



永隆銀行
WING LUNG BANK

招商銀行集團成員
Member CMB Group

Annual Report 2016 年報



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簡介 Profile

永隆銀行創立於一九三三年，是香港具悠久歷史華資銀行之一，素持「進展不忘穩健、服務必盡忠誠」之旨向社會提供服務。

本行中文名字「永隆」寓意永遠興隆，成立初期規模只屬銀號，隨著戰後香港經濟環境的演變，本行亦日趨成長，逐步拓展現代化銀行業務，為工商業的發展和社會繁榮獻出一分力量。

二〇〇八年招商銀行成功併購本行，永隆銀行正式成為招商銀行集團之一員。

招商銀行於一九八七年在深圳成立，是中國第一家完全由企業法人持股的股份制商業銀行，經過三十年的努力，截至二〇一六年十二月底招商銀行已是一家擁有資產總額逾人民幣5.94萬億元、機構網點1,800多家，股份在中國上海和香港兩地均有上市的全國性優秀商業銀行。

招商銀行與永隆銀行今後將致力進行整合工作，促進優勢互補，發揮協同效應，向客戶提供更優質完善的產品和服務。

Wing Lung Bank, founded in 1933, is among the oldest local Chinese banks in Hong Kong. The Bank has at all times followed its motto of “Progress with prudence, service with sincerity” in providing personalised and sincere service to customers.

The Chinese name of the Bank means “Perpetual Prosperity”. Originally established as an indigenous Chinese bank, Wing Lung Bank developed and expanded as Hong Kong underwent a remarkable economic transformation after the War. The Bank has since established itself as one with contemporary outlook and comprehensive services, catering to the needs of the business community and playing a part in the generally vibrant economy of Hong Kong.

China Merchants Bank successfully took over Wing Lung Bank in 2008. Wing Lung Bank has since become a member of China Merchants Bank Group.

China Merchants Bank was incorporated in Shenzhen in 1987 as the first share-holding commercial bank wholly owned by corporate legal entities in China. After three decades of effort, China Merchants Bank, now listed in Shanghai, China and Hong Kong, has transitioned itself into a leading national commercial bank with total assets over RMB5,940 billion and operating over 1,800 banking business outlets by the end of December 2016.

China Merchants Bank and Wing Lung Bank will step up efforts in business integration and complement each other. Through the synergy from the merger, both banks will be able to offer a wider range of quality products and services to customers.

組織摘要 Corporate Information

董事會

董事長
田惠宇

副董事長
李浩

董事
朱琦
許世清
徐志宏
劉鈞
朱江濤
*周光暉
*陳智思
*劉二飛
*郭琳廣
*王啟新

*獨立非執行董事

秘書
朱侃儀

管理委員會
朱琦
許世清
徐志宏
劉鈞

戰略委員會
田惠宇 (主席)
朱琦
劉二飛
郭琳廣
王啟新

薪酬與考核委員會
李浩 (主席)
周光暉
陳智思
郭琳廣

審計與風險管理委員會
周光暉 (主席)
朱江濤
陳智思
劉二飛
郭琳廣

BOARD OF DIRECTORS

Chairman
TIAN Huiyu, *MPA*

Vice-Chairman
LI Hao, *MBA*

Director
ZHU Qi, *MSc*
XU Shiqing, *PhD*
XU Zhihong, *PhD*
LIU Jun, *MBA*
ZHU Jiangtao, *MSc*
*CHOW Kwong Fai Edward, *JP, BA, FCA, FCPA, FHKIoD*
*CHAN Charnwut Bernard, *GBS, BA, JP*
*LIU Erh Fei, *MBA*
*KWOK Lam Kwong Larry, *BBS, JP, LLM, FCPA*
*WANG Qixin, *MBA*

*Independent Non-executive Director

Secretary
CHU Hon Yee Iva, *BA(Hons), MCG, ACIS, ACS*

Management Committee
ZHU Qi, *MSc*
XU Shiqing, *PhD*
XU Zhihong, *PhD*
LIU Jun, *MBA*

Strategy Committee
TIAN Huiyu, *MPA* (Chairman)
ZHU Qi, *MSc*
LIU Erh Fei, *MBA*
KWOK Lam Kwong Larry, *BBS, JP, LLM, FCPA*
WANG Qixin, *MBA*

Remuneration and Appraisal Committee
LI Hao, *MBA* (Chairman)
CHOW Kwong Fai Edward, *JP, BA, FCA, FCPA, FHKIoD*
CHAN Charnwut Bernard, *GBS, BA, JP*
KWOK Lam Kwong Larry, *BBS, JP, LLM, FCPA*

Audit and Risk Management Committee
CHOW Kwong Fai Edward, *JP, BA, FCA, FCPA, FHKIoD*
ZHU Jiangtao, *MSc*
CHAN Charnwut Bernard, *GBS, BA, JP*
LIU Erh Fei, *MBA*
KWOK Lam Kwong Larry, *BBS, JP, LLM, FCPA*

行政人員

常務董事兼行政總裁
朱琦

常務董事兼總經理及風險總監
許世清

常務董事兼總經理
徐志宏

常務董事兼總經理
劉鈞

財務總監
張頌強

資訊科技總監兼營運總監
王志強

助理總經理
陳健卿
宋麗華
鍾少權
和心

註冊行址

香港德輔道中45號

核數師

德勤•關黃陳方會計師事務所
執業會計師

EXECUTIVES

Executive Director & Chief Executive Officer
ZHU Qi, *MSc*

Executive Director, General Manager & Chief Risk Officer
XU Shiqing, *PhD*

Executive Director & General Manager
XU Zhihong, *PhD*

Executive Director & General Manager
LIU Jun, *MBA*

Chief Financial Officer
CHEUNG Chung Keung, *MSc, MBA, FCCA, CPA, FRM*

Chief Information Officer & Chief Operating Officer
WANG Zhiqiang, *MSc*

Assistant General Manager
CHAN Kin Hing, *MBA, LL.B. (Hons), ACIS, ACS*
SONG Lihua, *MSc*
CHUNG Siu Kuen, *BBA (Hons), MBA, LL.B. (Hons), RSSC*
HE Xin, *MBA*

