015		
		可供出售 金融資產 Available- for-sale financial assets	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於 2015 年 1 月 1 日	At 1 January 2015	42,475,340	2,618,390	2,074,594
增加	Additions	64,175,644	-	1,800,033
處置、贖回及到期	Disposals, redemptions and maturity	(52,574,718)	-	(3,193,198)
攤銷	Amortisation	(80,925)	6,900	(46,354)
公允值變化	Change in fair value	280,066	-	-
匯兌差額	Exchange difference	(1,919,746)	(158,760)	(49,283)
於 2015 年 12 月 31 日	At 31 December 2015	52,355,661	2,466,530	585,792

財務報表附註（續） Notes to the Financial Statements (continued)
24. 金融投資（續） 24. Financial investments (continued)

貸款及應收款之減值準備變動概述如下：

The movements in impairment allowances on loans and receivables are summarised as follows:

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
於 1 月 1 日	At 1 January	-	-
年內減值準備	Impairment during the year	15,627	-
匯兌差額	Exchange difference	<u>(203)</u>	-
於 12 月 31 日	At 31 December	<u>15,424</u>	-

財務報表附註（續） Notes to the Financial Statements (continued)
25. 投資物業
25. Investment properties

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
於 1 月 1 日	At 1 January	414,736	1,280,271
增置	Additions	-	2,903
出售	Disposals	-	(901,200)
公允值收益	Fair value gains	29,340	35,446
重新分類轉至物業、器材 及設備（附註 26）	Reclassification to properties, plant and equipment (Note 26)	(59,082)	(1,498)
匯兌差額	Exchange difference	(1,164)	(1,186)
		383,830	414,736

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:

		2016	2015
		港幣千元 HK\$'000	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)	244,290	248,590
中期租約（10 年至 50 年）	On medium-term lease (10 to 50 years)	139,540	145,820
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 to 50 years)	-	20,326
		383,830	414,736

於 2016 年 12 月 31 日，列於資產負債表內之投資物業，乃依據獨立特許測量師萊坊測計師行有限公司於 2016 年 12 月 31 日以公允值為基準所進行之專業估值。公允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 2016, investment properties were included in the balance sheet at valuation carried out at 31 December 2016 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.

財務報表附註（續） Notes to the Financial Statements (continued)
26. 物業、器材及設備 26. Properties, plant and equipment

		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於 2016 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2016	6,773,252	234,768	7,008,020
增置	Additions	131,175	80,646	211,821
出售	Disposals	(50,810)	(4,643)	(55,453)
重估	Revaluation	(59,114)	-	(59,114)
年度折舊	Depreciation for the year	(119,939)	(79,978)	(199,917)
重新分類轉自投資物業 （附註 25）	Reclassification from investment properties (Note 25)	59,082	-	59,082
匯兌差額	Exchange difference	(28,035)	(6,997)	(35,032)
於 2016 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2016	<u>6,705,611</u>	<u>223,796</u>	<u>6,929,407</u>
於 2016 年 12 月 31 日 成本值或估值	At 31 December 2016 Cost or valuation	6,705,611	836,637	7,542,248
累計折舊	Accumulated depreciation	-	(612,841)	(612,841)
於 2016 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2016	<u>6,705,611</u>	<u>223,796</u>	<u>6,929,407</u>
上述資產之成本值或估值 分析如下：	The analysis of cost or valuation of the above assets is as follows:			
於 2016 年 12 月 31 日	At 31 December 2016			
按成本值	At cost	-	836,637	836,637
按估值	At valuation	6,705,611	-	6,705,611
		<u>6,705,611</u>	<u>836,637</u>	<u>7,542,248</u>

財務報表附註 (續)
Notes to the Financial Statements (continued)
**26. 物業、器材及設備
(續)**
26. Properties, plant and equipment (continued)

		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於 2015 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2015	7,035,310	293,187	7,328,497
增置	Additions	27,237	47,003	74,240
出售	Disposals	(381,098)	(650)	(381,748)
重估	Revaluation	377,219	-	377,219
年度折舊	Depreciation for the year	(127,328)	(95,489)	(222,817)
重新分類轉自投資物業 (附註 25)	Reclassification from investment properties (Note 25)	1,498	-	1,498
匯兌差額	Exchange difference	(26,857)	(9,283)	(36,140)
分類為待出售資產	Classified as assets held for sale	(132,729)	-	(132,729)
於 2015 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2015	<u>6,773,252</u>	<u>234,768</u>	<u>7,008,020</u>
於 2015 年 12 月 31 日 成本值或估值	At 31 December 2015 Cost or valuation	6,773,252	820,038	7,593,290
累計折舊	Accumulated depreciation	-	(585,270)	(585,270)
於 2015 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2015	<u>6,773,252</u>	<u>234,768</u>	<u>7,008,020</u>
上述資產之成本值或估值 分析如下：	The analysis of cost or valuation of the above assets is as follows:			
於 2015 年 12 月 31 日 按成本值	At 31 December 2015 At cost	-	820,038	820,038
按估值	At valuation	6,773,252	-	6,773,252
		<u>6,773,252</u>	<u>820,038</u>	<u>7,593,290</u>

財務報表附註 (續)
Notes to the Financial Statements (continued)
**26. 物業、器材及設備
(續)**
26. 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:

		2016	2015
		港幣千元 HK\$'000	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)	3,951,487	4,602,693
中期租約 (10 年至 50 年)	On medium-term lease (10 to 50 years)	2,155,234	1,666,127
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 to 50 years)	576,025	485,875
短期租約 (少於 10 年)	On short-term lease (less than 10 years)	22,865	18,557
		6,705,611	6,773,252

於 2016 年 12 月 31 日，列於資產負債表內之房產，乃依據獨立特許測量師萊坊測計師行有限公司於 2016 年 12 月 31 日以公允值為基準所進行之專業估值。公允值指在計量當日若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 2016, premises were included in the balance sheet at valuation carried out at 31 December 2016 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 the income statement as follows:

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
貸記房產重估儲備之重估 (減值)/增值	(Decrease)/increase in valuation credited to premises revaluation reserve	(64,385)	374,898
貸記收益表之重估增值	Increase in valuation credited to income statement	5,271	2,321
		(59,114)	377,219

於 2016 年 12 月 31 日，假若房產按成本值扣減累計折舊列賬，本集團之資產負債表內之房產賬面淨值應為港幣 728,077,000 元 (2015 年：港幣 607,766,000 元)。

As at 31 December 2016, the net book value of premises that would have been included in the Group's balance sheet had the premises been carried at cost less accumulated depreciation was HK\$728,077,000 (2015: HK\$607,766,000).

財務報表附註（續） Notes to the Financial Statements (continued)
27. 其他資產
27. Other assets

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
收回資產	Repossessed assets	84,952	98,469
貴金屬	Precious metals	230,611	53,393
應收賬項及預付費用	Accounts receivable and prepayments	<u>564,424</u>	<u>4,143,369</u>
		<u>879,987</u>	<u>4,295,231</u>

28. 公允值變化計入損益之金融負債
28. Financial liabilities at fair value through profit or loss

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
交易性負債	Trading liabilities		
- 外匯基金票據及債券 短盤	- Short positions in Exchange Fund Bills and Notes	<u>3,223,456</u>	<u>4,575,356</u>

於2016年12月31日沒有界定為以公允值變化計入損益之金融負債（2015年12月31日：無）。

At 31 December 2016, there was no financial liabilities designated at fair value through profit or loss (2015: Nil).

財務報表附註 (續) Notes to the Financial Statements (continued)
29. 客戶存款及對沖會計 29. Deposits from customers and hedge accounting
(a) 客戶存款
(a) Deposits from customers

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
即期存款及往來存款	Demand deposits and current accounts		
- 公司	- Corporate	38,043,836	26,763,884
- 個人	- Personal	2,984,973	2,767,262
		41,028,809	29,531,146
儲蓄存款	Savings deposits		
- 公司	- Corporate	21,191,418	19,930,314
- 個人	- Personal	40,575,220	39,071,432
		61,766,638	59,001,746
定期、短期及通知存款	Time, call and notice deposits		
- 公司	- Corporate	103,954,603	81,285,911
- 個人	- Personal	50,777,480	48,443,180
		154,732,083	129,729,091
		257,527,530	218,261,983

(b) 對沖會計
(b) Hedge accounting
海外運作淨投資對沖
Hedges of net investments in foreign operations

於 2016 年 12 月 31 日，沒有人民幣計值的客戶存款被界定為對沖工具，用以對沖海外運作淨投資（2015 年：港幣元）。

As at 31 December 2016, there was no RMB-denominated deposits from customers designated as a hedging instrument to hedge against the net investments in foreign operations (2015: Nil).

年內沒有無效部分之收益或虧損於收益表內確認（2015 年：無）。

There were no gains or losses on ineffective portion recognised in the income statement during the year (2015: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)
30. 已發行債務證券及存款證 30. Debt securities and certificates of deposit in issue

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
債務證券及存款證，按攤銷成本列賬	Debt securities and certificates of deposit, at amortised cost		
- 存款證	- Certificates of deposit	541,378	-
- 其他債務證券	- Other debt securities	554,559	-
		1,095,937	-

31. 其他賬項及準備 31. Other accounts and provisions

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
其他應付賬項	Other accounts payable	15,836,284	12,901,186
準備	Provisions	72,424	73,614
		15,908,708	12,974,800

財務報表附註（續） Notes to the Financial Statements (continued)
32. 遞延稅項

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。

資產負債表內之遞延稅項（資產）／負債主要組合，以及其在年度內之變動如下：

32. Deferred taxation

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".

The major components of deferred tax (assets)/liabilities recorded in the balance sheet, and the movements during the year are as follows:

		2016					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	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 2016 年 1 月 1 日	At 1 January 2016	18,156	1,054,384	(33,609)	(136,641)	(95,900)	806,390
借記／（貸記） 收益表	Charged/(credited) to income statement	8,036	5,592	31,511	22,458	(91,811)	(24,214)
貸記其他全面收 益	Credited to other comprehensive income	-	(21,645)	-	-	(125,625)	(147,270)
匯兌差額	Exchange difference		(3,752)	2,098	3,128	(1,357)	117
於 2016 年 12 月 31 日	At 31 December 2016	26,192	1,034,579	-	(111,055)	(314,693)	635,023
		2015					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	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 2015 年 1 月 1 日	At 1 January 2015	30,906	1,090,064	-	(258,170)	(28,498)	834,302
（貸記）／借記 收益表	(Credited)/charged to income statement	(12,750)	(11)	(34,976)	116,781	(83,214)	(14,170)
（貸記）／借記其 他全面 收益	(Credited)/charged to other comprehensive income	-	(10,657)	-	-	15,548	4,891
匯兌差額	Exchange difference	-	(3,128)	1,367	4,748	264	3,251
分類為待出售資 產之相關負債	Classified as liabilities associated with assets held for sale	-	(21,884)	-	-	-	(21,884)
於 2015 年 12 月 31 日	At 31 December 2015	18,156	1,054,384	(33,609)	(136,641)	(95,900)	806,390

財務報表附註（續）
Notes to the Financial Statements (continued)
32. 遞延稅項（續）

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。下列在資產負債表內列賬之金額，已計入適當抵銷：

32. Deferred taxation (continued)

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 balance sheet:

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
遞延稅項資產	Deferred tax assets	(100,652)	(5,962)
遞延稅項負債	Deferred tax liabilities	735,675	812,352
		<u>635,023</u>	<u>806,390</u>
		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
遞延稅項資產（超過 12 個月後收回）	Deferred tax assets to be recovered after more than twelve months	-	-
遞延稅項負債（超過 12 個月後支付）	Deferred tax liabilities to be settled after more than twelve months	928,224	914,145
		<u>928,224</u>	<u>914,145</u>

於 2016 年 12 月 31 日，本集團未確認遞延稅項資產之稅務虧損為港幣 2,417,000 元（2015 年：港幣 2,503,000 元）。按照現行稅例，有關稅務虧損沒有作廢期限。

As at 31 December 2016, the Group has not recognised deferred tax assets in respect of tax losses amounting to HK\$2,417,000 (2015: HK\$2,503,000). These tax losses do not expire under the current tax legislation.

財務報表附註（續） Notes to the Financial Statements (continued)
33. 待出售資產

2016 年並無非流動資產歸類為待出售資產。

根據 2015 年 11 月 11 日董事會書面決議，本銀行同意出售若干房產予中銀香港。

待出售資產及待出售資產之相關負債之主要類別如下：

33. Assets held for sale

No non-current assets are classified as assets held for sale for the year ended 31 December 2016.

According to the Board's written resolution dated 11 November 2015, the Bank agreed to sell certain premises to BOCHK.

The major classes of assets held for sale and liabilities associated with assets held for sale are as follows:

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
資產	ASSETS		
物業、器材及設備	Properties, plant and equipment	-	132,729
負債	LIABILITIES		
遞延稅項負債	Deferred tax liabilities	-	21,884
		<u>-</u>	<u>110,845</u>

34. 股本

已發行及繳足：
7,000,000 股普通股

34. Share capital

Issued and fully paid:
7,000,000 ordinary shares

	<u>2016</u>	<u>2015</u>
	港幣千元	港幣千元
	HK\$'000	HK\$'000
	<u>3,144,517</u>	<u>3,144,517</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
35. 綜合現金流量表附註 35. Notes to consolidated cash flow statement

(a) 經營溢利與除稅前 經營現金之流入對 賬	(a) Reconciliation of operating profit to operating cash inflow before taxation	2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
經營溢利	Operating profit	3,311,046	3,238,220
折舊	Depreciation	199,917	222,817
減值準備淨撥備	Net charge of impairment allowances	486,075	633,324
折現減值準備回撥	Unwind of discount on impairment allowances	(4,680)	(1,150)
已撇銷之貸款 (扣除 收回款額)	Advances written off net of recoveries	(456,602)	(1,127,792)
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	(5,576,552)	2,430,211
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	(7,236,680)	8,865,231
公允值變化計入損益 之金融資產之變動	Change in financial assets at fair value through profit or loss	2,486,261	163,628
衍生金融工具之變動	Change in derivative financial instruments	366,960	(232,756)
貸款及其他賬項之變動	Change in advances and other accounts	(23,137,199)	(4,435,098)
金融投資之變動	Change in financial investments	(20,456,994)	(3,798,709)
其他資產之變動	Change in other assets	3,415,244	(3,282,136)
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	(510,964)	(6,774,437)
公允值變化計入損益 之金融負債之變動	Change in financial liabilities at fair value through profit or loss	(1,351,900)	(395,337)
客戶存款之變動	Change in deposits from customers	39,265,547	8,628,048
其他賬項及準備之變動	Change in other accounts and provisions	2,932,208	(2,207,166)
匯率變動之影響	Effect of changes in exchange rates	616,996	1,152,459
除稅前經營現金之 (流出) / 流入	Operating cash (outflow)/inflow before taxation	(5,651,317)	3,079,357
經營業務之現金流量 中包括：	Cash flows from operating activities included:		
- 已收利息	- Interest received	7,329,518	9,337,866
- 已付利息	- Interest paid	(3,188,492)	(4,468,941)
- 已收股息	- Dividend received	2,338	7,236

財務報表附註 (續) Notes to the Financial Statements (continued)
35. 綜合現金流量表附註 (續) 35. 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

	<u>2016</u>	<u>2015</u>
	港幣千元 HK\$'000	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	36,566,396	44,060,170
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	1,592,218	1,205,984
原到期日在 3 個月內 之庫券	4,908,283	8,556,255
原到期日在 3 個月內 之存款證	4,501,831	-
	47,568,728	53,822,409

36. 或然負債及承擔
36. 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.

	<u>2016</u>	<u>2015</u>
	港幣千元 HK\$'000	港幣千元 HK\$'000
直接信貸替代項目	16,555,219	21,262,146
與交易有關之或然負債	1,540,154	1,830,203
與貿易有關之或然負債	12,158,792	7,801,271
有追索權的資產出售	4,796,235	5,419,397
不需事先通知的無條件撤銷之承諾	81,546,051	75,313,331
其他承擔，原到期日為		
- 1 年或以下	1,210,783	1,983,255
- 1 年以上	8,884,742	9,083,933
	126,691,976	122,693,536
信貸風險加權數額	21,302,109	21,148,878

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.

財務報表附註（續） Notes to the Financial Statements (continued)
37. 資本承擔

本集團未於財務報表中撥備之資本承擔金額如下：

37. Capital commitments

The Group has the following outstanding capital commitments not provided for in the financial statements:

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
已批准及簽約但未撥備	Authorised and contracted for but not provided for	9,230	8,571
已批准但未簽約	Authorised but not contracted for	<u>1,069</u>	<u>232</u>
		<u>10,299</u>	<u>8,803</u>

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.

38. 經營租賃承擔
(a) 作為承租人

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：

38. Operating lease commitments
(a) As lessee

The Group has commitments to make the following future minimum lease payments under non-cancellable operating leases:

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
土地及樓宇	Land and buildings		
- 不超過 1 年	- Not later than one year	249,064	244,631
- 1 年以上至 5 年內	- Later than one year but not later than five years	541,158	604,033
- 5 年後	- Later than five years	<u>41,999</u>	<u>92,977</u>
		<u>832,221</u>	<u>941,641</u>
其他承擔	Other commitments		
- 不超過 1 年	- Not later than one year	555	877
- 1 年以上至 5 年內	- Later than one year but not later than five years	<u>147</u>	<u>96</u>
		<u>832,923</u>	<u>942,614</u>

財務報表附註 (續) Notes to the Financial Statements (continued)
38. 經營租賃承擔 (續) 38. Operating lease commitments (continued)
(b) 作為出租人

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：

土地及樓宇
- 不超過 1 年
- 1 年以上至 5 年內

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。

(b) As lessor

The Group has contracted with tenants for the following future minimum lease receivables under non-cancellable operating leases:

Land and buildings
- Not later than one year
- Later than one year but not later than five years

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.

	<u>2016</u>	<u>2015</u>
	港幣千元	港幣千元
	HK\$'000	HK\$'000
	12,351	14,911
	7,377	17,315
	<u>19,728</u>	<u>32,226</u>

39. 訴訟

本集團正面對多項由獨立人士提出的索償及反索償。此等索償及反索償與本集團的正常商業活動有關。

由於董事認為本集團可對申索人作出有力抗辯或預計此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。

39. Litigation

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.

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.

財務報表附註（續） Notes to the Financial Statements (continued)**40. 分類報告****40. Segmental reporting****(a) 按營運分類****(a) By operating segment**

本集團業務拆分為四個主要分類，分別為個人銀行、企業銀行、財資業務及投資。

The Group divides its business into four major segments, Personal Banking, Corporate Banking, Treasury and Investment.