REGISTERED OFFICE

45 Des Voeux Road Central, Hong Kong

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

董事及行政人員個人資料 Biographical Details of Directors and Executives

董事會

田惠宇先生

董事長

二〇一五年五月起為本行董事長。招商銀行執行董事、行長兼首席執行官。上海財經大學基建財務與信用專業大學本科畢業，哥倫比亞大學公共管理專業碩士學位，高級經濟師。二〇一一年三月至二〇一三年五月任中國建設銀行零售業務總監兼北京市分行主要負責人、行長；二〇〇六年十二月至二〇一一年三月歷任中國建設銀行上海市分行副行長，深圳市分行主要負責人、行長；二〇〇三年七月至二〇〇六年十二月任上海銀行副行長；一九九八年七月至二〇〇三年七月任中國信達資產管理公司信託投資公司副總裁。現任招銀國際金融控股有限公司董事長、招銀國際金融有限公司董事長及招聯消費金融有限公司副董事長。

李浩先生

副董事長

二〇〇八年十月起為本行董事，二〇一五年七月起獲委任為本行副董事長。一九九七年五月加入招商銀行任總行行長助理，二〇〇〇年四月至二〇〇二年三月兼任招商銀行上海分行行長，二〇〇二年三月起擔任招商銀行副行長，二〇〇七年三月起兼任財務負責人，二〇〇七年六月起擔任招商銀行執行董事，二〇一三年五月起擔任招商銀行常務副行長。工商管理碩士學位，高級會計師。現任招商基金管理有限公司董事長、深圳市招銀前海金融資產交易中心有限公司副董事長及招聯消費金融有限公司董事。

朱琦先生

常務董事兼行政總裁

二〇〇八年九月及十月分別獲委任為本行行政總裁及常務董事，現亦為本行各主要附屬公司董事。二〇〇八年八月加入招商銀行，二〇〇八年十二月起任招商銀行副行長。現任招銀國際金融有限公司董事。曾於一九八六年至二〇〇八年在中國工商銀行工作，歷任中國工商銀行香港分行副總經理、總經理，中國工商銀行(亞洲)有限公司董事、董事總經理兼行政總裁，華商銀行董事長。經濟學碩士。

Board of Directors

Mr TIAN Huiyu, MPA

Chairman

He has been the Chairman of the Bank since May 2015. He is the Executive Director, President and Chief Executive Officer of China Merchants Bank Company, Limited ("CMB"). He obtained his bachelor's degree in infrastructure finance and credit from Shanghai University of Finance and Economics and his master's degree in public administration from Columbia University. He is a senior economist. Mr Tian has been the business executive of retail banking at the head office and general manager of Beijing Branch of China Construction Bank Corporation ("CCB") from March 2011 to May 2013. He served consecutively as deputy general manager of Shanghai Branch of CCB, head and general manager of Shenzhen Branch of CCB from December 2006 to March 2011, executive vice president of Bank of Shanghai from July 2003 to December 2006, and vice president of Trust Investment Branch of China Cinda Asset Management Co., Ltd from July 1998 to July 2003. He is also the Chairman of CMB International Capital Holdings Corporation Limited and CMB International Capital Corporation Limited and the Vice-Chairman of Merchants Union Consumer Finance Company Limited.

Mr LI Hao, MBA

Vice-Chairman

He has been a Director and the Vice-Chairman of the Bank since October 2008 and July 2015 respectively. He joined CMB as Executive Assistant President in May 1997. He was the President of the Shanghai Branch of CMB from April 2000 to March 2002. He has been an Executive Vice President of CMB since March 2002, and the Chief Financial Officer since March 2007. He has served as an Executive Director of CMB since June 2007, and the First Executive Vice President of CMB since May 2013. He obtained a master's degree in Business Administration and is a senior accountant. He is also the Chairman of China Merchants Fund Management Co. Ltd., the vice chairman of Shenzhen CMB Qianhai Financial Asset Exchange Co. Ltd and a Director of Merchants Union Consumer Finance Company Limited.

Mr ZHU Qi, MSc

Executive Director & Chief Executive Officer

He has been appointed the Chief Executive Officer and Executive Director of the Bank since September 2008 and October 2008 respectively. He also sits on the board of all principal subsidiary companies of the Bank. He joined CMB in August 2008 and has been appointed an Executive Vice President of CMB since December 2008. He is also a Director of CMB International Capital Corporation Limited. He worked in the Industrial and Commercial Bank of China from 1986 to 2008, and was the Deputy General Manager and General Manager of Industrial and Commercial Bank of China, Hong Kong Branch, the Director and Managing Director and Chief Executive Officer of Industrial and Commercial Bank of China (Asia) Limited, and the Chairman of Chinese Mercantile Bank. He obtained a master degree in Economics.

許世清博士

常務董事兼總經理及風險總監、替任行政總裁

二〇一六年十月加入本行為本行總經理及風險總監，同年十一月起獲委任為本行常務董事，並為本行各主要附屬公司董事。美國南加州大學工商管理博士研究生，高級經濟師。一九九三年加入招商銀行股份有限公司，歷任總行辦公室主任助理、總行國際業務部總經理助理、國際業務部副總經理、總行離岸業務部副總經理、福州分行行長助理、總行計劃資金部副總經理、總行基金托管部負責人、總行計劃資金部兼基金托管部總經理、總行計劃財務部總經理、總行戰略發展部兼海外發展部總經理、香港分行行長、董事會秘書、聯席公司秘書。

徐志宏博士

常務董事兼總經理、替任行政總裁

二〇一〇年加入本行，同年二月起獲委任為本行常務董事及總經理，現亦為本行各主要附屬公司董事。一九八四年獲安徽財貿學院工業會計學位，一九九〇年獲美國俄克拉荷馬大學工商管理碩士學位，一九九四年獲中國人民大學會計學博士學位。

劉鈞先生

常務董事兼總經理、替任行政總裁

二〇一三年一月加入本行獲委任為本行總經理兼風險總監，同年四月起獲委任為本行常務董事，現亦為本行各主要附屬公司董事。二〇一六年十月不再兼任風險總監。工商管理碩士學位。加入本行前，任職招商銀行運營管理部總經理，並曾於招商銀行總行及香港分行擔任多個重要職位。

Dr XU Shiqing, PhD

Executive Director, General Manager & Chief Risk Officer, Alternate Chief Executive Officer

He joined the Bank as the General Manager and Chief Risk Officer in October 2016, and has been appointed the Executive Director of the Bank and the Director of all principal subsidiary companies of the Bank since November 2016. He was a doctor of philosophy in Business Administration of the Southern California University and a senior economist. He joined CMB in 1993. He held various positions such as the executive assistant in the General Office of the Head Office, Assistant General Manager of International Business Department of Head Office, Deputy General Manager of International Business Department, Deputy General Manager of Offshore Business Department of the Head Office, Assistant General Manager of Fuzhou Branch, Deputy General Manager of Planning and Treasury Department of Head Office, Person-in-charge of Custodian Department of the Head Office, General Manager of Planning and Financial Department and Treasury Department of the Head Office, General Manager of Planning and Financial Department of the Head Office, General Manager of Strategic Development Department and Overseas Department of the Head Office, President & Chief Executive of Hong Kong Branch, the Secretary of the Board of Directors and one of the joint company secretaries of CMB.

Dr XU Zhihong, PhD

Executive Director & General Manager, Alternate Chief Executive Officer

He joined the Bank in 2010, and has been appointed the Executive Director and General Manager of the Bank since February 2010. He is also a Director of all principal subsidiary companies of the Bank. He graduated from Accounting Department of Anhui University of Finance & Economics in 1984, and obtained a master degree in Business Administration from University of Oklahoma in 1990. He also obtained a doctorate degree in Accounting from Renmin University of China in 1994.

Mr LIU Jun, MBA

Executive Director, General Manager, Alternate Chief Executive Officer

He joined the Bank as the General Manager and Chief Risk Officer in January 2013, and has been appointed the Executive Director of the Bank since April 2013. He is also a Director of all principal subsidiary companies of the Bank. He ceased to act as Chief Risk Officer in October 2016. He obtained a master degree in Business Administration. Prior to joining the Bank, he was the General Manager of Operations Management Department at the Head Office of CMB. He held various senior executive roles at the Head Office and Hong Kong Branch of CMB.

董事及行政人員個人資料 Biographical Details of Directors and Executives

朱江濤先生 非執行董事

二〇一六年七月獲委任為本行董事。經濟學碩士。二〇〇三年一月加入招商銀行。二〇〇三年一月至二〇一六年二月期間，先後歷任招商銀行南昌分行青山湖支行行長、廣州分行風險控制部總經理、廣州分行授信審批部總經理、廣州分行行長助理、廣州分行副行長、重慶分行行長及總行信用風險管理部總經理。二〇一六年三月任招商銀行總行風險管理部總經理。

周光暉太平紳士 獨立非執行董事

二〇一四年六月起獲委任為本行董事。周先生為英格蘭及威爾斯特許會計師公會資深會員、其香港分會主席，及曾任其理事及商務委員會主席及香港會計師公會前會長。在當選香港會計師公會會長前，周先生為該會企業管治委員會及商界會計師委員會的主席。自二〇〇一年至二〇〇八年為香港董事學會副主席，於二〇〇六年至二〇〇八年為國際會計師協會的商界會計師委員會主席。周先生現任經濟合作組織／世界銀行之企業管治亞洲圓桌會議核心成員、中國基建集團創辦主席、市區重建局非執行董事、香港大學校務委員會及校董會委員、新濠國際發展有限公司、力高地產集團有限公司及中國飛機租賃集團控股有限公司獨立非執行董事、香港工商專業聯會顧問、中國人民政治協商會議浙江省常務委員會委員及召集人、香港特別行政區選舉委員會委員，並曾任中國財政部會計準則委員會會計準則諮詢專家。在投身商界之前，周先生分別在當時倫敦的德勤會計師事務所及香港的羅兵咸會計師事務所任職11年。周先生於二〇〇八年七月獲香港特別行政區行政長官委任為太平紳士。周先生被香港董事學會選為「2010年度傑出董事獎－恒生指數成份股類別」非執行董事得獎者。

Mr ZHU Jiangtao, *MSc* Non-executive Director

He has been appointed a Director of the Bank since July 2016. He obtained a master degree in Economics. He joined CMB in January 2003. He served as the President of Qingshanhu sub-branch of Nanchang Branch of CMB, General Manager of Risk Management Department of Guangzhou Branch of CMB, General Manager of Credit Department of Guangzhou Branch of CMB, Assistant President of Guangzhou Branch of CMB, Vice-President of Guangzhou Branch of CMB, President of Chongqing Branch of CMB and General Manager of Credit Risk Management Department of Head Office of CMB from January 2003 to February 2016. He has been the General Manager of Risk Management Department of Head Office of CMB since March 2016.

Mr CHOW Kwong Fai Edward, *JP, BA, FCA, FCPA, FHKIoD* Independent Non-executive Director

Mr Chow has been appointed as a Director of the Bank since June 2014. He is a fellow member of The Institute of Chartered Accountants in England and Wales, Chairman of its Hong Kong Chapter and a former council member and chairman of its Commercial Board. He is a past president of the Hong Kong Institute of Certified Public Accountants (HKICPA) and chaired the HKICPA's Corporate Governance Committee and Professional Accountants in Business (PAIB) Committee before elected president. He had been a Deputy Chairman of The Hong Kong Institute of Directors from 2001 to 2008 and the Chairman of the PAIB Committee of the International Federation of Accountants (IFAC) from 2006 to 2008. Mr Chow is currently a core member of the OECD/World Bank Asian Corporate Governance Roundtable, founding Chairman of China Infrastructure Group, a Non-executive director of the Urban Renewal Authority, a member of Council and of the Court of The University of Hong Kong, an Independent Non-executive Director of Melco International Development Limited, Redco Properties Group Limited and China Aircraft Leasing Group Holdings Limited, an advisor of the Business and Professionals Federation of Hong Kong, a Standing Committee member and convenor of The Chinese People's Political Consultative Conference – Zhejiang Province, a member of the Election Committee of the Hong Kong Special Administrative Region and was an expert advisor of the Accounting Standards Committee of the Ministry of Finance, the People's Republic of China. Prior to entering the commercial sector, Mr Chow spent 11 years working for two major accounting firms, Deloitte Haskins & Sells and Price Waterhouse (as they were then known), respectively in London and Hong Kong. Mr Chow was appointed a Justice of Peace by the Chief Executive of the Hong Kong Special Administrative Region in July 2008. Mr Chow was also an awardee of the Directors of the Year Award 2010 in the non-executive director of listed companies (SEHK – Hang Seng Index Constituents) category, awarded by the Hong Kong Institute of Directors.