個人銀行和企業銀行業務線均會提供全面的銀行服務，個人銀行業務線是服務個人客戶，而企業銀行業務線是服務非個人客戶。至於財資業務線，除了自營買賣外，還負責管理本集團的資本、流動資金、利率和外匯敞口。財資業務部門管理本集團的融資活動和資本，為其他業務線提供資金，並接收從個人銀行和企業銀行業務線的吸收存款活動中所取得的資金。這些業務線之間的資金交易主要按集團內部資金轉移價格機制釐定。在本附註呈列的財資業務損益資料，已包括上述業務線之間的收支交易，但其資產負債資料並未反映業務線之間的借貸（換言之，不可以把財資業務的損益資料與其資產負債資料比較）。

Both Personal Banking and Corporate Banking provide general banking services. Personal Banking serves individual customers while Corporate Banking deals with non-individual customers. The Treasury segment is responsible for managing the capital, liquidity, and the interest rate and foreign exchange positions of the Group in addition to proprietary trades. It provides funds to other business segments and receives funds from deposit taking activities of Personal Banking and Corporate Banking. These inter-segment funding is charged according to the internal funds transfer pricing mechanism of the Group. The assets and liabilities of Treasury have not been adjusted to reflect the effect of inter-segment borrowing and lending (i.e. the profit and loss information in relation to Treasury is not comparable to the assets and liabilities information about Treasury).

投資包括本集團的房地產和支援單位所使用的設備。對於佔用本集團的物業，其他業務線需要按照每平方呎的市場價格向投資業務線支付費用。由本集團附屬公司—南商（中國）之資本金所產生及已於其收益賬確認的貨幣換算差額，已包括於此業務分類內。

Investment includes bank premises and equipment used by supporting units. Charges are paid to this segment from other business segments based on market rates per square foot for their occupation of the Group's premises. The exchange difference arising from capital of our subsidiary, NCB (China), which is recognised in its income statement, is also included in this class.

「其他」為集團其他營運及主要包括有關本集團整體但與其餘四個業務線無關的項目。

“Others” refers to other group operations and mainly comprises of items related to the Group as a whole and totally independent of the other four business segments.

一個業務線的收入及支出，主要包括直接歸屬於該業務線的項目。至於管理費用，會根據合理基準攤分。

Revenues and expenses of any business segment mainly include items directly attributable to the segment. For management overheads, allocations are made on reasonable bases.

財務報表附註 (續) Notes to the Financial Statements (continued)
40. 分類報告 (續) 40. Segmental reporting (continued)
(a) 按營運分類 (續)
(a) By operating segment (continued)

		個人銀行 Personal Banking	企業銀行 Corporate Banking	財資業務 Treasury	投資 Investment	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		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
截至 2016 年 12 月 31 日	Year ended 31 December 2016								
淨利息收入 / (支出)	Net interest income/(expense)								
- 外來	- External	307,501	3,009,601	1,217,707	-	-	4,534,809	-	4,534,809
- 跨業務	- Inter-segment	558,112	173,881	(731,993)	-	-	-	-	-
		865,613	3,183,482	485,714	-	-	4,534,809	-	4,534,809
淨服務費及佣金收入 / (支出)	Net fee and commission income/(expense)	774,215	784,771	14,072	98	(1,085)	1,572,071	-	1,572,071
淨交易性收益 / (虧損)	Net trading gain/(loss)	37,113	50,907	15,899	32,097	(1,321)	134,695	-	134,695
界定為以公允價值變化計入損益之金融工具淨虧損	Net loss on financial instruments designated at fair value through profit or loss	-	-	(7,708)	-	-	(7,708)	-	(7,708)
其他金融資產之淨收益	Net gain on other financial assets	-	100,770	92,002	-	-	192,772	-	192,772
其他經營收入	Other operating income	128	3	-	138,393	12,785	151,309	(124,250)	27,059
提取減值準備前之淨經營收入	Net operating income before impairment allowances	1,677,069	4,119,933	599,979	170,588	10,379	6,577,948	(124,250)	6,453,698
減值準備淨撥備	Net charge of impairment allowances	(99,177)	(371,271)	(15,627)	-	-	(486,075)	-	(486,075)
淨經營收入	Net operating income	1,577,892	3,748,662	584,352	170,588	10,379	6,091,873	(124,250)	5,967,623
經營支出	Operating expenses	(1,013,932)	(1,140,060)	(279,794)	(184,470)	(162,571)	(2,780,827)	124,250	(2,656,577)
經營溢利 / (虧損)	Operating profit/(loss)	563,960	2,608,602	304,558	(13,882)	(152,192)	3,311,046	-	3,311,046
投資物業公允價值調整之淨收益	Net gain from fair value adjustments on investment properties	-	-	-	29,340	-	29,340	-	29,340
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	-	-	-	4,136	-	4,136	-	4,136
除稅前溢利 / (虧損)	Profit/(loss) before taxation	563,960	2,608,602	304,558	19,594	(152,192)	3,344,522	-	3,344,522
於 2016 年 12 月 31 日	At 31 December 2016								
資產	ASSETS								
分部資產	Segment assets	39,800,947	153,986,068	147,613,051	7,353,037	179,606	348,932,709	-	348,932,709
負債	LIABILITIES								
分部負債	Segment liabilities	96,078,909	173,305,873	38,952,505	4,123	1,906,331	310,247,741	-	310,247,741
截至 2016 年 12 月 31 日	Year ended 31 December 2016								
其他資料	Other information								
資本性支出	Capital expenditure	-	-	-	211,821	-	211,821	-	211,821
折舊	Depreciation	11,848	6,016	390	184,466	(2,803)	199,917	-	199,917
證券攤銷	Amortisation of securities	-	-	(8,708)	-	-	(8,708)	-	(8,708)

財務報表附註 (續) Notes to the Financial Statements (continued)
40. 分類報告 (續) 40. Segmental reporting (continued)
(a) 按營運分類 (續)
(a) By operating segment (continued)

		個人銀行 Personal Banking	企業銀行 Corporate Banking	財資業務 Treasury	投資 Investment	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		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
截至 2015 年 12 月 31 日	Year ended 31 December 2015								
淨利息收入 / (支出)	Net interest income/(expense)								
- 外來	- External	(66,016)	2,397,178	2,388,988	-	-	4,720,150	-	4,720,150
- 跨業務	- Inter-segment	980,296	235,717	(1,216,013)	-	-	-	-	-
		914,280	2,632,895	1,172,975	-	-	4,720,150	-	4,720,150
淨服務費及佣金收入 / (支出)	Net fee and commission income/(expenses)	695,053	596,096	67,101	65	(1,365)	1,356,950	-	1,356,950
淨交易性收益 / (虧損)	Net trading gain/(loss)	43,272	(31,466)	3,345	39,025	(17)	54,159	-	54,159
界定為以公允價值變化計入損益之金融工具淨虧損	Net loss on financial instruments designated at fair value through profit or loss	-	-	(6,382)	-	-	(6,382)	-	(6,382)
其他金融資產之淨收益	Net gain on other financial assets	-	79,531	184,998	-	71,892	336,421	-	336,421
其他經營收入	Other operating income	185	-	-	149,052	6,278	155,515	(113,107)	42,408
提取減值準備前之淨經營收入	Net operating income before impairment allowances	1,652,790	3,277,056	1,422,037	188,142	76,788	6,616,813	(113,107)	6,503,706
減值準備淨撥備	Net charge of impairment allowances	(106,584)	(526,740)	-	-	-	(633,324)	-	(633,324)
淨經營收入	Net operating income	1,546,206	2,750,316	1,422,037	188,142	76,788	5,983,489	(113,107)	5,870,382
經營支出	Operating expenses	(953,955)	(1,121,281)	(275,988)	(205,721)	(188,324)	(2,745,269)	113,107	(2,632,162)
經營溢利 / (虧損)	Operating profit/(loss)	592,251	1,629,035	1,146,049	(17,579)	(111,536)	3,238,220	-	3,238,220
投資物業公允價值調整之淨收益	Net gain from fair value adjustments on investment properties	-	-	-	121,046	-	121,046	-	121,046
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	-	-	-	19,246	-	19,246	-	19,246
除稅前溢利 / (虧損)	Profit/(loss) before taxation	592,251	1,629,035	1,146,049	122,713	(111,536)	3,378,512	-	3,378,512
於 2015 年 12 月 31 日	At 31 December 2015								
資產	ASSETS								
分部資產	Segment assets	39,504,331	134,505,455	123,466,694	7,458,268	129,316	305,064,064	-	305,064,064
待出售資產	Assets held for sale	-	-	-	132,729	-	132,729	-	132,729
資產總額	Total assets	39,504,331	134,505,455	123,466,694	7,590,997	129,316	305,196,793	-	305,196,793
負債	LIABILITIES								
分部負債	Segment liabilities	91,688,294	138,648,224	36,023,296	4,335	1,711,990	268,076,139	-	268,076,139
待出售資產之相關負債	Liabilities associated with assets held for sale	-	-	-	-	21,884	21,884	-	21,884
負債總額	Total liabilities	91,688,294	138,648,224	36,023,296	4,335	1,733,874	268,098,023	-	268,098,023
截至 2015 年 12 月 31 日	Year ended 31 December 2015								
其他資料	Other information								
資本性支出	Capital expenditure	-	-	-	77,143	-	77,143	-	77,143
折舊	Depreciation	16,616	8,849	671	205,711	(9,030)	222,817	-	222,817
證券攤銷	Amortisation of securities	-	-	(120,379)	-	-	(120,379)	-	(120,379)

財務報表附註 (續) Notes to the Financial Statements (continued)
40. 分類報告 (續)
40. Segmental reporting (continued)
(b) 按地理區域劃分
(b) By geographical area

以下資料是根據附屬公司的主要營業地點分類，如屬本銀行之資料，則依據負責申報業績或將資產記賬之分行所在地分類：

The following information is presented based on the principal places of operations of the subsidiaries, or in the case of the Bank, on the locations of the branches responsible for reporting the results or booking the assets:

		2016		2015	
		提取減值準備前 之淨經營收入 Net operating income before impairment allowances	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 allowances	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	3,949,714	2,582,188	4,054,030	2,823,205
中國內地	Mainland of China	2,451,494	705,399	2,381,416	509,623
其他	Others	52,490	56,935	68,260	45,684
合計	Total	6,453,698	3,344,522	6,503,706	3,378,512

		2016			
		總資產 Total assets	總負債 Total liabilities	非流動資產 Non-current assets	或然負債和承擔 Contingent liabilities and commitments
		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	213,536,801	185,711,520	6,584,651	40,740,121
中國內地	Mainland of China	135,395,908	124,536,221	814,200	85,951,855
合計	Total	348,932,709	310,247,741	7,398,851	126,691,976

		2015			
		總資產 Total assets	總負債 Total liabilities	非流動資產 Non-current assets	或然負債和承擔 Contingent liabilities and commitments
		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	188,707,746	165,544,765	6,733,035	39,662,023
中國內地	Mainland of China	114,108,360	102,324,412	786,367	82,596,097
其他	Others	2,380,687	228,846	2,034	435,416
合計	Total	305,196,793	268,098,023	7,521,436	122,693,536

財務報表附註（續） **Notes to the Financial Statements (continued)****41. 已抵押資產**

於2016年12月31日，本集團之負債港幣3,140,124,000元（2015年：港幣4,581,856,000元）是以存放於中央保管系統以便利結算之資產作抵押。此外，本集團通過售後回購協議的債務證券及票據抵押之負債為港幣889,830,000元（2015年：港幣478,835,000元）。本集團為擔保此等負債而質押之資產金額為港幣4,058,932,000元（2015年：港幣5,084,230,000元），並主要於「交易性資產」、「金融投資」及「貿易票據」內列賬。

41. Assets pledged as security

As at 31 December 2016, the liabilities of the Group amounting to HK\$3,140,124,000 (2015: HK\$4,581,856,000) were secured by assets deposited with central depositories to facilitate settlement operations. In addition, the liabilities of the Group amounting to HK\$889,830,000 (2015: HK\$478,835,000) were secured by debt securities and bills related to sale and repurchase arrangements. The amount of assets pledged by the Group to secure these liabilities was HK\$4,058,932,000 (2015: HK\$5,084,230,000) mainly included in "Trading assets", "Financial investments" and "Trade bills".

財務報表附註（續） Notes to the Financial Statements (continued)
42. 金融工具之抵銷

下表列示本集團已抵銷、受執行性淨額結算總協議和類似協議約束的金融工具詳情。

42. Offsetting financial instruments

The following tables present details of the Group's financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements.

		2016					
		已確認金融 資產總額 Gross amounts of recognised financial assets	於資產負債表中 抵銷之已確認金 融負債總額 Gross amounts of recognised financial liabilities set off in the balance sheet	於資產負債表 中列示的金融 資產淨額 Net amounts of financial assets presented in the balance sheet	未有於資產負債表中抵銷之 相關金額 Related amounts not set off in the balance sheet	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	金融工具 Financial instruments	港幣千元 HK\$'000	港幣千元 HK\$'000
資產	Assets						
衍生金融工具	Derivative financial instruments	527,532	-	527,532	(395,983)	-	131,549
其他資產	Other assets	923,058	(830,329)	92,729	-	-	92,729
		1,450,590	(830,329)	620,261	(395,983)	-	224,278
		2016					
		已確認金融 負債總額 Gross amounts of recognised financial liabilities	於資產負債表中 抵銷之已確認金 融資產總額 Gross amounts of recognised financial assets set off in the balance sheet	於資產負債表 中列示的金融 負債淨額 Net amounts of financial liabilities presented in the balance sheet	未有於資產負債表中抵銷之 相關金額 Related amounts not set off in the balance sheet	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	金融工具 Financial instruments	港幣千元 HK\$'000	港幣千元 HK\$'000
負債	Liabilities						
衍生金融工具	Derivative financial instruments	598,744	-	598,744	(395,983)	-	202,761
其他負債	Other liabilities	1,254,456	(830,329)	424,127	-	-	424,127
		1,853,200	(830,329)	1,022,871	(395,983)	-	626,888

財務報表附註 (續) Notes to the Financial Statements (continued)
42. 金融工具之抵銷 (續) 42. Offsetting financial instruments (continued)

		2015					
		於資產負債表中 抵銷之已確認金 融負債總額	於資產負債表 中列示的金融 資產淨額	未有於資產負債表中抵銷之 相關金額 Related amounts not set off in the balance sheet			
		Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	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	
資產	Assets						
衍生金融工具	Derivative financial instruments	338,260	-	338,260	(59,230)	-	279,030
其他資產	Other assets	1,352,506	(986,109)	366,397	-	-	366,397
		<u>1,690,766</u>	<u>(986,109)</u>	<u>704,657</u>	<u>(59,230)</u>	<u>-</u>	<u>645,427</u>
		2015					
		於資產負債表中 抵銷之已確認金 融資產總額	於資產負債表 中列示的金融 負債淨額	未有於資產負債表中抵銷之 相關金額 Related amounts not set off in the balance sheet			
		Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	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	
負債	Liabilities						
衍生金融工具	Derivative financial instruments	154,121	-	154,121	(59,230)	-	94,891
其他負債	Other liabilities	994,352	(986,109)	8,243	-	-	8,243
		<u>1,148,473</u>	<u>(986,109)</u>	<u>162,364</u>	<u>(59,230)</u>	<u>-</u>	<u>103,134</u>

按本集團簽訂有關場外衍生工具和售後回購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 of OTC derivative and sale and repurchase 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.

財務報表附註（續） Notes to the Financial Statements (continued)
43. 金融資產轉移

於 2016 年及 2015 年 12 月 31 日，本集團沒有不符合終止確認條件之已轉移金融資產。

43. Transfers of financial assets

As at 31 December 2016 and 2015, there were no transferred financial assets of the Group that do not qualify for derecognition.

44. 董事貸款

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：

44. Loans to directors

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:

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 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	<u>833</u>	<u>707</u>
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	<u>1,079</u>	<u>739</u>

財務報表附註（續） Notes to the Financial Statements (continued)**45. 主要之有關連人士交易 45. Significant related party transactions**

母公司的基本資料：

General information of the parent companies:

本集團前直接控股公司中銀香港將持有本集團的全部股權出售予中國信達的非直接持有全資子公司信達金融，並已於 2016 年 5 月 30 日（「生效日」）進行交割，本集團股權轉讓自該日起正式生效。

BOCHK, the Group's former immediate holding company, disposed all its interests in the Group to Cinda Financial Holdings, a indirectly wholly owned subsidiary of China Cinda. The transaction was completed and the share transfer of the Group effected on 30 May 2016 ("effective date").

本集團由中國信達間接控制，而中國信達是由中華人民共和國財政部（「財政部」）在中華人民共和國（「中國」）成立的國有金融企業，其股份亦在香港聯合交易所有限公司（「香港聯交所」）上市交易。

The Group is indirectly controlled by China Cinda, which is a state-owned financial enterprise established in the People's Republic of China (the "PRC") by the Ministry of Finance (the "MOF") and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange").

(a) 與母公司及母公司控制之其他公司進行的交易**(a) Transactions with the parent companies and the other companies controlled by the parent companies**

- (i) 本集團生效日之前之直接控股公司是中銀香港，而中銀香港是受中國銀行股份有限公司（「中國銀行」）控制。中央匯金投資有限責任公司（「匯金」）是中國銀行之控股公司，亦是中國投資有限責任公司（「中投」）的全資附屬公司，而中投的全資附屬公司，而中投是從事外匯資金投資管理業務的國有獨資公司。

- (i) The Group's former immediate holding company is BOCHK, which is in turn controlled by Bank of China Limited ("BOC"). Central Huijin Investment Ltd. ("Central Huijin") is the controlling entity of BOC, and it is a wholly-owned subsidiary of China Investment Corporation ("CIC") which is a wholly state-owned company engaging in foreign currency investment management.

匯金於某些內地實體均擁有控制權益。

Central Huijin has controlling equity interests in certain other entities in the PRC.

財務報表附註 (續) Notes to the Financial Statements (continued)**45. 主要之有關連人士交易 (續) 45. 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)**

大部分與中國銀行進行的交易源自貨幣市場活動。由2016年1月1日至生效日與中國銀行做此類業務過程中產生的收入及支出總額分別為港幣13,387,000元(2015年:港幣90,422,000元)及港幣45,056,000元(2015年:港幣141,518,000元)。

大部分與中銀香港進行的交易源自貨幣市場活動。由2016年1月1日至生效日與中銀香港做此類業務過程中產生的收入及支出總額分別為港幣1,700,000元(2015年:港幣3,037,000元)及港幣55,251,000元(2015年:港幣331,591,000元)。

由2016年1月1日至生效日,本集團出售若干房產予中銀香港,出售價為港幣185,297,000元(2015年:房產出售價為港幣392,600,000元及投資物業出售價為港幣986,800,000元),相關出售房產之淨收益約為港幣1,758,000元(2015年:出售房產及投資物業之淨收益分別約為港幣16,422,000元及港幣85,600,000元),交易按市場一般商業條款進行。

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

The majority of transactions with BOC arise from money market activities. The aggregate amounts of income and expenses of the Group arising from these transactions with BOC from 1 January 2016 to effective date were HK\$13,387,000 (2015: HK\$90,422,000) and HK\$45,056,000 (2015: HK\$141,518,000) respectively.

The majority of transactions with BOCHK arises from money market activities. The aggregate amounts of income and expenses of the Group arising from these transactions with BOCHK from 1 January 2016 to effective date were HK\$1,700,000 (2015: HK\$3,037,000) and HK\$55,251,000 (2015: HK\$331,591,000) respectively.

From 1 January 2016 to effective date, the Group sold certain premises to BOCHK with selling price of HK\$185,297,000 (2015: premises of HK\$392,600,000 and investment premises of HK\$986,800,000). The gain from disposal of premises was approximately HK\$1,758,000 (2015: gain from disposal of premises and investment properties were approximately HK\$16,422,000 and HK\$85,600,000 respectively). The transactions were entered on normal commercial terms.