陳智思太平紳士

獨立非執行董事

二〇〇七年起被委任為本行董事。現為亞洲金融集團(控股)有限公司及亞洲保險有限公司之執行董事兼總裁，同時出任泰國盤谷銀行香港分行顧問。除了在商界的職務外，陳先生亦為全國人民代表大會香港代表及香港特別行政區行政會議成員，並曾出任香港特別行政區立法會議員。同時也身兼多家香港上市公司之董事職務，包括：震雄集團有限公司、華潤啤酒(控股)有限公司及有利集團有限公司。

劉二飛先生

獨立非執行董事

二〇一三年十月起被委任為本行董事。現亦為信泰公司副董事長及創始合夥人，該公司為一家全球地產投資基金管理公司，總部設在中國；同時為世紀互聯數據中心有限公司、鑫網易商集團有限公司、江西銅業股份有限公司及慶鈴汽車股份有限公司獨立非執行董事。由一九九九年至二〇一二年，曾在美林(後來的美國美林銀行)工作，歷任中國區主席、亞洲投資銀行主席及大中華地區私募股權主管。於二〇〇六年，獲《銀行家雜誌》選為亞洲年度投資銀行家。由一九八七年至一九九九年期間，曾於數家投資銀行和商業銀行工作，包括高盛、摩根士丹利、美邦和東方匯理銀行。於一九八七年獲得哈佛商學院工商管理碩士學位；於一九八四年獲得布蘭代斯大學經濟學士學位；於一九八一年獲得北京外國語大學英語文憑。

Mr CHAN Charnwut Bernard, GBS, BA, JP

Independent Non-executive Director

He has been appointed a Director of the Bank since 2007. He has also been Executive Director and President of Asia Financial Holdings Limited and Asia Insurance Company Limited as well as an Advisor of Bangkok Bank Public Company Limited, Hong Kong Branch. Apart from the roles in the business community, he also serves as a Hong Kong Deputy to The National People's Congress of the People's Republic of China and a member of the Executive Council of the Hong Kong SAR. He is also a former member of the Legislative Council of the Hong Kong SAR. In addition, he holds directorship in a number of listed companies in Hong Kong, including Chen Hsong Holdings Limited, China Resources Beer (Holdings) Limited and Yau Lee Holdings Limited.

Mr LIU Erh Fei, MBA

Independent Non-executive Director

Appointed a Director of the Bank since October 2013. He is a founding partner and Vice Chairman of Cindat, a China based global real estate investment fund management company. He is also an Independent Non-executive Director of 21Vianet Group, Inc., Fortunet E-commerce Group Limited, Jiangxi Copper Company Limited and Qingling Motors Co., Ltd. From 1999 to 2012, he worked at Merrill Lynch (later Bank of America Merrill Lynch) in various capacities including Chairman of the China Region, Chairman of Investment Banking for Asia and Head of Private Equity for Greater China. In 2006, he received the Investment Banker of the Year in Asia award from "Banker" magazine. From 1987 to 1999, he worked in a number of investment and commercial banks including Goldman Sachs, Morgan Stanley, Smith Barney and Credit Agricole Indosuez. He graduated from Harvard Business School in 1987 with a master degree in Business Administration, from Brandeis University with a bachelor of arts degree in Economics in 1984 and from Beijing Foreign Languages University with a diploma in English in 1981.

董事及行政人員個人資料 Biographical Details of Directors and Executives

郭琳廣 銅紫荊星章 太平紳士

獨立非執行董事

二〇一五年五月起被委任為本行董事。現為郭葉陳律師事務所合夥人；同時為大家樂集團有限公司、第一上海投資有限公司、申萬宏源(香港)有限公司及星光集團有限公司董事。郭先生畢業於澳洲悉尼大學並先後取得經濟學學士、法學學士及法學碩士學位，其後亦取得哈佛商學院的高級管理課程(Advanced Management Program)文憑。郭先生為香港執業律師，同時亦具有澳洲、英格蘭和威爾斯及新加坡的執業律師資格。此外，他更具有英格蘭和威爾斯的特許會計師資格及澳洲和香港的認可會計師資格。郭先生任職多個政府諮詢機構及委員會的委員，現為監警會主席及交通諮詢委員會主席，亦是強制性公積金計劃諮詢委員會委員及證監會房地產投資信託基金委員會委員。他亦曾任消費者委員會副主席、港交所紀律上訴委員會召集人及交通意外傷亡援助諮詢委員會主席。

王啟新先生

獨立非執行董事

二〇一七年一月獲委任為本行董事。新加坡國立大學工商管理碩士。一九八三年九月至二〇一五年四月期間，於中國建設銀行歷任總行辦公室值班室秘書、總行國際業務部處長、副處長、東京代表處副首席代表、新加坡代表處首席代表、新加坡分行副總經理、總行國際業務部副總經理、悉尼代表處首席代表、悉尼分行總經理。二〇一四年十一月至二〇一六年八月任中國建設銀行(新西蘭)有限公司非執行董事。

Mr KWOK Lam Kwong Larry, BBS, JP

Independent Non-executive Director

Mr Kwok has been appointed as a Director of the Bank since May 2015. He is a partner of Kwok Yih & Chan. He is also a director of Café de Coral Holdings Limited, First Shanghai Investments Limited, Shenwan Hongyuan (H.K.) Limited and Starlite Holdings Limited. He graduated from the University of Sydney, Australia with double bachelor's degrees in accounting/economics and laws respectively as well as a master's degree in laws. He also obtained the Advanced Management Program diploma from the Harvard Business School. He is qualified to practise as a solicitor in Hong Kong, Australia, England and Wales and Singapore. He is also qualified as a Chartered Accountant in England and Wales and a CPA in Hong Kong and Australia. He has served regularly on Government boards and committees. He is currently Chairman of the Independent Police Complaints Council and the Transport Advisory Committee. He is also a member of the Mandatory Provident Fund Schemes Advisory Committee and the Committee on Real Estate Investment Trusts of the Securities and Futures Commission. Previously, he was the Vice-Chairman of the Consumer Council, Convenor of the Disciplinary Appeals Committee of the Hong Kong Stock Exchange and Chairman of the Traffic Accident Victims Assistance Advisory Committee.

Mr WANG Qixin, MBA

Independent Non-executive Director

He has been appointed a Director of the Bank since January 2017. He obtained a master's degree in Business Administration from National University of Singapore. He worked in China Construction Bank Corporation from September 1983 to April 2015 and served as the Secretary of Duty Room of Head Office, Head and Deputy Head of International Business Department of Head Office, Deputy Chief Representative of Tokyo Representative Office, Chief Representative of Singapore Representative Office, Deputy General Manager of Singapore Branch, Deputy General Manager of International Business Department of Head Office, Chief Representative of Sydney Representative Office and General Manager of Sydney Branch of China Construction Bank Corporation. He had been the Non-executive Director of China Construction Bank (New Zealand) Limited from November 2014 to August 2016.

行政人員

張頌強先生 財務總監

一九九一年加入本行，二〇〇七年任助理總經理。會計師。二〇一〇年任財務總監。現亦為時永投資有限公司及永隆銀行受託代管有限公司董事。

王志強先生

資訊科技總監兼營運總監

二〇〇九年加入本行任助理總經理，二〇一〇年任資訊科技總監，二〇一五年任資訊科技總監兼營運總監。現亦為康令有限公司董事。

陳健卿女士

助理總經理

一九八一年加入本行，二〇一〇年任助理總經理，主要負責本行的信貸風險管理事務及信貸資產組合的監控。

宋麗華女士

助理總經理

二〇一一年加入本行任助理總經理，主要負責本行的金融機構業務、現金管理業務、企業傳訊和戰略發展及海外業務管理。

鍾少權先生

助理總經理

二〇一三年加入本行任助理總經理，主要負責管理本行的零售銀行部、客戶服務中心、信用卡及無抵押貸款部和按揭及抵押貸款部。

和心先生

助理總經理

二〇一四年加入本行，二〇一六年任助理總經理，主要負責本行的公司銀行及環球金融業務。現亦為永隆融資有限公司董事。

Executives

Mr CHEUNG Chung Keung, MSc, MBA, FCCA, CPA, FRM

Chief Financial Officer

Joined the Bank in 1991 and appointed Assistant General Manager in 2007. Certified Public Accountant. Appointed Chief Financial Officer in 2010. Member of the board of Sea Wing Investments Limited and Wing Lung Bank (Nominees) Limited.

Mr WANG Zhiqiang, MSc

Chief Information Officer & Chief Operating Officer

Joined the Bank in 2009 as Assistant General Manager. Appointed Chief Information Officer in 2010 and Chief Operating Officer in 2015. Member of the board of Hongnet Limited.

Ms CHAN Kin Hing, MBA, LL.B. (Hons), ACIS, ACS

Assistant General Manager

Joined the Bank in 1981. Appointed Assistant General Manager in 2010. She is primarily responsible for the Bank's credit risk management affairs and loan asset portfolio monitoring.

Ms SONG Lihua, MSc

Assistant General Manager

Joined the Bank as Assistant General Manager in 2011. She is primarily responsible for the Bank's financial institutions business, cash management business, corporate communications and strategic development & overseas business management.

Mr CHUNG Siu Kuen, BBA (Hons), MBA, LL.B. (Hons), RSSC

Assistant General Manager

Joined the Bank as Assistant General Manager in 2013. He is primarily responsible for supervising the Bank's Retail Banking Department, Customer Contact Centre, Credit Card & Unsecured Loans Department and Mortgage & Secured Loans Department.

Mr HE Xin, MBA

Assistant General Manager

Joined the Bank in 2014. Appointed Assistant General Manager in 2016. He is primarily responsible for the Bank's corporate banking and global financing businesses. Member of the board of Wing Lung Capital Limited.

董事長致辭 Chairman's Statement



田惠宇 董事長
TIAN Huiyu Chairman

二〇一六年是永隆銀行成為招商銀行全資子公司的第八個完整年度。一年來，永隆銀行認真落實監管機構和董事會的要求，努力克服各種不利因素，扎實推進與招商銀行的整合聯動，加快實施經營轉型，致力加強核心能力建設，總體保持了良好的發展態勢。

二〇一六年，永隆銀行經營發展呈現以下特點：一是盈利水平保持穩定。全年實現股東應佔綜合溢利港幣34.97億元，同比增長7.6%；平均總資產收益率1.34%，比年初微升0.04個百分點；平均淨資產收益率12.55%，比年初下降0.58個百分點。二是風險抵禦能力持續增強。資產質素保持良好，不良貸款率（包括商業票據）0.11%。年末總資本比率16.1%，一級資本比率13.5%，普通股權一級資本比率11.8%，是年度流動性維持比率平均39.8%，均符合監管要求。三是業務結構不斷優化。財富管理、金融市場等業務快速發展；全年實現非利息淨收入港幣25.23億元，同比增加20.9%，佔營業淨收入42.3%。

2016 was the eighth full year for Wing Lung Bank (the “Bank”) after becoming a wholly owned subsidiary of China Merchants Bank (“CMB”). During the year, the Bank fulfilled the requirements of regulatory authorities and the Board of Directors, overcame numerous adverse factors, steadily advanced the integration with CMB, accelerated reforms on business strategies and enhanced key competencies, thereby maintaining an excellent development trend.