財務報表附註 (續) **Notes to the Financial Statements (continued)**

45. 主要之有關連人士交易 (續) **45. 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)

大部分與生效日前之母公司控制之其他公司的交易源自客戶存款。由 2016 年 1 月 1 日至生效日敝做此類業務過程中產生的支出總額為港幣 39,799,000 元 (2015 年：港幣 149,213,000 元)。

- (ii) 本集團之直接控股公司是信達金控，而信達金控是受中國信達（香港）控股有限公司（「信達香港」）控制。中國信達是信達香港之控股公司，其主要股東及實際控制人為財政部，財政部是中華人民共和國國務院的組成部門，主要負責國家財政收支和稅收政策等。

中國信達於某些內地實體均擁有控制權益。

大部分與中國信達進行的交易源自客戶存款。於 2016 年 12 月 31 日，本集團相關款項總額為港幣 28,854,437,000 元。自生效日起至 2016 年 12 月 31 日與中國信達敝做此類業務過程中產生的支出總額為港幣 27,845,296 元。

(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 former parent companies arises from deposits from customers. The aggregate amount of expenses arising from these transactions from 1 January 2016 to effective date was HK\$39,799,000 (2015: HK\$149,213,000).

- (ii) The Group's immediate holding company is Cinda Financial Holdings which is in turn controlled by China Cinda (HK) Company Holdings Ltd ("Cinda Hong Kong"). China Cinda is the controlling entity of Cinda Hong Kong and its major shareholder and de facto controller is MOF, which is one of the ministries under the State Council of the PRC Government, primarily responsible for state fiscal revenue and expenditures, and taxation policies.

China Cinda has controlling equity interests in certain other entities in the PRC.

The majority of transactions with China Cinda arises from deposits from customers. As at 31 December 2016, the related aggregate amounts of the Group were HK\$28,854,437,000. The aggregate amounts of expenses of the Group arising from these transactions with China Cinda from effective date to 31 December 2016 were HK\$27,845,296.

財務報表附註 (續) Notes to the Financial Statements (continued)**45. 主要之有關連人士交易 (續) 45. 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)**

大部分與信達香港進行的交易源自客戶存款。於 2016 年 12 月 31 日，本集團相關款項總額為港幣 18,219,000 元。自生效日起至 2016 年 12 月 31 日與信達香港做此類業務過程中產生的支出總額為港幣 3,882,000 元。

大部分與母公司控制之其他公司的交易源自金融投資。於 2016 年 12 月 31 日，本集團相關款項總額為港幣 3,696,629,000 元。自生效日起至 2016 年 12 月 31 日與母公司控制之其他公司做此類業務過程中產生的收入總額為港幣 11,731,000 元。

大部分與母公司控制之其他公司的交易源自客戶貸款及客戶存款。於 2016 年 12 月 31 日，本集團相關款項總額分別為港幣 732,259,000 元及港幣 6,171,802,000 元。自生效日起至 2016 年 12 月 31 日與母公司控制之其他公司做此類業務過程中產生的收入及支出總額分別為港幣 22,336,000 元及港幣 82,699,000 元。

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

The majority of transactions with Cinda Hong Kong arises from deposits from customers. As at 31 December 2016, the related aggregate amounts of the Group was HK\$18,219,000. The aggregate amount of expenses of the Group arising from these transactions with Cinda Hong Kong from effective date to 31 December 2016 was HK\$3,882,000.

The majority of transactions with other companies controlled by the parent companies arises from financial investments. As at 31 December 2016, the related aggregate amount of the Group was HK\$3,696,629,000. The aggregate amount of income of the Group arising from these transactions with other companies controlled by the parent companies from effective date to 31 December 2016 was HK\$11,731,000.

The majority of transactions with other companies controlled by the parent companies arises from advances to customers and deposits from customers. As at 31 December 2016, the related aggregate amount of the Group were HK\$732,259,000 and HK\$6,171,802,000 respectively. The aggregate amount of income and expenses of the Group arising from these transactions with other companies controlled by the parent companies from effective date to 31 December 2016 were HK\$22,336,000 and HK\$82,699,000 respectively.

財務報表附註（續） **Notes to the Financial Statements (continued)**

45. 主要之有關連人士交易 **45. Significant related party transactions (continued)**
(續)

(a) 與母公司及母公司控制之其他公司進行的交易（續）

除上述披露外，與其他母公司及母公司控制之其他公司進行的交易並不重大。

本集團在正常業務中與此等實體進行銀行業務交易，包括貸款、證券投資及貨幣市場交易。

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

Save as disclosed above, transactions with other parent companies and the other companies controlled by the parent companies are not considered material.

The Group enters into banking transactions with these entities in the normal course of business which include loans, investment securities and money market transactions.

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

45. 主要之有關連人士交易 (續) 45. Significant related party transactions (continued)

(b) 與政府機構、代理機構、附屬機構及其他國有控制實體的交易

中華人民共和國國務院通過中投及匯金、財政部對本集團實施控制，二者亦通過政府機構、代理機構、附屬機構及其他國有控制實體直接或間接控制大量其他實體。本集團按一般商業條款與政府機構、代理機構、附屬機構及其他國有控制實體進行常規銀行業務交易。

這些交易包括但不局限於下列各項：

- 借貸、提供授信及擔保和接受存款；
- 銀行同業之存放及結餘；
- 出售、購買、包銷及贖回由其他國有控制實體所發行之債券；
- 提供外匯、匯款及相關投資服務；
- 提供信託業務；及
- 購買公共事業、交通工具、電信及郵政服務。

(b) Transactions with government authorities, agencies, affiliates and other state controlled entities

The Group is subject to the control of State Council of the PRC Government through CIC and Central Huijin and the control of the MOF, both of which also directly or indirectly controls a significant number of entities through its government authorities, agencies, affiliates and other state controlled entities. The Group enters into banking transactions with government authorities, agencies, affiliates and other state controlled entities in the normal course of business at commercial terms.

These transactions include, but are not limited to, the following:

- lending, provision of credits and guarantees, and deposit taking;
- inter-bank balance taking and placing;
- sales, purchases, underwriting and redemption of bonds issued by other state controlled entities;
- rendering of foreign exchange, remittance and investment related services;
- provision of fiduciary activities; and
- purchase of utilities, transport, telecommunications and postage services.

財務報表附註 (續) Notes to the Financial Statements (continued)
45. 主要之有關連人士交易 45. Significant related party transactions (continued)
 (續)

(c) 主要高層人員

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，包括董事及高層管理人員。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。於本年及去年，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。

主要高層人員截至 12 月 31 日止年度之薪酬如下：

(c) Key management personnel

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 years, no material transaction was conducted with key management personnel of the Bank and its holding companies, as well as parties related to them.

The compensation of key management personnel for the year ended 31 December is detailed as follows:

	2016	2015
	港幣千元 HK\$'000	港幣千元 HK\$'000
薪酬及其他短期員工福利	37,322	24,623
退休福利	2,958	1,642
	40,280	26,265

(d) 與附屬公司的結餘

於 2016 年 12 月 31 日，本銀行在日常業務過程中按一般商業條款進行交易產生的應收及應付附屬公司款項總額分別為港幣 777,815,000 元（2015 年：港幣 1,440,338,000 元）及港幣 277,885,000 元（2015 年：港幣 226,650,000 元）。

(d) Balances with subsidiaries

As at 31 December 2016, the aggregate sums of amounts due from subsidiaries and amounts due to subsidiaries of the Bank arising from transactions entered into during the normal course of business at commercial terms are HK\$777,815,000 (2015: HK\$1,440,338,000) and HK\$277,885,000 (2015: HK\$226,650,000) respectively.

財務報表附註 (續) Notes to the Financial Statements (continued)
46. 國際債權

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。

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：

46. International claims

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.

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:

		2016							
		非銀行私人機構 Non-bank private sector							
		銀行 Banks		非銀行 金融機構 Non-bank financial institutions		非金融 私人機構 Non-financial private sector			
		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	
中國內地	Mainland of China	48,470,053	1,820,537	216,198	31,209,791			81,716,579	
香港	Hong Kong	2,368,664	14,781	3,929,130	34,635,628			40,948,203	
		2015							
		非銀行私人機構 Non-bank private sector							
		銀行 Banks		非銀行 金融機構 Non-bank financial institutions		非金融 私人機構 Non-financial private sector			
		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	
中國內地	Mainland of China	34,617,405	859,966	286,850	25,347,925			61,112,146	
香港	Hong Kong	1,581,719	25,114	2,392,489	32,771,230			36,770,552	

財務報表附註（續） Notes to the Financial Statements (continued)
47. 非銀行的內地風險承擔 47. 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及其從事銀行業務之附屬公司之內地風險承擔。

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 and its banking subsidiaries.

	金管局 報表項目 Items in the HKMA return	2016		總風險承擔 Total exposure 港幣千元 HK\$'000	
		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		
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	28,674,737	1,044,272	29,719,009
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	13,482,468	3,841,924	17,324,392
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	65,352,514	27,467,692	92,820,206
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	4,213,992	-	4,213,992
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	11,889	-	11,889
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	10,974,129	2,089,606	13,063,735
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	4,902,964	-	4,902,964
總計	Total	8	<u>127,612,693</u>	<u>34,443,494</u>	<u>162,056,187</u>
扣減準備金後的資產總額	Total assets after provision	9	<u>356,683,339</u>		
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	<u>35.78%</u>		

財務報表附註 (續) Notes to the Financial Statements (continued)
47. 非銀行的內地風險承擔 (續) 47. Non-bank Mainland exposures (continued)

		2015			
		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	23,932,429	2,995,217	26,927,646
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	13,890,604	2,709,320	16,599,924
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	47,421,978	27,853,433	75,275,411
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	2,623,361	-	2,623,361
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	15,330	-	15,330
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	7,511,143	1,037,765	8,548,908
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	5,245,489	-	5,245,489
總計	Total	8	<u>100,640,334</u>	<u>34,595,735</u>	<u>135,236,069</u>
扣減準備金後的資產總額	Total assets after provision	9	<u>313,731,968</u>		
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	<u>32.08%</u>		

財務報表附註 (續) Notes to the Financial Statements (continued)
48. 資產負債表及權益變動表 48. Balance sheet and statement of changes in equity
(a) 資產負債表
(a) Balance sheet

於 12 月 31 日	As at 31 December	2016	2015
		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	16,232,411	15,843,529
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	233,161	145,331
公允值變化計入損益之金融資產	Financial assets at fair value through profit or loss	3,680,401	6,963,572
衍生金融工具	Derivative financial instruments	485,175	512,683
貸款及其他賬項	Advances and other accounts	130,592,331	112,246,377
金融投資	Financial investments	56,002,929	45,967,421
附屬公司權益	Interests in subsidiaries	8,171,067	8,171,067
投資物業	Investment properties	383,830	394,410
物業、器材及設備	Properties, plant and equipment	6,199,623	6,329,838
其他資產	Other assets	504,185	3,990,025
待出售資產	Assets held for sale	-	132,729
資產總額	Total assets	222,485,113	200,696,982
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	3,323,848	5,588,738
公允值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	3,223,456	4,575,356
衍生金融工具	Derivative financial instruments	142,608	205,753
客戶存款	Deposits from customers	176,466,913	152,979,068
其他賬項及準備	Other accounts and provisions	1,870,229	1,619,871
應付稅項負債	Current tax liabilities	208,624	187,530
遞延稅項負債	Deferred tax liabilities	726,073	803,862
待出售資產之相關負債	Liabilities associated with assets held for sale	-	21,884
負債總額	Total liabilities	185,961,751	165,982,062

財務報表附註 (續) Notes to the Financial Statements (continued)
48. 資產負債表及權益變動表 (續) 48. Balance sheet and statement of changes in equity (continued)
(a) 資產負債表 (續)
(a) Balance sheet (continued)

於 12 月 31 日	As at 31 December	2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
資本	EQUITY		
股本	Share capital	3,144,517	3,144,517
儲備	Reserves	33,378,845	31,570,403
資本總額	Total equity	36,523,362	34,714,920
負債及資本總額	Total liabilities and equity	222,485,113	200,696,982

經董事會於 2017 年 3 月
28 日通過核准並由以下
人士代表簽署：

Approved by the Board of Directors on 28 March 2017 and signed on behalf of the Board
by:

方紅光 **Fang Hongguang**
董事 *Director*

陳細明 **Chan Sai Ming**
董事 *Director*

財務報表附註 (續) Notes to the Financial Statements (continued)
48. 資產負債表及權益變動表 (續) 48. Balance sheet and statement of changes in equity (continued)
(b) 權益變動表
(b) Statement of changes in equity

		儲備 Reserves						
		股本 Share capital	房產重估儲備 Premises revaluation reserve	可供出售證券公允價值變動儲備 Reserve for fair value changes of available-for-sale securities	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	留存盈利 Retained earnings	資本總計 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
於 2015 年 1 月 1 日	At 1 January 2015	3,144,517	5,725,743	149,077	763,165	(5,938)	22,673,630	32,450,194
年度溢利	Profit for the year	-	-	-	-	-	2,473,698	2,473,698
其他全面收益：	Other comprehensive income:							
房產	Premises	-	350,149	-	-	-	-	350,149
可供出售證券	Available-for-sale securities	-	-	(17,028)	-	-	-	(17,028)
貨幣換算差額	Currency translation difference	-	-	424	-	(17)	-	407
全面收益總額	Total comprehensive income	-	350,149	(16,604)	-	(17)	2,473,698	2,807,226
因房產出售之轉撥	Release upon disposal of premises	-	(454,824)	-	-	-	454,824	-
轉撥自留存盈利	Transfer from retained earnings	-	-	-	80,054	-	(80,054)	-
股息	Dividends	-	-	-	-	-	(542,500)	(542,500)
於 2015 年 12 月 31 日	At 31 December 2015	<u>3,144,517</u>	<u>5,621,068</u>	<u>132,473</u>	<u>843,219</u>	<u>(5,955)</u>	<u>24,979,598</u>	<u>34,714,920</u>
於 2016 年 1 月 1 日	At 1 January 2016	3,144,517	5,621,068	132,473	843,219	(5,955)	24,979,598	34,714,920
年度溢利	Profit for the year	-	-	-	-	-	2,187,014	2,187,014
其他全面收益：	Other comprehensive income:							
房產	Premises	-	(72,051)	-	-	-	-	(72,051)
界定利益福利計劃之精算虧損	Actuarial losses on defined benefit plan	-	-	-	-	-	(1,420)	(1,420)
可供出售證券	Available-for-sale securities	-	-	(298,878)	-	-	-	(298,878)
貨幣換算差額	Currency translation difference	-	-	(34)	-	(6,189)	-	(6,223)
全面收益總額	Total comprehensive income	-	(72,051)	(298,912)	-	(6,189)	2,185,594	1,808,442
因房產出售之轉撥	Release upon disposal of premises	-	(153,799)	-	-	-	153,799	-
轉撥自留存盈利	Transfer from retained earnings	-	-	-	237,353	-	(237,353)	-
於 2016 年 12 月 31 日	At 31 December 2016	<u>3,144,517</u>	<u>5,395,218</u>	<u>(166,439)</u>	<u>1,080,572</u>	<u>(12,144)</u>	<u>27,081,638</u>	<u>36,523,362</u>

* 除按香港會計準則第 39 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)。

* 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 HKAS 39.

財務報表附註（續） **Notes to the Financial Statements (continued)****49. 最終控股公司**

本集團由中國信達間接控制，而中國信達是由中華人民共和國財政部（「財政部」）在中華人民共和國（「中國」）成立的國有金融企業，其股份亦在香港聯合交易所有限公司（「香港聯交所」）上市交易。

49. Ultimate holding company

The Group is indirectly controlled by China Cinda, which is a state-owned financial enterprise established in the People's Republic of China (the "PRC") by the Ministry of Finance (the "MOF") and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange").

50. 財務報表核准

本財務報表於 2017 年 3 月 28 日經董事會通過及核准發佈。

50. Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 28 March 2017.

未經審核之
補充財務資料

Unaudited Supplementary Financial Information

1. 信貸、市場及操作風險的監管資本 **1. Regulatory capital for credit, market and operational risks**

就信貸風險、市場風險及操作風險計算監管資本的基準已於財務報表附註 4.4 中描述。

The bases of regulatory capital calculation for credit risk, market risk and operational risk are described in Note 4.4 to the Financial Statements.

本補充財務資料第1至9部分以監管規定的綜合基礎編製。此等監管綜合基礎載於財務報表附註4.4(A)。

Sections 1 to 9 of the supplementary financial information have been prepared on a consolidated basis for regulatory purposes. The basis of regulatory consolidation is set out in Note 4.4(A) to the Financial Statements.

下表概述於該綜合基礎上計算之信貸、市場及操作風險監管資本。

The table below summarises the regulatory capital computed on the same consolidation basis for credit, market, and operational risks.

		<u>2016</u>	<u>2015</u>
		港幣千元 HK\$'000	港幣千元 HK\$'000
信貸風險	Credit risk	16,280,473	13,388,317
市場風險	Market risk	59,658	48,993
操作風險	Operational risk	1,010,377	980,405
		<u>17,350,508</u>	<u>14,417,715</u>

有關本集團之資本管理及資本比率詳情，請見財務報表附註 4.4。

For details of capital management and capital ratios of the Group, please refer to Note 4.4 to the Financial Statements.

**3. 內部評級基準計算法下 3. Credit risk under the internal ratings-based approach
的信貸風險****3.1 內部評級系統及風險組成
部分**

為計算監管資本要求，本集團對大部分企業和銀行的風險承擔使用基礎內部評級基準計算法，對專門性借貸的項目融資使用監管分類準則計算法，對個人和小企業的零售風險承擔使用零售內部評級基準計算法。下表列出本集團各資產分類及子分類之風險承擔（除證券化類別風險承擔外）所採用的資本計算法。

3.1 The internal rating systems and risk components

The Group adopts the FIRB approach to calculate the regulatory capital requirements for most of the corporate and bank exposures, and adopts the supervisory slotting criteria approach to project finance exposures under specialised lending. The Group adopts retail IRB approach for retail exposures to individuals and small business. The following is the table showing the Group's different capital calculation approaches to each asset class and sub-classes of exposures (other than securitisation exposures).

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)**

3.1 內部評級系統及風險組成部分 (續) **3.1 The internal rating systems and risk components (continued)**

資產分類 Asset class	子分類風險承擔 Exposure sub-class	資本計算法 Capital calculation approach
企業風險承擔 Corporate exposures	監管分類準則計算法下的專門性借貸 (項目融資) Specialised lending under supervisory slotting criteria approach (project finance)	監管分類準則計算法 Supervisory Slotting Criteria Approach
	中小企業 Small-and-medium sized corporates	基礎內部評級基準計算法 FIRB Approach
	其他企業 Other corporates	
官方實體風險承擔 Sovereign exposures	官方實體 Sovereigns	標準 (信貸風險) 計算法 Standardised (credit risk) Approach
	屬官方實體非本地公營單位 Sovereign foreign public sector entities	
	多邊發展銀行 Multilateral development banks	
銀行風險承擔 Bank exposures	銀行 Banks	基礎內部評級基準計算法 FIRB Approach
	證券公司 Securities firms	
	公營單位 (不包括屬官方實體非本地公營單位) Public sector entities (excluding sovereign foreign public sector entities)	標準 (信貸風險) 計算法 Standardised (credit risk) Approach
零售風險承擔 Retail exposures	個人住宅按揭貸款 Residential mortgages to individuals	零售內部評級基準計算法 Retail IRB Approach
	空殼公司住宅按揭貸款 Residential mortgages to property-holding shell companies	
	合資格循環零售 Qualifying revolving retail	
	其他個人零售 Other retail to individuals	
	零售小企業 Small business retail	
股權風險承擔 Equity exposures	-	標準 (信貸風險) 計算法 Standardised (credit risk) Approach
其他風險承擔 Other exposures	現金項目 Cash items	特定風險權重計算法 Specific Risk-weight Approach
	其他項目 Other items	

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)****3.1 內部評級系統及風險組成部分 (續)****3.1 The internal rating systems and risk components (continued)****(A) 內部評級系統結構及內部評級與外部評級對應關係****(A) The structure of internal rating systems and the relationship between internal ratings and external ratings**

本集團使用的內部評級系統是一個兩維評級系統，分別提供借款人及交易特性的評估。於企業和銀行組合中，債務人評級維度反映借款人的違約風險，授信評級維度反映債務人一旦違約時影響損失嚴重程度的特定交易因素。

The Group's internal rating system is a two dimensional rating system that provides separate assessment of borrower and transaction characteristics. For corporate and bank portfolios, the obligor rating dimension reflects exclusively the risk of borrower default and the facility rating dimension reflects transaction specific factors that affect the loss severity in the case of borrower default.

本集團使用統計模型以自行估算企業、銀行和零售債務人的違約概率(PD)，以及使用零售內部評級基準計算法下零售風險承擔的違約損失率(LGD)和違約風險承擔(EAD)。

The Group uses statistical models to provide own estimated probability of default ("PD") for its corporate, bank and retail borrowers, and loss given default ("LGD") and exposure at default ("EAD") for retail exposures under retail IRB approach.

本集團使用內部評級系統評估所有內部評級基準計算法下借款人的違約可能性。違約概率估算借款人一年期內的違約風險。借款人信貸級別反映在特定的具體評級標準下對某些信貸能力相似的借款人的分類，從而推算出違約概率平均值以計算風險加權資產。

The Group uses internal rating system to assess the borrower's likelihood of default for all IRB portfolios. PD estimates the risk of borrower default over a one-year period. A borrower credit grade means a grouping of similar credit-worthiness to which borrowers are assigned on the basis of specified and distinct set of rating criteria, from which the average PD are derived for risk-weighted assets calculation.

在確定債務人評級的過程中，會對每個債務人最新的財務表現的變數、管理層質素、行業風險、關聯集團和預警性負面因素影響進行評估，並據此作為關鍵因素以預測在不同經濟條件下履行其合約責任的能力和意願。

In the process of obligor rating assignment, variables of latest financial performance, management quality, industry risks, group connection and negative warning signals of each obligor are assessed as critical factors to predict borrower's ability and willingness to meet with the contractual obligations under different economic conditions.

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.1 內部評級系統及風險組成部分 (續) 3.1 The internal rating systems and risk components (continued)

(A) 內部評級系統結構及內部評級與外部評級對應關係 (續)

企業和銀行債務人及零售違約概率組別分為8個債務人評級，包括7個非違約債務人級別且細分至26個信貸級別和1個違約級別。而根據金管局指引規定，使用監管分類準則計算法的項目融資風險承擔，分為4個非違約級別和1個違約級別。對於零售內部評級基準計算法組合的分組估算，按債務人性質、授信類型、抵押品種類和逾期狀況分為不同違約概率、違約風險承擔和違約損失率組別。分組過程為個人住宅按揭貸款和空殼公司住宅按揭貸款、合資格循環零售風險承擔、其他個人零售風險承擔和零售小企業風險承擔的違約概率、違約損失率和違約風險承擔準確及一致的估算奠定了基礎。根據金管局指引規定，所有企業和銀行的信貸交易都需訂立授信評級（按照違約損失率程度）。違約損失率與違約概率相乘產出預期損失(EL)，用以對信貸風險進行量化評估。

(A) The structure of internal rating systems and the relationship between internal ratings and external ratings (continued)

The obligors for corporate and bank, and retail PD pools are assigned into eight broad obligor ratings including seven grades for non-defaulted obligors with sub-divisions into 26 minor credit grades and one for defaulted obligors. In the supervisory slotting criteria approach for the project finance exposures, there are four grades for non-defaulted borrowers and one for defaulted borrowers in accordance with the HKMA guidance. The estimates for retail IRB portfolios are pooled by nature of obligors, facility types, collateral types and delinquency status into different PD, EAD and LGD pools. This pooling process provides the basis of accurate and consistent estimation for PD, LGD and EAD at the pool level for exposures arising from residential mortgages to both individuals and property-holding shell companies, qualifying revolving retail exposures and other retail exposures to individuals and small business retail exposures. All credit transactions for corporates and banks are assigned facility ratings (in terms of LGD) in accordance with the HKMA guidance. LGD estimates multiplied by the PD estimates produce the expected loss ("EL") estimates, which are used to assess credit risk quantitatively.

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)**

3.1 內部評級系統及風險組成部分 (續) **3.1 The internal rating systems and risk components (continued)**

(A) 內部評級系統結構及內部評級與外部評級對應關係 (續)

每個內部評級按違約風險程度和外部評級對應如下：

(A) The structure of internal rating systems and the relationship between internal ratings and external ratings (continued)

For each internal rating, the equivalent external rating in terms of default risk is as below:

內部信貸級別 Internal Credit Grades	內部評級定義 Definition of Internal Ratings		對應標準普爾評級 Standard & Poor's Equivalent
1	債務人級別“1”和“2”表示極低的違約風險。債務人履行債務責任的能力非常強。	The obligors in grades “1” and “2” have extremely low default risk. The obligor’s capacity to meet its financial commitment on the obligation is extremely strong.	AAA
2			AA+
3	債務人級別“3”表示低違約風險，但在一定程度上有可能受不利市場環境和經濟條件影響，履行債務責任的能力尚強。	The obligors in grade “3” have low default risk but are somewhat susceptible to the adverse effects of changes in circumstances and economic conditions. However, the obligor’s capacity to meet its financial commitment on the obligation is very strong.	AA
			AA-
			A+
4	債務人級別“4”表示相對較低的違約風險且現在仍有足夠保障，但可能受不利經濟條件或環境變化影響而削弱其履行債務責任的能力。	The obligors in grade “4” have relatively low default risk and are currently under adequate protection. However, adverse economic conditions or changing circumstances are likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.	A
			A-
			BBB+
5	債務人級別“5”表示中度違約風險，相對其他投機級別債務人較少出現脫期還款。但面對重大、持續不確定性或不業務、財務、經濟條件影響時，可能導致債務人償還能力不足以履行債務責任。	The obligors in grade “5” have medium default risk which are less vulnerable to nonpayment than other speculative obligors. However, they face major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor’s inadequate capacity to meet its financial commitment on the obligation.	BBB
			BBB-
			BB+
6	債務人級別“6”表示顯著至很高違約風險及容易出現脫期還款。債務人目前至短期內尚有履行債務責任，但不利的業務、財務或經濟條件變化將極可能導致無力或不願履行債務責任。	The obligors in grade “6” have significant to very high default risk and are vulnerable to nonpayment. The obligors currently and in the near term have the capacity to meet its financial commitment on the obligation but adverse business, financial, or economic conditions will very likely impair the obligor’s capacity or willingness to meet its financial commitment on the obligation.	BB
			BB-
			B+
7	債務人級別“7”表示極高違約風險且目前相當容易出現脫期還款；債務人能否履行債務責任，取決於是否有有利的業務、財務或經濟條件配合；一旦這些條件發生不利變化，即很可能無法履行債務責任。	The obligors in grade “7” have very high default risk and are currently quite vulnerable to nonpayment. The obligors’ ability to meet their financial commitment and obligation are dependent upon favorable business, financial, and economic conditions. In the event of adverse business, financial, or economic conditions, these obligors are not likely to have the capacity to meet its financial commitment on the obligation.	B
			B-
			CCC
8	債務人級別“8”表示還款違約。	Obligors rated “8” are in payment default.	CC
			C
			D

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)**3.1 內部評級系統及風險組成部分 (續)****3.1 The internal rating systems and risk components (continued)****(B) 內部估算值的用途****(B) Use of internal estimates**

本集團除使用違約概率估算值於計算企業及銀行風險承擔的監管資本外，為加強日常所有信貸業務的管理，集團採用違約概率、違約損失率及違約風險承擔的估算結果，應用於信貸審批、信貸監控、信貸風險報告及分析等。

Besides using PD estimates for regulatory capital calculation in corporate and bank exposures, the Group uses the PD together with the LGD and EAD estimates in the credit approval, credit monitoring, reporting and analysis of credit risk information, etc., for the purpose of strengthening the daily management on all credit related matters.

(C) 信貸風險緩釋工具之管理及確認程序**(C) Process of managing and recognising credit risk mitigation**

對於資本管理項下認可的抵押品，本集團在抵押品評估和管理上已制定明確的政策和程序，並符合《銀行業（資本）規則》對信貸風險緩釋認可抵押品的操作要求。

For collateral recognised under capital management, the Group has well-defined policies and procedures for collateral valuation and management which are compliant with the operational requirements for recognised collateral of credit risk mitigation as stated in the Banking (Capital) Rules.

對於採用基礎內部評級基準計算法計算資本的信貸風險承擔，其認可擔保包括由風險權重較交易對手低的銀行、企業以及證券公司所提供的擔保。本集團在考慮認可抵押品的信貸風險緩釋作用後，確定淨信貸風險承擔和有效的違約損失率。

For the credit exposures adopting FIRB approach for capital calculation purpose, the recognised eligible guarantees include the guarantees provided by banks, corporates and securities firms with a lower risk weights than the counterparty. The Group takes into account the credit risk mitigation effect of recognised collateral through its determination of the net credit exposures and the effective LGD.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.1 內部評級系統及風險組成部分 (續)

3.1 The internal rating systems and risk components (continued)

(C) 信貸風險緩釋工具之管理及確認程序(續)

(C) Process of managing and recognising credit risk mitigation (continued)

對於零售內部評級基準計算法計算的信貸風險承擔，信貸風險緩釋的作用按擔保和抵押品性質包含在違約概率或違約損失率的內部風險參數之中。

For retail IRB approach, the effect of the credit risk mitigation is incorporated into the internal risk parameters of PD or LGD depending on the nature of the guarantees and collateral for calculating the risk exposures.

本集團所用信貸風險緩釋工具（用作資本計算的認可抵押品和認可擔保）的信貸風險集中性和市場風險集中性處於低水平。

The credit and market risk concentrations within the credit risk mitigation (recognised collateral and guarantees for capital calculation) used by the Group are under a low level.

截至報告日，在計算資本時，除了與有效雙邊淨額結算協議有關的衍生交易外，本集團並無使用任何其他資產負債表內或資產負債表外認可淨額計算作為信貸風險緩釋工具。本集團亦無使用任何認可信貸衍生工具合約作為信貸風險緩釋工具。

Up to the date of report, for capital calculation, except derivatives subject to valid bilateral netting agreements, the Group has not used any other on-balance sheet or off-balance sheet recognised netting for credit risk mitigation. The Group also has not used any recognised credit derivative contracts for credit risk mitigation.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.1 內部評級系統及風險組成部分 (續)

3.1 The internal rating systems and risk components (continued)

(D) 內部評級系統控制機制

(D) The control mechanisms used for internal rating systems

本集團已建立了一套完善的控制機制，以確保評級系統（包括在日常業務流程使用風險組成部分以評估信貸風險）的完整性、準確性和一致性。

The Group has established a comprehensive control mechanism to ensure the integrity, accuracy and consistency of the rating systems including the processes for using the risk components in the day-to-day business to assess credit risk.

信貸管理委員會及董事會轄下的風險管理委員會審批所有內部評級基準計算法的風險計量模型。

All of IRB risk models are approved by the Credit and Loans Management Committee and Risk Management Committee of the Board.

未經審核之 **Unaudited Supplementary Financial Information (continued)** 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)**

3.1 內部評級系統及風險組成部分 (續) **3.1 The internal rating systems and risk components (continued)**

(D) 內部評級系統控制機制 (續)

為使風險評級結果達到合理、準確的程度，本集團建立了獨立於營銷和市場推廣單位的評級審批程序。由於內部評級是信貸決策的重要因素，故已實施監控機制以確保評級的完整性、準確性和一致性。對於批發類（企業及銀行）信貸組合，內部評級結果通常由獨立於營銷和市場推廣的信貸審核人員負責審批。個別交易在金額小和信貸風險低的情況下，信貸評級則由銷售和市場推廣單位負責評級核定及批准，並由風險管理單位定期進行貸後檢查。

零售組合的評級確定和風險量化過程高度自動化。作為日常信貸評估過程的組成部分，自動評級所需輸入數據的準確性和完整性由獨立於業務拓展功能的單位負責核實。

根據本集團信貸風險政策，債務人評級至少每年進行重檢。在債務人發生信貸事件的情況下，根據本集團信貸風險政策，須立即進行評級重檢。

(D) The control mechanisms used for internal rating systems (continued)

In order to achieve reasonably accurate risk ratings assignment, the Group has established a rating approval process which is independent from the sales and marketing units. Since internal rating is one of the key inputs to credit decision making, a control mechanism is put in place to ensure the integrity, accuracy and consistency of the rating assignment. For the wholesale (corporate and bank) credit portfolio, internal ratings are normally approved by credit officers who are functionally separated from the sales and marketing units. In some cases where the transactions are in small amount and of low credit risk, the credit ratings can be assigned and approved by the sales and marketing units, subject to the periodic post-approval review of ratings by Risk Management units.

The rating assignment and risk quantification process of retail portfolio are highly automated. As an integral part of the daily credit assessment process, the accuracy and completeness of data input for automatic rating assignment are verified by units independent from business development function.

The obligor rating is reviewed at least annually as required by the Group's credit risk policy. When credit events occur to the obligor, rating review is triggered promptly in accordance with the Group's credit risk policy.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)**3.1 內部評級系統及風險組成部分 (續)****3.1 The internal rating systems and risk components (continued)****(D) 內部評級系統控制機制 (續)****(D) The control mechanisms used for internal rating systems (continued)**

本集團設定了評級推翻程序，允許信貸分析員考慮評級模型中未能包括的其他相關信貸信息，但從保守及謹慎原則出發，通過評級推翻程序調低債務人評級的幅度不設下限，但調升評級的幅度則有限制，最多不超過2個子級別，且調升理據須限制在事先設定的適當理由清單之內。所有推翻評級需由更高一級的信貸審批授權人簽認。內部評級政策設定評級推翻觸動點為評級個案的10%。模型維護單位將評級推翻的使用和推翻原因的分析作為檢查內部評級模型表現的一部分。

Rating override is designed to allow credit analyst to include any other relevant credit information that has not yet been captured by rating models. For reasons of conservatism and prudential considerations, overrides are unlimited in terms of downgrades but more restricted for upgrades. All upgrades will be limited to a maximum of two sub-grades supported by a very narrowly pre-defined list of appropriate reasons. All overrides need to be signed off by a higher level of credit approval authority. The internal rating policy sets a trigger point of 10% overrides on rating cases. The use of overrides and override reasons are analysed by the model maintenance unit as part of performance review on IRB rating models.

本集團對內部評級系統的表現進行持續定期監察。管理層定期審查內部評級系統的表現及預測能力。內部評級系統及程序的有效性由獨立管控單位負責。模型維護單位對內部評級系統的識別能力、準確性及穩定性進行評估，而模型驗證單位對內部評級系統作全面檢查。內部審計對內部評級系統和相關的信貸風險管控部門的運作進行檢討，檢查結果定期向董事會和管理層匯報。

The performance of internal rating system is put under ongoing periodic monitoring. The Management periodically reviews the performance and predictive ability of the internal rating system. The effectiveness of the internal rating system and processes are reviewed by independent control functions. The model maintenance unit conducts assessment on the discriminatory power, accuracy and stability of the rating systems while the validation unit performs comprehensive review of the internal rating system. Internal audit reviews the internal rating system and the operations of the related credit risk control units. The results of the review are reported to the Board and the Management regularly.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.1 內部評級系統及風險組成部分 (續)

3.1 The internal rating systems and risk components (continued)

(D) 內部評級系統控制機制 (續)

(D) The control mechanisms used for internal rating systems (continued)

模型驗證團隊獨立於模型開發單位和評級單位，定期利用定性和定量分析進行模型驗證。本集團制定了模型驗收標準以確保評級系統的識別能力、準確性和穩定性符合監管及管理要求。如模型表現能力大幅下降至超出預設容忍限度，則會啟動評級模型重檢。

A model validation team which is independent from the model development unit and rating assignment units, conducts periodic model validations using both qualitative and quantitative analysis. Model acceptance standards are established to ensure the discriminatory power, accuracy and stability of the rating systems meet regulatory and management requirements. Review of a rating model will be triggered if the performance of the model deteriorates materially against pre-determined tolerance limit.

(E) 減值準備方法

(E) Approach for determining provisions

減值準備方法與本集團會計政策一致，詳情請見財務報表附註2.14「金融資產減值」。

The approach in determining provisions is in line with the Group's accounting policies. For details, please refer to Note 2.14 "Impairment of financial assets" to the Financial Statements.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)
3.2 內部評級基準計算法下的風險承擔
3.2 Exposures by IRB calculation approach

下表列示本集團除證券化類別風險承擔外採用各種內部評級基準計算法計算的風險承擔(包括資產負債表內及資產負債表外的違約風險承擔)。

The tables below show the Group's exposures other than securitisation exposures (including the EAD of on-balance sheet exposures and off-balance sheet exposures) by each IRB calculation approach.