In 2016, the Bank’s business development demonstrated the following features: **Firstly, the Bank’s profitability maintained steady.** During the year, the Bank achieved a consolidated profit attributable to shareholders of HK\$3,497 million, representing an increase of 7.6% as compared with the previous year. Return on average assets slightly increased by 0.04 percentage point to 1.34% compared to that at the beginning of the year. Return on average equity decreased by 0.58 percentage point to 12.55% compared to that at the beginning of the year. **Secondly, the Bank’s risk resistance capability continued to strengthen.** The non-performing loan ratio, including trade bills, was 0.11%, reflecting a sound asset quality. As at the year end of 2016, total capital ratio, tier 1 capital ratio and common equity tier 1 capital ratio were 16.1%, 13.5% and 11.8% respectively and the average liquidity maintenance ratio for the year was 39.8%, all above statutory requirements. **Thirdly, the Bank’s business structure optimized persistently.** Businesses such as wealth management and financial market grew rapidly. Net non-interest income amounted to HK\$2,523 million for the year, which represented an increase of 20.9% as compared with the previous year, contributing 42.3% of the net operating income.

二〇一六年，董事會認真履行職責，進一步提高議事決策能力，作出了一系列重大決策。在公司治理、推進整合聯動、推動業務創新、提升管理水平等做了大量卓有成效的工作，為管理層提供了有力的指導與支持。

在完善公司治理方面，調整了經檢討董事會職權範圍及董事會工作制度，組織做好信息披露與投資者關係管理；補充常務董事、非執行董事及獨立非執行董事，在主要條線配置並健全了管理團隊；同時進一步推動經營班子梳理並完善了永隆銀行內部組織架構和報告路線。

在推動整合聯動方面，以客戶需求為導向，強化招商銀行和永隆銀行兩行的客戶轉介、交叉銷售與資源分享，境內外聯動優勢與協同效應得到進一步發揮。

在推動業務創新方面，把握抓住跨境金融需求日益增長的機遇，全面提升跨境金融服務能力，進一步豐富和完善涵蓋跨境結算、跨境融資、資產經營、結構性理財等在內的一系列跨境公司金融產品體系，積極搭建境內中小銀行跨境金融服務平台；抓住中港兩地高端客戶日益增長的財富保障與傳承需求，以全球化的視野，本土化的智略，力求為高淨值客戶提供專屬的私人銀行服務，實現客戶財富「世代傳承永遠興隆」。二〇一六年，永隆銀行榮獲由香港市務學會頒發的「市場領袖大獎2015－銀行及金融」界別大獎，表揚本行私人銀行及財富管理服務為中港兩地高淨值客戶提供綜合跨境金融服務，並成功建立獨有的「跨境金融」市場定位。

在促進管理提升方面，加快建立和完善全面風險管理體系，持續推動與招商銀行的併表管理及新資本協議統一實施工作；強化IT系統、管道建設、績效考核、客戶服務等核心能力建設，積極營造開拓進取、和諧向上的文化氛圍，促進了永隆銀行品牌形象的進一步提升。

In 2016, the Board of Directors properly performed its duties, further enhanced its decision making capability and made various material decisions. The Board achieved remarkable results in strengthening corporate governance, fostering integration and coordination with CMB, accelerating business innovation and enhancing management capability. These efforts effectively supported the operations of the management.

To strengthen corporate governance, the Board revised the terms of reference and the procedural rules for the Board of Directors. Moreover, the information disclosure and management of investor relations were enhanced. The Board also appointed new executive director, non-executive director and independent non-executive director as well as deployed comprehensive management teams in major business lines. In addition, the Board further promoted the optimisation of the internal structure and reporting line of the Bank by the management.

To foster integration and coordination with CMB, the Board continued to focus on customer demand as well as strengthened business referral, cross-selling and resources sharing between CMB and the Bank, further capitalizing on the advantages of cross-border coordination and synergy effects.

To accelerate business innovation, the Board grasped the opportunities arising from the increase in demand for cross-border financial service, and strived to further diversify and optimise the cross-border corporate financial products system including cross-border settlement, cross-border financing, asset management and structural wealth management. Great emphasis was placed on building a cross-border financial service platform for small and medium banks. To cater for the wealth protection and inheritance needs of high-end customers in both Mainland China and Hong Kong, the Bank strived to provide tailored wealth management solutions to high-net-worth customers so as to enable them to achieve “Prosperity Across Generations”, by leveraging on its globalised vision and local knowledge. In 2016, the Bank was awarded the “Market Leader Award 2015 – Banking & Finance” by Hong Kong Institute of Marketing. The award recognized the Bank’s wealth management services in providing integrated cross-border financial wealth management services for high net worth customers in both Hong Kong and the Mainland as well as successfully establishing a unique position in cross-border financial market.

To enhance management capability, the Board accelerated the establishment and improvement of its comprehensive risk management system, and continued to foster the consolidated reporting management and joint implementation of the new capital accord requirements with CMB. The Bank also strengthened its core capabilities of IT system, channel building, performance appraisal system and customer service. The Bank made every endeavour to build a proactive, harmonious and progressive culture in order to enhance its brand image.

董事長致辭 Chairman's Statement

上述成績的取得，離不開全行員工的辛勤努力，離不開招商銀行的全力支持，更離不開廣大客戶、同業及社會各界的大力支持。在此，我謹代表永隆銀行，向所有關心和支持永隆銀行發展的社會各界朋友，表示最誠摯的感謝！

二〇一七年，環球經濟充斥各種不明朗因素，先進經濟體復蘇步伐不一，主要央行貨幣政策分歧將更為顯著。世界各地政治局勢持續緊張，保護主義情緒可能升溫，將會影響全球貿易增長。美國經濟前景較為樂觀，但惟新政府經濟政策走向尚未清晰，為經濟形勢增添不少變數。歐洲仍然受結構性問題所困擾，加上英國「脫歐」及歐洲多個主要經濟體舉行大選，都有可能對當地經濟帶來負面影響。中國內地方面，內部需求料會保持堅挺，經濟保持中高速增長，同時也面臨繁重的供給側結構性改革任務。總體來看，外圍經濟充滿著諸多不確定因素，永隆銀行的經營管理將面臨不少考驗。與此同時，隨著內地金融改革紮實推進，增長動力加快切換，經濟結構持續優化，加上跨境金融需求迅速增長以及與招商銀行業務聯動的日益深入，為永隆銀行發展帶來新的機遇。在新的形勢下，永隆銀行將繼續深化與招商銀行的整合聯動，加快構建具競爭力跨境金融服務平台；同時積極推進經營轉型，加快戰略轉型，全面提升管理效率和經營效率，持續加強核心能力建設，以更加優質的服務和良好的業績，真誠回饋社會各界的支持與關愛。

衷心期盼社會各界一如既往地關心、支持永隆銀行的發展。

田惠宇
董事長

二〇一七年三月十七日

The above achievements were attributable to the dedicated service of all our staff and the valuable support from CMB, our customers, fellow bankers as well as all walks of life. On behalf of the Bank, I would like to express my sincere gratitude to all of our friends for their dedication and continued support.