		2016				
		基礎內部 評級基準 計算法 FIRB Approach	監管分類 準則計算法 Supervisory Slotting Criteria Approach	零售內部 評級基準 計算法 Retail IRB Approach	特定風險 權重計算法 Specific Risk-weight Approach	總風險承擔 Total exposures
		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
企業	Corporate	174,662,875	817,797	-	-	175,480,672
銀行	Bank	104,772,723	-	-	-	104,772,723
零售	Retail					
個人及空殼公 司住宅按揭 貸款	Residential mortgages to individuals and property- holding shell companies	-	-	14,163,528	-	14,163,528
合資格循環 零售	Qualifying revolving retail	-	-	-	-	-
其他個人零售	Other retail to individuals	-	-	10,599,737	-	10,599,737
零售小企業	Small business retail	-	-	1,827,857	-	1,827,857
其他	Others	-	-	-	8,578,906	8,578,906
		279,435,598	817,797	26,591,122	8,578,906	315,423,423

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下 3. Credit risk under the internal ratings-based approach (continued)
 的信貸風險 (續)

3.2 內部評級基準計算法下 3.2 Exposures by IRB calculation approach (continued)
 的風險承擔 (續)

		2015				
		基礎內部 評級基準 計算法 FIRB Approach 港幣千元 HK\$'000	監管分類 準則計算法 Supervisory Slotting Criteria Approach 港幣千元 HK\$'000	零售內部 評級基準 計算法 Retail IRB Approach 港幣千元 HK\$'000	特定風險 權重計算法 Specific Risk-weight Approach 港幣千元 HK\$'000	總風險承擔 Total exposures 港幣千元 HK\$'000
企業	Corporate	140,842,881	971,346	-	-	141,814,227
銀行	Bank	98,528,118	-	-	-	98,528,118
零售	Retail					
個人及空殼公 司住宅按揭 貸款	Residential mortgages to individuals and property- holding shell companies	-	-	13,506,028	-	13,506,028
合資格循環 零售	Qualifying revolving retail	-	-	-	-	-
其他個人零售	Other retail to individuals	-	-	8,892,267	-	8,892,267
零售小企業	Small business retail	-	-	1,890,509	-	1,890,509
其他	Others	-	-	-	12,405,053	12,405,053
		239,370,999	971,346	24,288,804	12,405,053	277,036,202

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)
3.3 內部評級基準計算法下監管規定估算的風險承擔
3.3 Exposures subject to supervisory estimates under the IRB approach

下表列示本集團採用內部評級基準計算法下受監管規定估算的總違約風險承擔 (包括監管分類準則計算法下的專門性借貸)。

The table below shows the total EAD of the Group's exposures subject to supervisory estimates under the use of IRB approach (including the specialised lending subject to the supervisory slotting criteria approach).

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
企業	Corporate	175,480,672	141,814,227
銀行	Bank	104,772,723	98,528,118
其他	Others	8,578,906	12,405,053
		288,832,301	252,747,398

3.4 受信貸風險緩釋工具保障的風險承擔
3.4 Exposures covered by credit risk mitigation used
(A) 受認可抵押保障的風險承擔
(A) Exposures covered by recognised collateral

下表列示本集團採用基礎內部評級基準計算法下，並按照《銀行業 (資本) 規則》的規定作出扣減後受認可抵押保障的風險承擔 (已計及任何資產負債表內或資產負債表外認可淨額計算法的影響)。此等風險承擔並不包括證券融資交易及衍生工具合約。

The table below shows the Group's exposures under the use of FIRB approach (after the effect of any on-balance sheet or off-balance sheet recognised netting) which are covered by recognised collateral after the application of haircuts required under the Banking (Capital) Rules. These exposures exclude securities financing transactions and derivative contracts.

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
企業	Corporate	27,000,557	26,051,399
銀行	Bank	355,873	6,931
		27,356,430	26,058,330

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.4 受信貸風險緩釋工具保障的風險承擔 (續) 3.4 Exposures covered by credit risk mitigation used (continued)

(B) 受認可擔保保障的風險承擔

下表列示本集團按照《銀行業(資本)規則》的規定作出扣減後受認可擔保保障的風險承擔(已計及任何資產負債表內或資產負債表外認可淨額計算法的影響)。此等風險承擔並不包括證券融資交易及衍生工具合約。

(B) Exposures covered by recognised guarantees

The table below shows the Group's exposures (after the effect of any on-balance sheet or off-balance sheet recognised netting) which are covered by recognised guarantees after the application of haircuts required under the Banking (Capital) Rules. These exposures exclude securities financing transactions and derivative contracts.

		2016	2015
		港幣千元	港幣千元
		HK\$'000	HK\$'000
企業	Corporate	42,716,697	29,319,782
銀行	Bank	3,842,178	6,031,455
		46,558,875	35,351,237

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)**

3.5 內部評級基準計算法下企業及銀行風險承擔的風險評估

3.5 Risk assessment for corporate and bank exposures under IRB approach

下表列示本集團於 12 月 31 日各債務人等級的風險承擔加權平均風險權重和風險承擔加權平均違約概率之企業及銀行總違約風險承擔。

The tables below detail the Group's total EAD of corporate and bank exposures by exposure-weighted average risk-weight and exposure-weighted average PD for each obligor grade as at 31 December.

以下企業及銀行之違約風險承擔及違約概率已計及認可抵押、認可淨額計算及認可擔保的影響，而本集團並無任何認可信貸衍生工具合約。

The EAD and PD disclosed below in respect of corporate and bank exposures have taken into account the effect of recognised collateral, recognised netting and recognised guarantees. The Group did not have any recognised credit derivative contracts.

有關各債務人等級的定義，請見第 246 頁。

For definition of each obligor grade, please refer to page 246.

(A) 企業風險承擔 (不包括採用監管分類準則計算法的專門性借貸)

(A) Corporate exposures (other than specialised lending under supervisory slotting criteria approach)

內部信貸級別	Internal Credit Grades	2016		
		違約風險承擔 Exposure at default 港幣千元 HK\$'000	風險承擔加權 平均風險權重 Exposure- weighted average risk-weight %	風險承擔加權 平均違約概率 Exposure- weighted average PD %
級別 1	Grade 1	-	0.00	0.00
級別 2	Grade 2	2,265,603	15.85	0.04
級別 3	Grade 3	19,224,777	25.64	0.07
級別 4	Grade 4	48,413,585	46.51	0.26
級別 5	Grade 5	78,263,927	82.94	1.16
級別 6	Grade 6	25,432,073	108.62	4.13
級別 7	Grade 7	412,209	209.78	24.93
級別 8 / 違約	Grade 8/Default	650,701	39.73	100.00
		174,662,875		

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下 3. Credit risk under the internal ratings-based approach (continued)
 的信貸風險 (續)

3.5 內部評級基準計算法下企
 業及銀行風險承擔的風險
 評估 (續)

3.5 Risk assessment for corporate and bank exposures under IRB approach (continued)

(A) 企業風險承擔 (不包
 括採用監管分類準則
 計算法的專門性借
 貸) (續)

(A) Corporate exposures (other than specialised lending under supervisory slotting
 criteria approach) (continued)

內部信貸級別	Internal Credit Grades	2015		
		違約風險承擔 Exposure at default 港幣千元 HK\$'000	風險承擔加權 平均風險權重 Exposure- weighted average risk-weight %	風險承擔加權 平均違約概率 Exposure- weighted average PD %
級別 1	Grade 1	-	0.00	0.00
級別 2	Grade 2	295,203	18.44	0.03
級別 3	Grade 3	14,642,595	26.12	0.07
級別 4	Grade 4	40,599,750	44.25	0.25
級別 5	Grade 5	72,146,362	77.07	1.09
級別 6	Grade 6	12,487,428	105.51	4.95
級別 7	Grade 7	82,519	194.25	28.48
級別 8 / 違約	Grade 8/Default	589,024	95.56	100.00
		<u>140,842,881</u>		

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)**

3.5 內部評級基準計算法下企業及銀行風險承擔的風險評估 (續)

3.5 Risk assessment for corporate and bank exposures under IRB approach (continued)

(B) 企業風險承擔 (採用監管分類準則計算法的專門性借貸)

(B) Corporate exposures (specialised lending under supervisory slotting criteria approach)

監管評級級別	Supervisory Rating Grades	2016		2015	
		違約風險承擔 Exposure at default 港幣千元 HK\$'000	風險承擔加權 平均風險權重 Exposure- weighted average risk-weight %	違約風險承擔 Exposure at default 港幣千元 HK\$'000	風險承擔加權 平均風險權重 Exposure- weighted average risk-weight %
優	Strong	257,259	61.69	443,946	60.96
良	Good	72,342	75.24	527,400	88.30
尚可	Satisfactory	488,196	115.00	-	0.00
欠佳	Weak	-	0.00	-	0.00
違約	Default	-	0.00	-	0.00
		817,797		971,346	

專門性借貸的監管評級級別及風險權重乃根據《銀行業(資本)規則》第 158 條的規定而釐定。

The supervisory rating grades and risk-weights of specialised lending are determined in accordance with section 158 of the Banking (Capital) Rules.

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下 3. Credit risk under the internal ratings-based approach (continued)
 的信貸風險 (續)

3.5 內部評級基準計算法下企 3.5 Risk assessment for corporate and bank exposures under IRB approach (continued)
 業及銀行風險承擔的風險
 評估 (續)

(C) 銀行風險承擔

(C) Bank exposures

		2016		
		風險承擔加權 平均風險權重		風險承擔加權 平均違約概率
內部信貸級別	Internal Credit Grades	違約風險承擔 Exposure at default 港幣千元 HK\$'000	Exposure- weighted average risk-weight %	Exposure- weighted average PD %
級別 1	Grade 1	-	0.00	0.00
級別 2	Grade 2	8,442,503	22.21	0.04
級別 3	Grade 3	53,445,806	29.12	0.06
級別 4	Grade 4	34,719,232	56.19	0.22
級別 5	Grade 5	7,809,309	84.12	0.81
級別 6	Grade 6	-	0.00	0.00
級別 7	Grade 7	355,873	0.00	18.00
級別 8 / 違約	Grade 8/Default	-	0.00	0.00
		104,772,723		
		2015		
		風險承擔加權 平均風險權重		風險承擔加權 平均違約概率
內部信貸級別	Internal Credit Grades	違約風險承擔 Exposure at default 港幣千元 HK\$'000	Exposure- weighted average risk-weight %	Exposure- weighted average PD %
級別 1	Grade 1	-	0.00	0.00
級別 2	Grade 2	14,541,766	22.47	0.04
級別 3	Grade 3	48,928,810	28.33	0.06
級別 4	Grade 4	31,425,420	55.79	0.23
級別 5	Grade 5	3,632,122	73.09	0.79
級別 6	Grade 6	-	0.00	0.00
級別 7	Grade 7	-	0.00	0.00
級別 8 / 違約	Grade 8/Default	-	0.00	0.00
		98,528,118		

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下 3. Credit risk under the internal ratings-based approach (continued)
 的信貸風險 (續)

3.6 內部評級基準計算法下零售風險承擔的風險評估

下表列示於 12 月 31 日按預期損失百分比組合的零售風險承擔。

3.6 Risk assessment for retail exposures under IRB approach

The tables below show breakdown of retail exposures on a pool basis by expected loss percentage (EL%) range as at 31 December.

住宅按揭貸款

Residential mortgages

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
最多至1%	Up to 1%	14,140,049	13,474,453
>1%	>1%	15,697	29,401
違約	Default	7,782	2,174
		14,163,528	13,506,028

合資格循環零售

Qualifying revolving retail

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
最多至10%	Up to 10%	-	-
>10%	>10%	-	-
違約	Default	-	-
		-	-

其他個人零售

Other retail to individuals

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
最多至2%	Up to 2%	9,813,941	8,665,952
>2%	>2%	784,595	220,943
違約	Default	1,201	5,372
		10,599,737	8,892,267

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下零售風險承擔的信貸風險 (續) **3. Credit risk under the internal ratings-based approach (continued)**

3.6 內部評級基準計算法下零售風險承擔的風險評估 (續) **3.6 Risk assessment for retail exposures under IRB approach (continued)**

零售小企業	Small business retail	2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
最多至1%	Up to 1%	1,757,092	1,823,740
>1%	>1%	28,575	23,344
違約	Default	42,190	43,425
		1,827,857	1,890,509

3.7 實際損失及估算值的分析 **3.7 Analysis of actual loss and estimates**

下表按風險承擔類別列示實際損失。實際損失是指年內內部評級基準計算法下各個風險承擔類別提撥的淨撥備（包括撇銷及個別評估減值準備）。

The table below shows the actual losses broken down by class of risk exposure, which represent the net charges (including write-offs and individually assessed impairment allowances) made by each class of exposures under the internal ratings-based approach for the year.

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
企業	Corporate	474,854	761,668
銀行	Bank	-	-
個人及空殼公司住宅按揭貸款	Residential mortgages to individuals and property-holding shell companies	-	-
合資格循環零售	Qualifying revolving retail	-	-
其他個人零售	Other retail to individuals	(551)	829
零售小企業	Small business retail	(9,042)	16,365
		465,261	778,862

企業暴露貸款減值撥備的減少，主要因2016年之新增特定分類貸款或減值貸款金額減少。

Decrease in the loan impairment charge of corporate exposures was mainly due to the decrease in the amount of new classified or impaired loans in 2016.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.7 實際損失及估算值的分析 (續)

3.7 Analysis of actual loss and estimates (continued)

下表按風險承擔類別列示預期損失。預期損失是指債務人就有關風險承擔於一年期內可能因違約引致的估計損失。

The table below shows the expected loss broken down by class of risk exposure, which is the estimated loss likely to be incurred arising from the potential default of the obligors in respect of the exposure over a one-year period.

		2015 年 12 月 31 日	2014 年 12 月 31 日
		預期損失	預期損失
		Expected loss	Expected loss
		at 31 December	at 31 December
		2015	2014
		港幣千元	港幣千元
		HK\$'000	HK\$'000
企業	Corporate	1,366,578	999,302
銀行	Bank	76,536	58,265
個人及空殼公司住宅按揭 貸款	Residential mortgages to individuals and property-holding shell companies	4,685	5,018
合資格循環零售	Qualifying revolving retail	-	-
其他個人零售	Other retail to individuals	53,126	45,257
零售小企業	Small business retail	14,843	29,691
		1,515,768	1,137,533

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.7 實際損失及估算值的分析 (續) 3.7 Analysis of actual loss and estimates (continued)

下表是各組合的實際違約率與估算違約概率的對比。

The tables below set out the actual default rate compared against the estimated PD of the respective portfolio.

		2016 年間 實際違約率 Actual default rate during 2016 %	2015 年 12 月 31 日 估算違約概率 Estimated PD at 31 December 2015 %
企業	Corporate	0.65	1.73
銀行	Bank	-	0.29
個人及空殼公司住宅按揭 貸款	Residential mortgages to individuals and property-holding shell companies	0.05	0.48
合資格循環零售	Qualifying revolving retail	-	-
其他個人零售	Other retail to individuals	0.28	0.78
零售小企業	Small business retail	1.11	1.11

		2015 年間 實際違約率 Actual default rate during 2015 %	2014 年 12 月 31 日 估算違約概率 Estimated PD at 31 December 2014 %
企業	Corporate	1.68	1.90
銀行	Bank	-	0.25
個人及空殼公司住宅按揭 貸款	Residential mortgages to individuals and property-holding shell companies	0.02	0.52
合資格循環零售	Qualifying revolving retail	-	-
其他個人零售	Other retail to individuals	0.17	0.77
零售小企業	Small business retail	1.14	1.31

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

3. 內部評級基準計算法下的信貸風險 (續) 3. Credit risk under the internal ratings-based approach (continued)

3.7 實際損失及估算值的分析 (續)

3.7 Analysis of actual loss and estimates (continued)

預期損失和實際損失採用不同的方法進行量度和計算，以符合相關的監管規定和會計準則，因此未必可作直接比較。此限制主要源於對「損失」的定義的基本差異。預期損失在巴塞爾資本協定是測算債務人違約的潛在經濟損失，並已考慮金錢的時間值及包括催收過程中與收回信貸風險承擔相關的直接及間接成本；而實際損失是指於年度內根據會計準則按個別評估計算的減值準備淨撥備及核銷。

實際違約率的量度是使用違約的債務人數目(批發風險承擔)或賬戶數目(零售風險承擔)；而估算違約率則是一個經濟週期的長期平均違約率的估算，並從評級日預計一年期內的預期違約率。

因此，由於經濟情況圍繞週期性平均水平而上下波動，某年的(「特定時點」)實際違約率通常會不同於貫穿週期的估算違約率。

各資產類別的估算違約率較實際違約率保守。

It should be noted that expected loss and actual loss are measured and calculated using different methodologies compliant with relevant regulatory and accounting standards, which therefore may not be directly comparable. The limitation arises mainly from the fundamental differences in the definition of "loss". The expected loss under Basel Accord which estimates the economic loss arising from the potential default of the obligor by taking into account the time value of money and including the direct and indirect costs associated with the recoveries on the credit exposures during the workout process, while actual loss is the net charge of individually assessed impairment allowances and write-offs made during the year in accordance with the accounting standards.

The actual default rate is measured by using the number of obligors (for wholesale exposures) or number of accounts (for retail exposures) defaulted whereas the estimated PD is an estimate of the long run average default rate over an economic cycle and is the estimated one-year forward-looking PD from the date of rating assignment.

Hence, actual default rate in a particular year ("point-in-time") will typically differ from the estimated PD which is the "through-the-cycle" estimates as economies move above or below the cyclical norms.

The estimated PD is more conservative than the actual default rate for all asset classes.

4. 標準 (信貸風險) 計算法下的信貸風險 **4. Credit risk under the standardised (credit risk) approach****4.1 外部信貸評估機構(ECAI) 評級的使用**

本集團採用標準 (信貸風險) 計算法並以外部信用評級為依據, 確定經金管局審批同意豁免使用基礎內部評級基準計算法之小部分信貸風險承擔以及以下資產分類之風險承擔的信貸風險權重:

- 官方實體
- 公營單位
- 多邊發展銀行

本集團按《銀行業 (資本) 規則》第 4 部分規定的對應標準, 使用外部信貸評估機構發行人評級對應銀行賬的風險承擔。本集團認可的外部信貸評估機構包括標準普爾、穆迪和惠譽。

4.2 信貸風險緩釋

對於採用標準 (信貸風險) 計算法的信貸風險承擔, 非逾期風險承擔的主要認可抵押品類型包括現金存款、債務證券及股票。此外, 房地產可作為逾期信貸風險承擔的認可抵押品。本集團對認可抵押品的處理符合《銀行業 (資本) 規則》中綜合法計算信貸風險緩釋效應的要求。按標準 (信貸風險) 計算法計算信貸風險承擔資本要求時, 認可擔保人包括由風險權重較交易對手低的官方實體、公營單位、多邊發展銀行或已被豁免使用基礎內部評級基準計算信貸風險承擔範圍內的銀行及具有外部信貸評估機構發行人評級的企業。此外, 以認可淨額計算的信貸風險緩釋包括具有有效雙邊淨額結算協議的衍生工具交易。

4.1 Use of ratings from External Credit Assessment Institutions ("ECAI")

The Group adopts STC approach based on external credit rating to determine the risk weight of the small residual credit exposures that was approved by the HKMA to be exempted from FIRB approach and the following asset classes of exposures:

- Sovereign
- Public sector entity
- Multilateral development bank

The Group performs the ECAI issuer ratings mapping to its exposures in banking book in accordance with Part 4 of the Banking (Capital) Rules. The ECAIs recognised by the Group include Standard & Poor's, Moody's and Fitch.

4.2 Credit risk mitigation

For credit exposures adopting STC approach, the main types of recognised collateral include cash deposits, debt securities and equities for non-past due exposures. In addition, real estate collateral is also recognised for past due exposures. The treatment of recognised collateral is compliant with the comprehensive approach for credit risk mitigation as mentioned in the Banking (Capital) Rules. For credit exposures under STC approach, the recognised guarantees for capital calculation include the guarantees given by sovereigns, public sector entities, multilateral development banks, or banks and corporates with ECAI issuer ratings both exempted from FIRB approach for credit exposures, that have lower risk weights than the counterparty. Besides, the recognised netting for credit risk mitigation includes derivatives subject to valid bilateral netting agreements.

未經審核之 Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

4. 標準 (信貸風險) 計算法下的信貸風險 (續) 4. Credit risk under the standardised (credit risk) approach (continued)

4.3 除證券化類別風險承擔外標準 (信貸風險) 計算法下的信貸風險承擔 4.3 Credit risk exposures other than securitisation exposures under the standardised (credit risk) approach

		2016					認可抵押品	認可擔保
		信貸風險 緩釋後金額*		風險加權數額		涵蓋部分	涵蓋部分	
		Exposures after CRM*		Risk-weighted amount		Total	Total	
風險承擔 總額		獲評級	不獲評級	獲評級	不獲評級	exposures covered by	exposures covered by	
Total exposures		Rated	Unrated	Rated	Unrated	recognised collateral	recognised guarantees	
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	
資產負債表內風險承擔	On-balance sheet exposures							
官方實體	Sovereigns	39,780,312	39,780,312	-	332,470	-	-	
公營單位	Public sector entities	2,796,228	2,800,385	-	538,086	-	-	
多邊發展銀行	Multilateral development banks	1,924,311	1,924,311	-	-	-	-	
銀行	Banks	4,151	4,151	-	830	-	-	
證券公司	Securities firms	-	-	-	-	-	-	
企業	Corporates	2,905,378	-	2,874,404	-	2,874,404	30,974	
現金項目	Cash items	-	-	-	-	-	-	
監管零售	Regulatory retail	1,942,218	-	1,880,714	-	1,410,536	61,504	
住宅按揭貸款	Residential mortgage loans	14,206,562	-	14,200,162	-	7,100,081	2,243	
							4,157	
不屬逾期的其他風險 承擔	Other exposures which are not past due	449,072	-	310,772	-	319,923	138,300	
逾期風險承擔	Past due exposures	81,301	-	81,301	-	100,081	43,741	
資產負債表內風險承擔 總額	Total on-balance sheet exposures	64,089,533	44,509,159	19,347,353	871,386	11,805,025	276,762	
資產負債表外風險承擔	Off-balance sheet exposures							
除證券融資交易及衍 生工具合約外的資 產負債表外風險承 擔	Off-balance sheet exposures other than securities financing transactions and derivative contracts	541,371	199,557	341,814	39,911	315,568	-	
證券融資交易及衍生 工具合約	Securities financing transactions and derivative contracts	256,076	-	256,076	-	10,419	245,392	
資產負債表外風險承擔 總額	Total off-balance sheet exposures	797,447	199,557	597,890	39,911	325,987	245,392	
非證券化類別風險承擔 總額	Total non-securitisation exposures	64,886,980	44,708,716	19,945,243	911,297	12,131,012	522,154	
1,250%風險權重的風 險承擔總額	Exposures that are risk-weighted at 1,250%	-	-	-	-	-	-	

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

4. 標準 (信貸風險) 計算法下的信貸風險 (續) **4. Credit risk under the standardised (credit risk) approach (continued)**

4.3 除證券化類別風險承擔外標準 (信貸風險) 計算法下的信貸風險承擔 (續) **4.3 Credit risk exposures other than securitisation exposures under the standardised (credit risk) approach (continued)**

		2015					認可抵押品	認可擔保
		信貸風險 緩釋後金額*		風險加權數額		涵蓋部分	涵蓋部分	
		Exposures after CRM*		Risk-weighted amount		Total	Total	
風險承擔		獲評級	不獲評級	獲評級	不獲評級	exposures	exposures	
總額		Rated	Unrated	Rated	Unrated	covered by	covered by	
Total		港幣千元	港幣千元	港幣千元	港幣千元	recognised	recognised	
exposures		HK\$'000	HK\$'000	HK\$'000	HK\$'000	collateral	guarantees	
資產負債表內風險承擔	On-balance sheet exposures							
官方實體	Sovereigns	34,997,144	35,070,486	-	571,753	-	-	
公營單位	Public sector entities	1,648,325	1,578,161	-	137,507	-	73,342	
多邊發展銀行	Multilateral development banks	1,500,101	1,500,101	-	-	-	-	
銀行	Banks	159,679	159,679	-	32,873	-	-	
證券公司	Securities firms	-	-	-	-	-	-	
企業	Corporates	7,200,215	7,181,808	-	7,181,808	18,407	-	
現金項目	Cash items	442	442	-	-	-	-	
監管零售	Regulatory retail	2,117,320	2,036,780	-	1,527,585	80,540	-	
住宅按揭貸款	Residential mortgage loans	12,166,871	12,163,694	-	6,081,847	-	3,177	
不屬逾期的其他風險承擔	Other exposures which are not past due	396,777	278,248	-	287,398	118,529	-	
逾期風險承擔	Past due exposures	84,207	84,207	-	109,117	34,387	-	
資產負債表內風險承擔總額	Total on-balance sheet exposures	60,271,081	38,308,427	21,745,179	742,133	15,187,755	251,863	
資產負債表外風險承擔	Off-balance sheet exposures							
除證券融資交易及衍生工具合約外的資產負債表外風險承擔	Off-balance sheet exposures other than securities financing transactions and derivative contracts	472,850	99,480	373,370	19,896	339,192	-	
證券融資交易及衍生工具合約	Securities financing transactions and derivative contracts	16,506	-	16,506	-	13,371	-	
資產負債表外風險承擔總額	Total off-balance sheet exposures	489,356	99,480	389,876	19,896	352,563	-	
非證券化類別風險承擔總額	Total non-securitisation exposures	60,760,437	38,407,907	22,135,055	762,029	15,540,318	251,863	
1,250%風險權重的風險承擔總額	Exposures that are risk-weighted at 1,250%	-	-	-	-	-	-	

* 認可信貸風險緩釋符合《銀行業 (資本) 規則》訂定的要求及條件。
 * Recognised credit risk mitigation satisfying the requirements and conditions set out in the Banking (Capital) Rules.

5. 交易對手信貸風險相關承擔**5. Counterparty credit risk-related exposures**

本集團在交易賬及銀行賬下來自衍生工具合約及證券融資交易之交易對手信貸風險的風險管理架構，與財務報表附註 4 所述一致。本集團通過一般信貸審批程序核定交易對手之信貸額度以控制衍生工具交易結算前信貸風險，及結算額度以控制在交易賬及銀行賬下與外匯交易有關的結算風險。本集團採用現行風險承擔及潛在風險承擔方法監察因市場變動產生風險承擔。風險管理單位密切和及時地識別與監控任何例外及超額情況。

The Group's counterparty credit risk arising from derivative contracts and securities financing transactions both in trading and banking book is subject to the same risk management framework as mentioned in Note 4 to the Financial Statements. The Group establishes credit limit of counterparties through formal credit approval procedures to control the pre-settlement credit risk arising from derivative transactions and settlement limit to control the settlement risk arising from foreign exchange-related transactions for counterparties in both the trading book and banking book. The Group monitors the risk exposure due to fluctuations in the market by using the current exposure and the potential exposure value of the transactions. Exceptions or excesses are timely and closely identified and monitored by risk management units.

交易對手信貸風險承擔的信貸等值數額及資本要求按監管資本規定而決定。目前，本集團採用現行風險承擔方法計量相關信貸等值數額，包括現行風險承擔和潛在風險承擔。相關交易對手違約風險資本要求按基礎內部評級基準計算法／標準（信貸風險）計算法計算。另外，本集團採用標準信貸估值調整方法，計算相關交易對手信貸估值調整資本要求。

Credit equivalent amount and capital charge for the relevant counterparty credit exposures are determined following the regulatory capital requirements. Currently, the Group has adopted the Current Exposure Method to measure the relevant credit equivalent amount, which comprises current exposures and potential future exposures. The relevant counterparty default risk capital charge is calculated under the FIRB/STC (credit risk) approach. In addition, the Group has adopted standardised credit valuation adjustment ("CVA") method to calculate the relevant counterparty CVA capital charge.

本集團已為證券融資交易下之抵押債務證券制定審慎的認可準則及抵押折扣率。

The Group establishes prudent eligibility criteria and haircut policy of debt securities being pledged as collateral for securities financing transactions.

本集團根據交易對手的違約概率及逾期時間制定了授信資產分類政策。若有客觀證據證明一項資產減值損失已出現，將根據香港財務報告準則及監管要求進行資產減值準備。

The Group formulates policy for classification of credit assets according to the PD of counterparties and the period of overdue. If there is objective evidence that an impairment loss has been incurred, impairment allowance will be provided according to HKFRS and regulatory requirements.

在錯向風險（交易對手的違約概率與由交易市價帶動的信貸風險承擔呈正向關係的風險）的管理與監察上，原則上不允許做存在特定錯向風險的交易，並制定措施透過壓力測試識別潛在一般錯向風險的交易對手進行監控。

In controlling and monitoring of wrong-way risk (risk of existence of positive correlation between the PD of a counterparty and credit exposures driven by mark-to-market value of the underlying transactions), specific wrong-way risk transactions are generally not allowed and monitoring measures have been formulated for those counterparties identified by stress testing that would be exposed to potential general wrong-way risk.

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

5. 交易對手信貸風險相關承擔 (續) 5. Counterparty credit risk-related exposures (continued)
**5.1 內部評級基準計算法下的
交易對手信貸風險承擔**
5.1 Counterparty credit risk exposures under the internal ratings-based approach

下表概述本集團採用現行風險承擔方法計算與對手進行證券融資交易及衍生工具合約所產生的風險承擔，並且沒有有效跨產品淨額結算協議的影響。

The following table summarises the Group's exposures to counterparty credit risk arising from securities financing transactions and derivative contracts calculated using the Current Exposure Method. There is no effect of valid cross-product netting agreements on these exposures.

		2016		2015	
		證券融資交易 Securities financing transactions	衍生工具合約 Derivative contracts	證券融資交易 Securities financing transactions	衍生工具合約 Derivative contracts
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
總正數公允值	Gross total positive fair value		543,088		373,984
已將有效雙邊淨額結算協議的影響計算在內之違約風險的風險承擔	Default risk exposures after the effect of valid bilateral netting agreements	941,587	1,040,952	2,384,183	686,116
減：認可抵押品	Less: Value of recognised collateral				
- 債券	- Debt securities	-	-	(339,774)	-
- 其他	- Others	(889,830)	(3)	(472,002)	-
已將有效雙邊淨額結算協議的影響計算在內之違約風險的扣減認可抵押品後風險承擔	Default risk exposures after the effect of valid bilateral netting agreements net of recognised collateral	51,757	1,040,949	1,572,407	686,116
以交易對手類別分類之違約風險的風險承擔	Default risk exposures by counterparty type				
企業	Corporate	-	91,683	-	70,209
銀行	Bank	941,587	949,269	2,384,183	615,907
		941,587	1,040,952	2,384,183	686,116
以交易對手類別分類之風險加權數額	Risk-weighted amounts by counterparty type				
企業	Corporate	-	104,036	-	63,226
銀行	Bank	30,951	335,746	683,839	184,081
		30,951	439,782	683,839	247,307
提供信貸保障的認可信貸衍生工具合約的名義數額	Notional amounts of recognised credit derivative contracts that provide credit protection	-	-	-	-

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

5. 交易對手信貸風險相關 5. Counterparty credit risk-related exposures (continued)
 承擔 (續)

**5.2 標準 (信貸風險) 計算法
下的交易對手信貸風險
承擔**
5.2 Counterparty credit risk exposures under the standardised (credit risk) approach

下表概述本集團採用現行風險承擔方法計算與對手進行衍生工具合約所產生的風險承擔，並且沒有有效跨產品淨額結算協議的影響。

The following table summarises the Group's exposures to counterparty credit risk arising from derivative contracts calculated using the Current Exposure Method. There is no effect of valid cross-product netting agreements on these exposures.

	2016		2015	
	證券融資交易 Securities financing transactions 港幣千元 HK\$'000	衍生工具合約 Derivative contracts 港幣千元 HK\$'000	證券融資交易 Securities financing transactions 港幣千元 HK\$'000	衍生工具合約 Derivative contracts 港幣千元 HK\$'000
總正數公允值		344,245		322,282
已將有效雙邊淨額結算協議的影響計算在內之違約風險的風險承擔	-	256,076	-	16,506
減：認可抵押品				
- 債券	-	-	-	-
- 其他	-	(245,392)	-	-
已將有效雙邊淨額結算協議的影響計算在內之違約風險的扣減認可抵押品後風險承擔	-	10,684	-	16,506

未經審核之 **Unaudited Supplementary Financial Information (continued)**
 補充財務資料 (續)

5. 交易對手信貸風險相關 5. Counterparty credit risk-related exposures (continued)
 承擔 (續)

5.2 標準 (信貸風險) 計算法 5.2 Counterparty credit risk exposures under the standardised (credit risk) approach
 下的交易對手信貸風險 (continued)
 承擔 (續)

		2016		2015	
		證券融資交易 Securities financing transactions 港幣千元 HK\$'000	衍生工具合約 Derivative contracts 港幣千元 HK\$'000	證券融資交易 Securities financing transactions 港幣千元 HK\$'000	衍生工具合約 Derivative contracts 港幣千元 HK\$'000
以交易對手類別分類之 違約風險的風險承擔	Default risk exposures by counterparty type				
官方實體	Sovereigns	-	-	-	-
公營單位	Public sector entities	-	-	-	-
企業	Corporates	-	9,341	-	3,948
監管零售	Regulatory retail	-	58,586	-	12,542
不屬逾期的其他風 險承擔	Other exposures which are not past due	-	188,149	-	16
逾期風險承擔	Past due exposures	-	-	-	-
		-	256,076	-	16,506
以交易對手類別分類之 風險加權數額	Risk-weighted amounts by counterparty type				
官方實體	Sovereigns	-	-	-	-
公營單位	Public sector entities	-	-	-	-
企業	Corporates	-	9,341	-	3,948
監管零售	Regulatory retail	-	797	-	9,407
不屬逾期的其他風 險承擔	Other exposures which are not past due	-	281	-	16
逾期風險承擔	Past due exposures	-	-	-	-
		-	10,419	-	13,371
提供信貸保障的認可信 貸衍生工具合約的名 義數額	Notional amounts of recognised credit derivative contracts that provide credit protection	-	-	-	-

未經審核之
補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

6. 資產證券化

6. Assets securitisation

本集團作為一家投資機構，於2016年12月31日並無資產證券化 (2015年：無)。

There was no assets securitisation for which the Group is an investing institution at 31 December 2016 (2015: Nil).

7. 市場風險資本要求

7. Capital charge for market risk

		2016	2015
		港幣千元 HK\$'000	港幣千元 HK\$'000
在標準 (市場風險) 計算法下	Under the standardised (market risk) approach		
外匯風險承擔 (淨額)	Foreign exchange exposures (net)	-	-
利率風險承擔	Interest rate exposures		
- 非證券化類別風險承擔	- Non-securitisation exposure	-	-
商品風險承擔	Commodity exposures	-	-
股權風險承擔	Equity exposures	-	-
在內部模式計算法下	Under the internal models approach		
外匯及利率的一般風險承擔	General foreign exchange and interest rate exposures	59,658	48,993
市場風險資本要求	Capital charge for market risk	59,658	48,993

未經審核之

Unaudited Supplementary Financial Information (continued)

補充財務資料 (續)

7. 市場風險資本要求 (續) 7. Capital charge for market risk (continued)

為符合《2011年銀行業(資本)(修訂)規則》，市場風險監管資本要求需包括計算受壓風險值資本要求。下表列出本集團以內部模式計算法計算一般市場風險持倉的內部模式計算法風險值及受壓風險值¹。

Market risk regulatory capital charge is calculated under the Banking (Capital) (Amendment) Rules 2011 to incorporate capital charge for stressed VAR. The following table sets out the IMM VAR and stressed VAR¹ for the general market risk exposure calculated under the IMM approach of the Group.

		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
外匯及利率風險之內部模式 計算法風險值	IMM VAR for foreign exchange and interest rate risk	2016	5,563	1,089	9,782	4,843
		2015	2,657	1,686	4,080	2,613
外匯風險之內部模式計算法 風險值	IMM VAR for foreign exchange risk	2016	5,524	1,185	9,558	4,633
		2015	2,644	1,299	4,355	2,608
利率風險之內部模式計算法 風險值	IMM VAR for interest rate risk	2016	921	201	3,457	1,020
		2015	370	89	810	353
外匯及利率風險之受壓風險 值	Stressed VAR for foreign exchange and interest rate risk	2016	10,523	6,044	40,128	14,869
		2015	15,020	4,740	32,445	16,227
外匯風險之受壓風險值	Stressed VAR for foreign exchange risk	2016	6,977	1,122	8,814	5,491
		2015	7,101	1,924	8,600	6,734
利率風險之受壓風險值	Stressed VAR for interest rate risk	2016	5,269	3,432	36,574	11,197
		2015	11,201	1,897	27,852	11,653

註：

1. 市場風險監管資本的內部模式計算法風險值及受壓風險值利用了99%置信水平及10天持有期來計算。受壓風險值採用與風險值模型相同的方法，利用集團組合在連續12個月壓力市況下的歷史市場數據來計算。

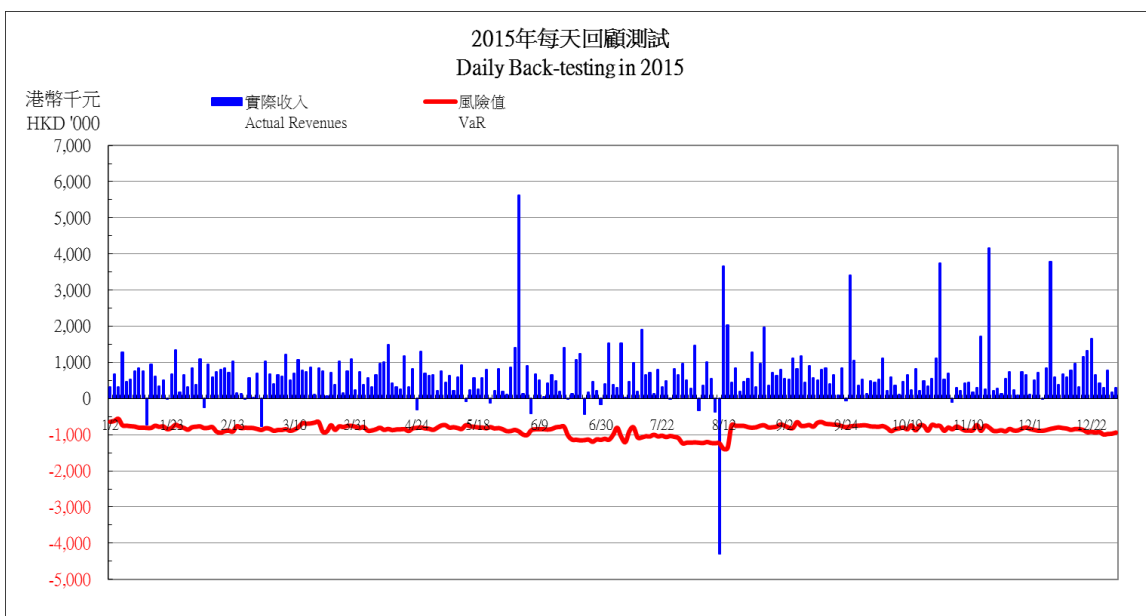
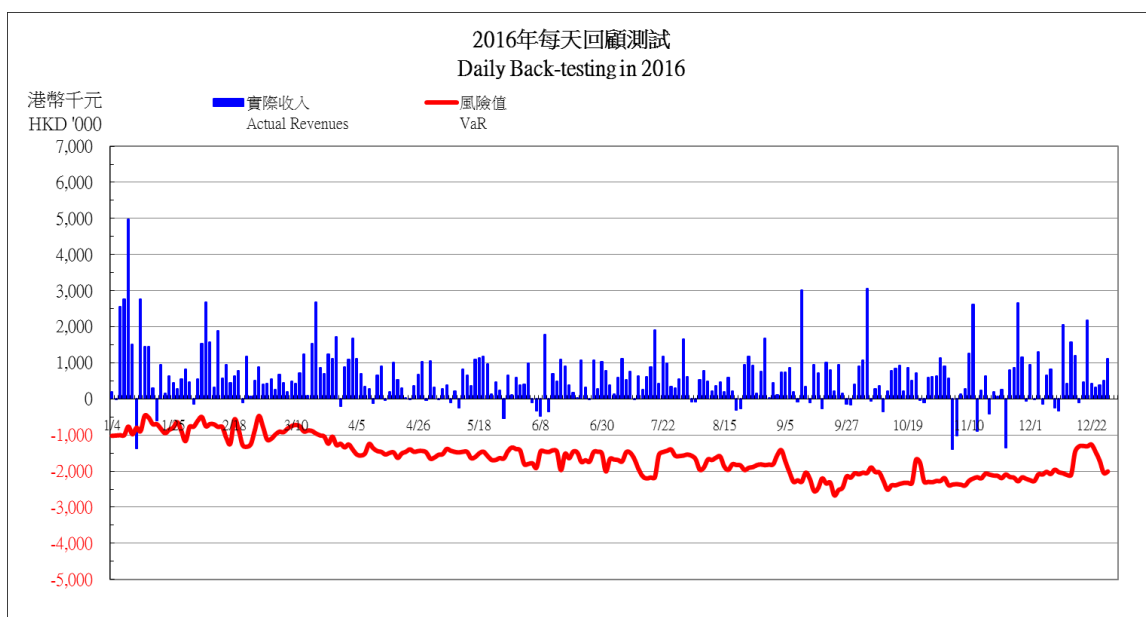
Note:

1. IMM VAR and stressed VAR measures used for market risk regulatory capital purposes are calculated to a 99% confidence level and use a 10-day holding period. The stressed VAR uses the same methodology as the VAR model and is generated with inputs calibrated to the historical market data from a continuous 12-month period of significant financial stress relevant to the Group's portfolio.