In 2017, the global economy was filled with uncertainties amid uneven recovery in the advanced economies and increasing monetary policy divergence among major central banks. The tense political situation around the world and the rising protectionism sentiment will affect the growth of international trade. Despite upbeat forecasts of US economic growth, the unclear economic policy agenda of the new administration has created much uncertainty. European economy will be adversely affected by lingering structural issues, the Brexit developments and the upcoming general elections in several major European economies this year. In view of sustained robust growth in domestic consumption, the Mainland economy is expected to maintain medium-high pace of growth and is undergoing a challenging supply-side structural reform. In the light of uncertain external environment, the operating environment will be challenging for the Bank. Meanwhile, the continuous financial reform in the Mainland, the acceleration in the shift of driver of economic growth, the persistent economic structuring optimisation, the increase in demand for cross-border financial services as well as further business collaboration with CMB will bring new opportunities to the Bank for its future development. Under the new situation, the Bank will continue to strengthen its integration and coordination with CMB, and accelerate the establishment of a cross-border financial service platform. Meanwhile, the Bank will strive to put forward business transformation, foster strategic reform, enhance overall management and operational efficiency as well as strengthen core competencies. Moreover, the Bank will offer quality services and achieve better results to reward the community for their valuable support.

We sincerely look forward to the continuous support from the public in the years ahead.

TIAN Huiyu
Chairman

17 March 2017

行政總裁致辭 Chief Executive Officer's Statement



朱琦 行政總裁
ZHU Qi Chief Executive Officer

二〇一六年，香港經濟僅溫和增長，本地生產總值實質增長1.9%。二〇一六年年初外貿環境形勢嚴峻，幸而年內情況有所改善，隨着區內貿易往來回穩，香港整體貨物出口在第一季後反彈，全年錄得溫和升幅。內部需求維持堅穩，就業人數及勞工收入續見上升，帶動私人消費開支進一步增長。勞工市場表現仍然強韌，全年均維持全民就業狀態，工資及收入持續增長。隨着金融市場及政經方面的發展，市場情緒起伏不定，本地股票市場出現大幅波動。年內住宅物業市場再現亢奮跡象，惟政府於十一月初推出新一輪需求管理措施，加上美國於十二月加息，於年底時顯著冷卻。由於本地及外圍價格壓力普遍偏軟，通脹進一步稍為回落。

外圍方面，環球經濟的增長步伐緩慢。美國經濟在二〇一六年第一季顯著放緩，下半年重拾動力，為年底再次加息奠定基礎。英國公投支持脫離歐盟，隨着其影響大致受控，歐洲經濟繼續溫和增長。新興市場經濟體表現較為堅挺，亞洲新興市場經濟體為環球經濟的主要推動力。至於內地，內部需求持續強韌，為整體經濟提供有力支持，經濟維持中高速增长，同時結構持續轉型及優化，朝向以內部消費及服務產業為主導、以創新及技術提升為動力的發展模式。香港屬開放型經濟體系，難免受外圍環境影響，在複雜多變的經濟環境下，銀行面對充滿挑戰的經營環境。

In 2016, Hong Kong economy recorded only moderate growth, with real GDP increased by 1.9%. Although the external trading environment was difficult in early 2016, it improved gradually over the course of the year. Along with the improvement in regional trade flows, Hong Kong's total exports of goods revived after the first quarter, achieving a modest growth for 2016 as a whole. Strong domestic demand as well as continued rise in employment and labour earnings boosted private consumption expenditure to grow further. The labour market displayed remarkably resilient and remained in a state of full employment throughout the year, marked by sustained growth in wages and earnings. The local stock market remained volatile given sentiment swinging along with various developments in financial market as well as the global political and economic arena. The residential property market showed renewed signs of exuberance during the year, but cooled off notably towards the year end after the introduction of a further round of demand-side management measure by the Government in early November and US interest rate hike in December. In view of the generally soft domestic and external price pressures, inflation eased slightly further.

Externally, the global economy continued to grow slowly. After a sluggish performance in the first quarter of 2016, the US economy regained strength in the second half of 2016, paving the way for a further interest rate hike towards the year end. As the impact of Britain's decision to withdraw from the European Union has largely been contained, the European economy remained on a modest growth path. Emerging market economies stayed relatively resilient and Asian emerging market economies was the key driving force of the global economy. The Mainland economy was underpinned by the sustained strong domestic demand. While maintaining a medium-high growth pace, the Mainland economy continued to undergo structural transformation and optimization through progressing towards a development model based on domestic consumption and services as well as driven by innovation and technological enhancement. Hong Kong, being an open economy, was inevitably affected by the external factors. Under the complicated and ever-changing economic environment, the operating environment was challenging for the banking sector.

行政總裁致辭 Chief Executive Officer's Statement

二〇一六年，本行與招商銀行（「招行」）進一步深化整合，積極推動各項跨境業務聯動，致力推進關鍵能力的提升，充份體現協同效應，實現了理想的業績，為構建跨境金融服務平台打造良好的基礎。

財務概況

截至二〇一六年十二月三十一日止年度，本集團股東應佔溢利為港幣34.97億元，較二〇一五年增長7.6%，主要由非利息業務收益所帶動。平均資產回報率及平均股東權益回報率分別為1.34%及12.55%。

非利息淨收入為港幣25.23億元，較二〇一五年增加20.9%，其中保險營業淨收入較二〇一五年大幅上升164.8%至港幣6.80億元；外匯買賣淨收益較二〇一五年亦增加38.3%至港幣5.40億元。服務費及佣金淨收入為港幣8.21億元，較二〇一五年則下降7.4%，主要由於證券經紀及投資服務、貿易融資及環球融資諮詢費收入下跌。

二〇一六年，本集團實現淨利息收入港幣34.49億元，較二〇一五年減少10.9%，主要由於商業票據有所下跌及整體息差收窄所致。淨利息收益率較二〇一五年下降11個基點至1.50%。