未經審核之 補充財務資料 (續) **Unaudited Supplementary Financial Information (continued)**

7. 市場風險資本要求 (續) 7. Capital charge for market risk (continued)

下圖列示內部模式計算法下的本集團市場風險的監管回顧測試結果。
The graphs below show the regulatory back-testing result of the Group's market risk under IMM approach.



2016 年內回顧測試結果顯示，本集團有一次實際交易損失超過風險值的情況 (2015 年：一次實際交易損失超過風險值)。

There was 1 actual loss exceeding the VAR for the Group in 2016 as shown in the back-testing results (2015:1 actual loss exceeding the VAR).

未經審核之
補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

8. 操作風險資本要求

8. Capital charge for operational risk

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
操作風險資本要求	Capital charge for operational risk	<u>1,010,377</u>	<u>980,405</u>

本集團採用標準（業務操作風險）計算法計算操作風險資本要求。

The Group uses the standardised (operational risk) approach to calculate its operational risk capital charge.

9. 銀行賬的股權風險承擔

9. Equity exposures in banking book

持有其他企業的股權乃是根據獲取該等股權的初始意圖入賬。因關係及策略性理由而持有的股權與因其他理由（包括資本增值）而持有的股權將以不同的分類入賬。擬持續持有的股權投資（不包括對聯營公司、合資企業或附屬公司的投資）歸類為可供出售證券，並於資產負債表內的「金融投資」列示。

Equity holdings in other entities are accounted for in accordance with the underlying intentions of holdings at the inception of acquisition. The classifications for equity holdings taken for relationship and strategic purposes will be separated from those taken for other purposes (including capital appreciation). Investments in equity shares which are intended to be held on a continuing basis, but which do not comprise investments in associates, joint venture or subsidiaries, are classified as available-for-sale securities and are reported in the balance sheet as "Financial investments".

本集團採用與詳列於財務報表附註 2.8(4)、2.11、2.12 和 2.14 相同之會計處理及估值方法處理銀行賬中除附屬公司以外的股權風險承擔，對其估值之進一步資料列示於財務報表附註 5.1 「以公允值計量的金融工具」。若其後增加對有關股權的投資，並引致一項股權投資成為聯營公司、合資企業或附屬公司，該項投資將會根據本集團的會計政策重新分類入賬。

For equity exposures in banking book other than subsidiaries, the Group applies the same accounting treatment and valuation methodologies as detailed in the Notes 2.8(4), 2.11, 2.12 and 2.14 to the Financial Statements, further details on their valuation are outlined in Note 5.1 "Financial instruments measured at fair value" to the Financial Statements. If additional investment is made subsequently such that an investee becomes an associate, joint venture or subsidiary, then the investment is reclassified in accordance with the Group's accounting policies.

與股權風險承擔有關之收益或虧損概述如下：

Gains or losses related to equity exposures are summarised below:

		<u>2016</u>	<u>2015</u>
		港幣千元	港幣千元
		HK\$'000	HK\$'000
出售產生的已實現收益	Realised gains from sales	<u>-</u>	<u>71,892</u>
於儲備而非收益表中確認之未實現重估收益	Unrealised gains on revaluation recognised in reserves but not through income statement	<u>3,847</u>	<u>4,363</u>

未經審核之 補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

10. 風險管理

10. Risk management

總覽

本集團業務的主要內在風險包括信貸風險、利率風險、市場風險、流動資金風險、操作風險、信譽風險、法律及合規風險及策略風險。本集團的風險管理目標是在提高股東價值的同時，確保風險控制在可接受的水平之內。

風險管理架構

本銀行董事會對本集團的整體風險管理負最終責任，並負責訂定風險管理的策略性目標及風險管理架構。

為達至本集團風險管理目標，董事會下設風險管理委員會，並有獨立非執行董事擔任成員，負責監察本集團的各類風險及審批高層次風險管理政策。另外，風險管理委員會下設信貸審批委員會，負責審批超行政總裁權限或指定權限之授信申請及組合限額。

行政總裁轄下的多個管理委員會及有關部門，根據董事會訂立的風險管理策略，負責制訂及定期檢討風險管理政策及監控程序。

風險管理單位負責制訂識別、量度、監察及控制信貸風險、市場風險、操作風險、信譽風險、法律及合規風險、利率風險、流動資金風險及策略風險的政策及程序，設定適當的風險限額，持續監察有關風險。

稽核部獨立查核風險管理政策和監控措施是否足夠及有效，以確保本集團依據該等既定政策、程序及限額營運。

獨立性是施行有效風險管理的關鍵。為保證風險管理部及稽核部的獨立性，風險管理部和稽核部分別直接向風險管理委員會及稽核委員會匯報，該兩個委員會均為董事會下設的專責委員會，全部委員由本銀行董事擔任。

The Overview

The principal types of risk inherent in the Group's businesses are credit risk, interest rate risk, market risk, liquidity risk, operational risk, reputation risk, legal and compliance risk, and strategic risk. The Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable levels.

Risk Management Structure

The Bank's Board of Directors (the "Board") holds the ultimate responsibility for the Group's overall risk management. It determines the risk management strategies and the risk management structure.

To achieve the Group's goals in risk management, the Board sets up the Risk Management Committee, which comprises of Independent Non-executive Directors, to oversee the Group's various types of risks and approve the high-level risk management policies. Also, Credit Approval Committee is set up under the Risk Management Committee to approve credit applications and portfolio limit exceeding the Chief Executive's authority or as required by the policy.

According to the risk management strategies established by the Board, risk management policies and controls are devised and reviewed regularly by relevant departments and respective management committees set up by the Chief Executive.

The risk management units develop policies and procedures for identifying, measuring, monitoring and controlling credit risk, market risk, operational risk, reputation risk, legal and compliance risk, interest rate risk, liquidity risk and strategic risk; set appropriate risk limits; and continually monitor risks.

The Audit Department conducts independent reviews on the adequacy and effectiveness of risk management policies and controls to ensure that the Group is operating according to the established policies, procedures and limits.

Independence is crucial to effective risk management. To ensure the independence of the Risk Management Department and the Audit Department, they report directly to the Risk Management Committee and the Audit Committee respectively. Both committees are specialised committees set up by the Board and all members are directors of the Bank.

未經審核之
補充財務資料（續）

Unaudited Supplementary Financial Information (continued)

10. 風險管理（續）

10. Risk management (continued)

風險管理架構（續）

Risk Management Structure (continued)

(i) 信貸風險管理

信貸風險管理詳情載於財務報表附註4內。

(i) Credit risk management

Details of credit risk management are set out in Note 4 to the Financial Statements.

(ii) 流動資金風險管理

流動資金風險管理詳情載於財務報表附註4內。

(ii) Liquidity risk management

Details of liquidity risk management are set out in Note 4 to the Financial Statements.

(iii) 市場風險管理

市場風險管理詳情載於財務報表附註4內。

(iii) Market risk management

Details of market risk management are set out in Note 4 to the Financial Statements.

(iv) 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，是集團在日常操作活動中面對的風險。

(iv) Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system, or from external events. The risk is inherent in every aspect of business operations and confronted by the Group in its day-to-day operational activities.

**未經審核之
補充財務資料 (續)****Unaudited Supplementary Financial Information (continued)****10. 風險管理 (續)****10. Risk management (continued)****風險管理架構 (續)****Risk Management Structure (continued)****(iv) 操作風險管理 (續)**

集團實施操作風險管理「三道防線」體系：所有部門或功能單位為第一道防線，是操作風險管理的第一責任人，通過自我評估與自我提升來履行業務經營過程中自我風險控制職能。操作風險及法規處連同一些與操作風險管理相關的專門職能單位包括人力資源處、業務規劃及流程優化處、事務處、財務管理處、會計處（統稱為「專門職能單位」）為第二道防線，負責評估和監控第一道防線操作風險狀況，對其工作提供指導。獨立於業務單位的操作風險及法規處，負責協助管理層管理本集團的操作風險，包括制訂和重檢操作風險管理政策和框架、設計操作風險的管理工具和匯報機制、評估及向管理層和風險管理委員會匯報總體操作風險狀況；專門職能單位對操作風險的一些特定的範疇或與其相關事項，履行第二道防線的牽頭管理責任，除負責本單位操作風險管理外，亦須就指定的操作風險管理範疇向其他單位提供專業意見／培訓並履行集團整體的操作風險牽頭管理。稽核部為第三道防線，對操作風險管理框架的有效性與充足性作獨立評估，需定期稽查集團各部門或功能單位操作風險管理工作的合規性和有效性，並提出整改意見。

(iv) Operational risk management (continued)

The Group has implemented the “Three Lines of Defence” for its operational risk management. All departments or functional units as the first line of defence are the first parties responsible for operational risk management, and carry out the duties and functions of self-risk control in the process of business operation through self-assessment and self-enhancement. The Operational Risk, Legal and Compliance Division together with certain specialist functional units in relation to operational risk management within the Group, including the Human Resources Division, Business Planning & Optimization Division, Administration Division, Financial Management Division and Accounting Division (collectively known as “specialist functional units”), are the second line of defence. They are responsible for assessing and monitoring the operational risk conditions in the first line of defence, and providing them with guidance. The Operational Risk, Legal and Compliance Division, being independent from the business units, is responsible for assisting the Management in managing the Group’s operational risk, including the establishment and review of the operational risk management policy and framework, designing the operational risk management tools and reporting mechanism, and assessing and reporting the overall operational risk position to the Management and Risk Management Committee. Specialist functional units are required to carry out their managerial duties of the second line of defence with respect to some specific aspects of operational risk and its related issues. Besides taking charge of operational risk management in their own units, these units are also required to provide other units with professional advice/training in respect of certain operational risk categories and to lead the Group-wide operational risk management. Audit Department is the third line of defence which provides independent assessment to the effectiveness and adequacy of the operational risk management framework and is required to conduct periodic audit of the operational risk management activities of various departments or functional units within the Group regarding their compliance and effectiveness and to put forward recommendations for remedial actions.

未經審核之 補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

10. 風險管理 (續)

10. Risk management (continued)

風險管理架構 (續)

(iv) 操作風險管理 (續)

集團建立了有效的內部控制程序，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集團緊守的基本原則。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。

(v) 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。

為減低信譽風險，本集團制訂並遵循信譽風險管理政策。此政策的目的是當信譽風險事件發生時本集團能夠盡早識別和積極防範。鑒於信譽風險往往是由各種可能令公眾對本集團信任受損的操作及策略失誤所引發，本集團建立關鍵控制自我評估機制，包括相關風險評估工具，以評估各主要風險可能對本集團造成的嚴重影響，包括對本集團信譽的損害程度。

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、控制及減低信譽風險事件的潛在負面影響。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。

Risk Management Structure (continued)

(iv) Operational risk management (continued)

The Group has put in place an effective internal control process which requires the establishment of 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 support business operations in the event of an emergency or disaster. Adequate backup facilities are maintained and periodic drills are conducted.

(v) Reputation risk management

Reputation risk is the risk that negative publicity about the Group's business practices, whether genuine or not, will cause 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 order to mitigate reputation risk, the Group has formulated and duly followed its Reputation Risk Management Policy. The policy aims to identify and prevent reputation risk proactively at an early stage when an incident occurs. Since reputation risk is often caused by various types of operational and strategic issues that negatively impact the trust and perception of the Group, all operational and key risks identified are assessed through the established Key Control Self-Assessment framework, including risk assessment tools, to evaluate the severity of their impact on the Group, including the damage to reputation.

In addition, the Group has put in place a comprehensive framework to continuously monitor reputation risk incidents in the financial industry. This continuous monitoring enables the Group to effectively manage, control and mitigate any potential adverse impact from an incident. The Group also adopts robust disclosure practices to keep our stakeholders informed at all times, which helps build confidence in the Group and establish a strong public image.

未經審核之
補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

10. 風險管理 (續)

10. Risk management (continued)

風險管理架構 (續)

Risk Management Structure (continued)

(vi) 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，而可能導致本集團須承受遭法律或監管機構制裁、引致財務損失或信譽損失的風險。法律及合規風險由操作風險及法規處管理。所有法律事務均由操作風險及法規處處理。法律及合規風險管理政策是集團公司治理架構的組成部分，由董事會屬下的風險管理委員會審批。

(vi) 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. Legal and compliance risks are managed by the Operational Risk, Legal and Compliance Division. All legal matters are handled by the Operational Risk, Legal and Compliance Division. As part of the Group's corporate governance framework, the policy for the management of legal and compliance risk is approved by the Risk Management Committee as delegated by the Board.

(vii) 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訂各項具體的計劃、方案和制度時，由於在策略制訂、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管理層與董事會的充分評估與適當的審批。

(vii) 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 business decisions, improper implementation of strategies and inadequacies in the response to the changing market condition. The Board reviews and approves the strategic risk management policy. Key strategic issues have to be fully evaluated and properly endorsed by the Management and the Board.

本集團會因應最新市場情況及發展，定期檢討業務策略。

The Group regularly reviews its business strategies to cope with the latest market situation and developments.

**未經審核之
補充財務資料 (續)****Unaudited Supplementary Financial Information (continued)****11. 業務回顧****11. Business Review**

2016年，美國經濟溫和復甦，中國經濟正經歷深刻變革，步入「新常態」。人民幣對美元整體溫和貶值，雙向波動更趨向市場化，匯率靈活性進一步增強。受到全球和內地經濟增長放緩、港元匯率相對偏強、貨物出口和旅遊業持續不振，以及住宅樓市出現調整等影響，香港經濟維持低增長，但香港就業市場穩定、政府財政狀況穩健，以及低息環境等因素為經濟提供緩衝。銀行業的經營環境繼續面臨諸多不確定性。在此背景下，我們積極求變，推進產品創新和業務整合，提升綜合金融服務能力，強化風險管控。我們於5月30日順利完成股權交割，並做到股權交割前後客戶穩定、業務穩定和員工穩定，經營業績保持平穩。

In 2016, while the US economy saw mild recovery, China was undergoing profound reforms and entered into the era of "New Normal". In currency market, Renminbi recorded moderate depreciation against US Dollar, but appeared to be more flexible, witnessing market-driven two-way volatility. As for Hong Kong, its economy grew at a slow pace as affected by several reasons such as economic slowdown around the globe and across Mainland China, strengthened Hong Kong Dollar, stumbled exports and tourism, and cooling residential property market. Nevertheless, Hong Kong economy obtained support from stable employment market, sound government finances and low interest rates. All of these exposed the banking sector to a business environment shrouded with uncertainties. Against such backdrop, we were in pursuit of transformations and reforms, launching new products and business portfolios, enhancing integrated financial service capabilities and strengthening risk control. We completed closing of share transfer on 30 May, and ensured stable client base, steady business development and firm faith among employees, which were conducive to sound operating results.

財務摘要**Financial Highlights**

截至2016年12月底，本集團經營溢利港幣33.11億元，較去年底上升2.25%。淨利息收入港幣45.35億元，比去年下降3.93%；非利息收入增長較好，達港幣19.19億元，比去年上升7.59%，其中淨手續費收入上升15.85%。稅後盈利港幣27.47億元，較去年底下降5.16%；資本回報率7.25%，資產回報率0.84%，分別比去年下降0.80個百分點及0.11個百分點；淨利息收益率(NIM)1.52%，較去年底下降0.13個百分點。

As at the end of December 2016, the Group recorded HK\$3,311 million of operating profit, up by 2.25% year-on-year. Net interest income decreased 3.93% from prior year to HK\$4,535 million, but non-interest income saw positive growth to HK\$1,919 million, up by 7.59% over prior year, with net fee income climbing 15.85%. Profit after tax declined 5.16% year on year from level at end of prior year, reaching HK\$2,747 million. Return of equity and return on asset stood at 7.25% and 0.84%, falling by 0.80 percentage point and 0.11 percentage point respectively. Net interest margin (NIM) descended by 0.13 percentage point from the level at end of prior year to 1.52%.

**未經審核之
補充財務資料 (續)****Unaudited Supplementary Financial Information (continued)****11. 業務回顧 (續)****11. Business Review (continued)****財務摘要 (續)****Financial Highlights (continued)**

我們採取積極有效的措施繼續擴大業務規模，客戶基礎穩步擴大。截至 2016 年 12 月底，本集團總資產港幣 3,489.33 億元，較去年底上升 14.33%；存款港幣 2,575.28 億元，較去年底上升 17.99%；貸款港幣 1,877.81 億元，較去年底上升 20.19%。在推進業務發展的同時，我們嚴格管控各項風險，整體貸款質量良好，特定分類或減值貸款比率 0.39%，較去年底下降 0.05 個百分點。

With adoption of productive and effective measures, we managed to expand business scale and client base. As at the end of December 2016, the Group saw its total assets rise 14.33% year on year to reach HK\$348.93 billion, deposits up by 17.99% to HK\$257.53 billion and loans up by 20.19% to HK\$187.78 billion as compared with the levels as at the end of prior year. Focusing on business development, we were extremely prudential to risk control at the same time. Such prudence offered guarantee to loan quality and classified or impaired loan ratio stood at 0.39%, down by 0.05 percentage point year on year.

業務回顧**Business Review****個人金融業務****Personal banking**

截至 2016 年 12 月底，個人金融業務提取減值準備前之淨經營收入增長 1.47% 至港幣 16.77 億元。我們堅持以客戶為中心，從產品、宣傳、服務等多方面著手，加大中高端客戶挖掘和拓展力度，重點提升財富管理業務的收入貢獻度。一是通過細化客戶分層，制定分層的產品配套方案以及精品式的量身定制產品，滿足不同客戶的需要。自年初開始，針對「南商理財」、「智盈理財」、「自在理財」三個不同層級客戶，積極開展各類營銷計劃，先後推出包括理財新戶賞、校園理財推廣、親子樂推廣等多個客戶拓展計劃，穩固現有客戶，積極挖掘潛在客戶，取得明顯成效。個人品牌客戶數比去年底增長 17%。

As at the end of December 2016, personal financial services recorded 1.47% growth in net operating revenue before impairment provision, reaching HK\$1,677 million. Upholding the client oriented philosophy, we launched customised products, promotion and services, aiming to solicit more mid- and high-end clients and to expand wealth management services for more contribution to total revenue. One of our initiatives was to refine client segments and to design multiple-tier product portfolios and premium products tailored for diverse demands. Since beginning of the year, marketing and promotion plans were launched for three tiers of clients, namely "NCB Wealth Management", "Enrich Banking" and "i-Free Banking". Schemes ranging from New Packaged Account Rewards, campus wealth management promotion, to promotion on Happy Kids were all aimed to solicit new clients. Our efforts in retaining existing clients and soliciting potential clients were productive, boosting personal banking client base to expand 17%.

未經審核之
補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

11. 業務回顧 (續)

11. Business Review (continued)

業務回顧 (續)

Business Review (continued)

個人金融業務 (續)

Personal banking (continued)

二是通過多元化營銷吸引客戶。除了加大媒體廣告、宣傳單張、直銷電話及直銷郵件等傳統宣傳推廣管道外，還加大了微信、手機銀行、網上銀行等電子平台宣傳力度，同時，通過客戶推薦、機構員工推廣、分行開放日以及舉辦大型客戶活動等富有特色的營銷手段，實現線上、線下相結合的立體營銷。三是發揮新股東信達集團各成員公司在股票、保險、基金等方面的人員及業務優勢，包括引入信達國際成為我們證券業務市場經紀，以及邀請研究人員為客戶舉辦投資講座等，引進新業務，發展新客戶，為財富管理業務輸入新動力。期內，在股市動盪，股票代理收益下降的情況下，我們的保單抵押及保費融資業務異軍突起，成為年內壽險業務收益上升一倍的主要增長動力。我們還透過緊貼市場價格、鞏固地產代理關係、推進新盤按揭業務以及增加按揭保險計劃的合作夥伴(AIG)等手段，向客戶提供多元及具競爭力的服務條件，在競爭激烈的情況下按揭業務市佔率仍取得上升。此外，我們積極推廣創新產品，保持跨境業務的優勢，比如：香港居民以內地物業作押的授信方案、「理財通」業務，帶動了整體個人貸款業務增長。2014至2016年我們連續三次在新城財經台及新城數碼財經台主辦的「香港企業領袖品牌」中，榮獲「卓越跨境銀行服務品牌」獎項，年內，更首次獲得香港晴報評選的「我最喜愛的跨境金融服務大獎」。

A second move was to solicit clients through diversified marketing channels. Apart from traditional channels such as media advertising, leaflets, direct sales via phone call and email, we initiated more promotions on digital platforms including WeChat, mobile banking and Internet banking. We also designed high-profile marketing activities including client referrals, corporate staff promotion, branch open day and special events for clients. Hence, a spatial marketing framework incorporating both online and offline channels came into being. A third one was to introduce new business to develop new clients and to nurture new growth engine for wealth management business, which was based on Cinda Group members' professionals and advantages in relation to stocks, insurance and funds. To be specific, such move included introducing Cinda International as securities broker and inviting researchers to deliver investment seminars for clients. During the period, both policy as collateral and premium financing performed noticeably well against stock market volatility and declined stock brokerage income, making greatest contribution to doubled life insurance business income. In the meantime, we provided clients with diverse and competitive service terms, including market-based prices, consolidated relationship with property agents, mortgages to newly developed buildings and additional partner in mortgage insurance schemes. Therefore, we expanded our landscape in the mortgage market despite cut-throat competition. Last but not least, we launched more innovative products and managed to maintain cross-border business in leading position. For instance, we launched Wealth Management Express (「理財通」) and a credit scheme to allow Hong Kong residents to secure loans with their properties located in Mainland China, which fueled the overall personal loan business growth. From 2014 to 2016, we were honored with "Excellent Brand of Cross Border Banking Services" Award by Metro Finance and Metro Finance Digital on the gala for "Hong Kong Leaders' Choice" for three years in a row. During the year, we were awarded "My Favorite Cross-border Financial Service" by Sky Post for the first time.

未經審核之
補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

11. 業務回顧 (續)

11. Business Review (continued)

業務回顧 (續)

Business Review (continued)

企業金融業務

Corporate banking

企業金融業務繼續保持增長，放款結構有所改善。截至 2016 年 12 月底，企業放款錄得 22.88% 增幅至港幣 1,495.71 億元。企業金融業務淨利息收入港幣 31.83 億元，提取減值準備前之淨經營收入比上年底上升 25.72% 至港幣 41.20 億元。

Corporate financial services continue to grow with optimised loan portfolio. As at the end of December 2016, corporate loans recorded 22.88% of increase to HK\$149.57 billion. Net interest income from corporate financial services amounted to HK\$3,183 million, while net operating revenue before impairment provision increased 25.72% to HK\$4,120 million as compared with level at the end of prior year.

面對市道疲弱、利差收窄、銀行業經營溢利普遍欠佳等不利因素，企金業務做到早批、早放、早收益。年初就鎖定大的新增放款項目，多項新增放款項目手續費收入增長不俗。為最大限度降低股權轉讓可能帶來的客戶波動，我們主動走訪客戶，減低客戶疑慮的同時亦尋找業務機會，穩定了客戶對銀行的信心。股權轉讓後，我們積極推進自身核心業務的發展。一是強調以企業金融業務為重點，特別是大型、戰略客戶為業務重點；二是大力推動南商集團內部，即與南商（中國）的業務聯動，以及南商和信達集團及信達集團客戶的業務協同，協同合作初顯成效，為整體業務的發展提供了強大的動力。

Faced with a weak market, narrowed interest margin and lower-than-expected operating revenue of overall banking sector, we adopted in-time approval and loan issuance to pursue early returns on corporate financial services. Several large-cap loan issuance projects became our targets at beginning of the year, and many of these projects recorded outstanding performance in terms of fee income. To minimise the impact of share transfer, we paid visits to clients for relieving them from doubt in this regard and seeking new business opportunities. Hence, clients shored up their confidence in us. Upon completion of share transfer, we proactively pressed with core business. On the one hand, we gave priority to corporate financial services, especially those in connection with large clients of strategic significance. On the other hand, we advanced business collaboration within NCB Group, namely business connection with NCB (China), and business synergy between NCB and Cinda Group, together with its clients. Such collaborations have gradually paid off and served as a powerful engine to overall business development.

未經審核之
補充財務資料 (續)

Unaudited Supplementary Financial Information (continued)

11. 業務回顧 (續)

11. Business Review (continued)

業務回顧 (續)

Business Review (continued)

財資業務

Treasury

截至 2016 年 12 月底，財資業務提取減值準備前之淨經營收入港幣 6.00 億元，當中淨利息收入同比下降 58.59%。

As at the end of December 2016, the treasury business posted HK\$600 million of net operating revenue before impairment provision, recording net interest income down by 58.59% year on year.

隨人民幣存款縮減，去年減少投資人民幣債券，資金轉投港元、美元債券。同時，繼續推出外匯交易及存款優惠，並提供緊貼市場的價格，加強銀行競爭力。年中股權交接前後，密切留意客戶及市場同業的反應，並預留較充裕的資金以應付突發需要。

With RMB-denominated deposit contractions, we scaled down investments in RMB-denominated bonds and increased bonds denominated in HK\$ and USD. Moreover, we consolidated market competitiveness by launching forex trading and deposit concessions, and offering market-based prices. Before and subsequent to the closing of share transfer, we kept a close eye on reactions and comments from both clients and industry peers, and ensured there would be sufficient funds for any contingent requirements.

南商 (中國) 業務

NCB (China) business

南商 (中國) 秉承「發展新引擎、協同新紐帶、轉型新平台」的總體戰略要求，股權轉讓後，積極完善管理機制，對企金、個金、風險等板塊的組織機構及部門職能進行重組改革，調整了分支機構管理及架構，提高了精細化管理水準，較快完成業務接軌，綜合金融服務能力有所提升。全年整體業務穩中向好，風險可控。

Having been devoted to the overall strategy "to nurture new engines, to achieve synergy among new ties, and to transform to a new functional platform", NCB (China) exerted unremitting efforts in improving management mechanism after the share transfer. While re-constructing organization structure and department functions in relation to corporate banking, personal banking and risk control, and adjusting branch structure and management, NCB (China) deepened its delicacy management and completed business alignment within a relatively short period of time, thus realising improvement in its capabilities to provide integrated financial services. Throughout the year, NCB (China) recorded steady business development with strong momentum and controllable risk.

**未經審核之
補充財務資料 (續)****Unaudited Supplementary Financial Information (continued)****11. 業務回顧 (續)****11. Business Review (continued)****業務回顧 (續)****Business Review (continued)****風險管控****Risk management**

2016年，由於市場環境持續不穩，內地產能過剩企業風險釋放，導致銀行不良貸款上升風險增加，同時，監管機構對銀行的資本、流動性及內控合規提出更高要求，提升對銀行經營的約束，增加經營和管理成本。為此，我們積極應對，強化風險管控。審慎做好授信風險分析和評估，通過完善、優化系統及壓力測試方法，提升風險管理技術，強化資產質素監察機制。同時，隨著股權交割後的職能變化，我們加強對南商(中國)風險管理，定期監察南商(中國)的風險指標執行情況。全年各項資產質素指標均控制於預算之內，資產質素良好及維持穩定。

During 2016, banks were subject to increasing non-performing loans amidst constant market volatilities, overcapacity recorded in Mainland China and greater risk exposure related to enterprises. In the meantime, regulatory authorities announced higher requirements on banks' capital, liquidity and internal control compliance, and imposed stricter rules in connection with banks' operation. More regulations implied that banks would see their operating and management cost climbing. Facing such environment, we acted proactively and strengthened risk control. We conducted credit risk analysis and assessment in a prudential manner, constructed complete and optimised system framework and stress test approaches to improve risk management techniques and to reinforce asset quality monitoring mechanism. Furthermore, in light of function changes upon closing of share transfer, we intensified our efforts in risk management regarding NCB (China) and monitored execution of risk indicators by NCB (China) on regular basis. Throughout the year, each quality asset indicators stayed within a controlled budget and asset quality maintained sound and stable.

為加強防洗錢管控，我們設立了防範金融犯罪處，專門負責金融犯罪風險監控管理。2016年我們洗錢風險仍在可控範圍，沒有重大事件發生。為符合監管要求，確保銀行合規經營，我們還持續進行操作風險及合規檢查工作，並從企業管治方面完善科技風險制度，改善科技風險及提升對科技管控的認知。

To fortify anti-money laundering mechanism, we established Financial Crime Compliance Division dedicated to controlling financial crime risk. During 2016, we managed money laundering risk under control and reported no major incidents in this regard. For the purpose of meeting regulatory requirements and ensuring operation compliance, we launched on-going checks on operational risk and compliant conducts. On the other hand, we improved technology risk system from the perspective of corporate governance, enhancing awareness of technology risk and consolidating know-how in technology control.

前景展望**Prospect and outlook**

2017年，預計全球經濟略有改善，但國內外發展環境和條件更加複雜多變，不確定性顯著增多。在信達集團的領導下，圍繞集團「二五」發展規劃綱要，我們將努力打造「綜合金融、跨境服務、財富管理」的經營特色，加強與集團其他成員公司進行有效的協同合作，實現穩步發展。

While global economy is expected to slightly improve in 2017, the overall environment both at home and abroad will face with more changes and uncertainties. Led by Cinda Group and guided by the "second five-year" development blueprint, we will endeavor to construct an operation framework featuring "integrated finance, cross-border services and wealth management", and will work in tandem with other group members for more synergic collaboration, thus realising steady and sound development.

附錄
Appendix
本銀行之附屬公司
Subsidiaries of the Bank

本銀行附屬公司的具體情況如下：

The particulars of our subsidiaries are as follows:

名稱 Name	註冊／營業 地點及日期 Place and date of incorporation/ operation	註冊資本／已發行股本 Registered capital/ issued share capital	持有權益 Interest held	主要業務 Principal activities
南洋商業銀行（中國）有限公司 Nanyang Commercial Bank (China), Limited	中國 2007年12月14日 The People's Republic of China 14 December 2007	註冊資本 人民幣 6,500,000,000 元 Registered capital RMB6,500,000,000	100%	銀行業務 Banking business
南洋商業銀行信託有限公司 Nanyang Commercial Bank Trustee Limited	香港 1976年10月22日 Hong Kong 22 October 1976	普通股 港幣 3,000,000 元 Ordinary shares HK\$3,000,000	100%	信託服務 Trustee services
廣利南投資管理有限公司 Kwong Li Nam Investment Agency Limited	香港 1984年5月25日 Hong Kong 25 May 1984	普通股 港幣 3,050,000 元 Ordinary shares HK\$3,050,000	100%	投資代理 Investment agency
南洋商業銀行（代理人）有限公司 Nanyang Commercial Bank (Nominees) Limited	香港 1980年8月22日 Hong Kong 22 August 1980	普通股 港幣 50,000 元 Ordinary shares HK\$50,000	100%	代理人服務 Nominee services

釋義

在本財務報告中，除非文義另有所指，否則下列詞彙具有以下涵義：

詞彙	涵義
「中國銀行」	中國銀行股份有限公司，一家根據中國法例成立之商業銀行及股份制有限責任公司，其 H 股及 A 股股份分別於香港聯交所及上海證券交易所掛牌上市
「中銀香港」	中國銀行（香港）有限公司，根據香港法例註冊成立之公司
「董事會」	本銀行的董事會
「中投」	中國投資有限責任公司
「匯金」	中央匯金投資有限責任公司
「惠譽」	惠譽國際評級
「中國信達」	中國信達資產管理股份有限公司，在中國成立的國有獨資金融企業
「信達香港」	中國信達（香港）控股有限公司
「信達金控」	信達金融控股有限公司
「金管局」	香港金融管理局
「香港」	香港特別行政區
「強積金」	強制性公積金
「強積金條例」	強制性公積金計劃條例，香港法例第 485 章（修訂）
「內地」或「中國內地」	中華人民共和國內地
「穆迪」	穆迪投資者服務

釋義 (續)

詞彙	涵義
「本集團」	本銀行及其附屬公司
「本銀行」	南洋商業銀行有限公司，根據香港法例註冊成立之公司，並為信達金控之全資附屬公司
「南商（中國）」	南洋商業銀行（中國）有限公司，根據中國法例註冊成立之公司，並為本銀行之全資附屬公司
「中國」	中華人民共和國
「人民幣」	人民幣，中國法定貨幣
「標準普爾」	標準普爾評級服務
「聯交所」或「香港聯交所」	香港聯合交易所有限公司
「風險值」	風險持倉涉險值

Definitions

In this Financial Statements, unless the context otherwise requires, the following terms shall have the meanings set out below:

Terms	Meanings
"ALCO"	the Asset and Liability Management Committee
"Board" or "Board of Directors"	the Board of Directors of the Bank
"BOC"	Bank of China Limited, a joint stock commercial bank with limited liability established under the laws of the PRC, the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
"BOCHK"	Bank of China (Hong Kong) Limited, a company incorporated under the laws of Hong Kong
"BOCI-Prudential Manager"	BOCI-Prudential Asset Management Limited, a company incorporated under the laws of Hong Kong, in which held by BOCI Asset Management Limited and Prudential Corporation Holdings Limited.
"BOCI-Prudential Trustee"	BOCI-Prudential Trustee Limited, a company incorporated under the laws of Hong Kong, in which held by BOC Group Trustee Company Limited Prudential Corporation Holdings Limited.
"CET1"	Common Equity Tier 1
"China Cinda"	China Cinda Asset Management Co., Ltd., a wholly state-owned financial enterprise established in the PRC
"CIC"	China Investment Corporation
"Cinda Hong Kong"	China Cinda (HK) Holdings Company Limited
"Cinda Financial Holdings"	Cinda Financial Holdings Co., Limited
"CRM"	Credit Risk Mitigation
"CVA"	Credit Valuation Adjustment
"Central Huijin"	Central Huijin Investment Ltd.
"DVA"	Debit Valuation Adjustment
"EAD"	Exposure at Default
"ECAI(s)"	External Credit Assessment Institution(s)
"EL"	Expected Loss
"EV"	Economic Value Sensitivity Ratio

Definitions (continued)

Terms	Meanings
"FIRB"	Foundation Internal Ratings-based
"Fitch"	Fitch Ratings
"HKAS(s)"	Hong Kong Accounting Standard(s)
"HKFRS(s)"	Hong Kong Financial Reporting Standard(s)
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"HKMA"	Hong Kong Monetary Authority
"Hong Kong" or "Hong Kong SAR"	Hong Kong Special Administrative Region
"ICAAP"	Internal Capital Adequacy Assessment Process
"IFRS"	International Financial Reporting Standards
"IMM"	Internal Models
"IRB"	Internal Ratings-based
"LCR"	Liquidity Coverage Ratio
"LGD"	Loss Given Default
"Moody's"	Moody's Investors Service
"MPF"	Mandatory Provident Fund
"MPF Schemes Ordinance"	the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the Laws of Hong Kong, as amended
"Mainland" or "Mainland of China"	the mainland of the PRC
"NCB (China)"	Nanyang Commercial Bank (China), Limited, a company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Bank

Definitions (continued)

Terms	Meanings
“ORSO schemes”	the Occupational Retirement Schemes under Occupational Retirement Schemes Ordinance, Chapter 426 of the Laws of Hong Kong
“OTC”	Over-the-counter
“PD”	Probability of Default
“PRC”	the People’s Republic of China
“PVBP”	Price Value of a Basis Point
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SME(s)”	Small and Medium-sized Enterprise(s)
“Standard & Poor’s”	Standard & Poor’s Ratings Services
“STC”	Standardised (Credit Risk)
“STM”	Standardised (Market Risk)
“STO”	Standardised (Operational Risk)
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Bank”	Nanyang Commercial Bank, Limited, a company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of Cinda Financial Holdings
“the Group”	the Bank and its subsidiaries collectively referred as the Group
“US”	the United States of America
“VAR”	Value at Risk