營業支出為港幣19.77億元，與二〇一五年相約。二〇一六年的成本收入比率為33.1%，較二〇一五年下調0.2個百分點。

二〇一六年，貸款及應計利息之減值損失為港幣2.50億元，而可供出售之證券的減值損失為港幣476萬元，持至到期證券的減值回撥則為港幣328萬元。

截至二〇一六年十二月三十一日，本集團客戶總貸款（包括商業票據）餘額為港幣1,443億元，較二〇一五年底下降1.3%；貸存比率為73.0%，較二〇一五年底增加8.6個百分點；不良貸款比率（包括商業票據）為0.11%，較二〇一五年底增加0.04個百分點，整體貸款質量繼續保持良好。

In 2016, the Bank realized synergy effects through further collaboration with China Merchants Bank ("CMB"), actively promoting cross-border coordinated business and enhancing key competencies. Consequently, the Bank achieved remarkable results and established a solid foundation for building a cross-border financial service platform.

Financial Review

For the year ended 31 December 2016, the profit attributable to the shareholders of the Group was HK\$3,497 million, representing a year-on-year increase of 7.6%, which was mainly driven by the increase in non-interest income. Return on average assets and return on average equity were 1.34% and 12.55% respectively.

Net non-interest income was HK\$2,523 million, representing an increase of 20.9% as compared with that of 2015. Insurance business posted a net operating income of HK\$680 million, representing a significant year-on-year increase of 164.8%. Net gain from foreign exchange trading increased by 38.3% to HK\$540 million. Net fees and commission income amounted to HK\$821 million, representing a decrease of 7.4% from that of 2015, which was primarily attributable to the decrease in the income from securities brokerage and investment services, trade finance as well as global financing consultancy business.

In 2016, the Group recorded a net interest income of HK\$3,449 million, representing a decrease of 10.9% as compared with that in 2015, which was mainly attributable to the decrease in trade bills and overall interest margin. The net interest margin for the year was 1.50%, down by 11 basis points as compared with that for the year of 2015.

Operating expenses amounted to HK\$1,977 million, which was approximate to that of 2015. The cost-to-income ratio for 2016 was 33.1%, representing a decrease of 0.2 percentage point as compared with that in 2015.

In 2016, impairment losses on loans and accrued interest amounted to HK\$250 million. Impairment losses on available-for-sale securities amounted to HK\$4.76 million. Write-back of impairment losses on held-to-maturity securities amounted to HK\$3.28 million.

As at 31 December 2016, the balance of total advances to customers, including trade bills, of the Group decreased by 1.3% to HK\$144.3 billion as compared with that at the end of 2015. Loan-to-deposit ratio was 73.0%, up by 8.6 percentage points as compared with that at the end of 2015. The non-performing loan ratio, including that of trade bills, was 0.11%, up by 0.04 percentage point as compared with that at the end of 2015, which implied a sound loan quality on the whole.

本集團客戶存款總額與二〇一五年底比較增長2.2%，達港幣1,843億元。各類存款中，與二〇一五年底比較，港幣存款增加118億元，上升13.6%；美元存款折合港幣後增加112億元，上升29.8%；人民幣存款折合港幣減少172億元，下降43.4%；其他幣種存款折算港幣後減少18.16億元，下降11.1%。

截至二〇一六年十二月三十一日，本集團總資產為港幣2,677億元，較二〇一五年底增長4.2%；股東應佔權益為港幣293億元，較二〇一五年底增長10.8%。

本集團於二〇一六年底的普通股權一級資本比率為11.8%，一級資本比率為13.5%，總資本比率為16.1%，報告期內流動性維持比率平均為39.8%，均高於監管要求。

零售銀行

截至二〇一六年十二月三十一日，按揭及私人貸款餘額為港幣305億元，較二〇一五年底上升0.7%；其中住宅物業按揭分期餘額為港幣78.86億元，較二〇一五年底下降9.3%。二〇一六年香港整體樓宇買賣合約登記宗數下跌4.1%，本行續優化融資產品專家平台，以其他抵押貸款融資為本，按揭業務為副，滿足跨境及本地目標客戶群資產配置，財富傳承所需，以貸帶「全」方位銀行服務及交叉銷售，打造本行為優越財富管理銀行。

信用卡應收賬款為港幣2.75億元，較二〇一五年底下跌11.0%，主要受經濟下行及消費放緩所影響；惟本行成功開拓銀行卡收單合作夥伴，商戶收單款項較二〇一五年增加144.3%。本行將持續加強拓展收單業務以提升業務收益。



The Group's total deposits from customers increased by 2.2% to HK\$184.3 billion as compared with that at the end of 2015. Among various kinds of deposits, Hong Kong Dollar deposits increased by HK\$11.8 billion or 13.6%; US Dollar deposits after translation increased by HK\$11.2 billion or 29.8%; RMB deposits after translation decreased by HK\$17.2 billion or 43.4%; and deposits in other foreign currencies after translation decreased by HK\$1,816 million or 11.1%, as compared with that at the end of 2015.

As at 31 December 2016, total assets of the Group amounted to HK\$267.7 billion, representing an increase of 4.2% as compared with that at the end of 2015. Equity attributable to shareholders amounted to HK\$29.3 billion, representing an increase of 10.8% as compared with that at the end of 2015.

As at 31 December 2016, common equity tier 1 capital ratio, tier 1 capital ratio and total capital ratio of the Group were 11.8%, 13.5% and 16.1% respectively, and average liquidity maintenance ratio for the reporting period was 39.8%, all above statutory requirements.

Retail banking

As at 31 December 2016, the balance of mortgage and personal loans amounted to HK\$30.5 billion, representing an increase of 0.7% over that at the end of 2015. Of the total loans, the balance of residential mortgage loans amounted to HK\$7,886 million, representing a decrease of 9.3% as compared with that at the end of 2015. In 2016, the total number of registered property transactions recorded a decrease of 4.1%. The Bank will continue to optimise the financing product expert platform by focusing on other secured loans and financing with mortgage business as secondary. To cater for the asset allocation and wealth inheritance needs of cross-border and local customers, the Bank is committed to develop itself as privileged wealth management bank by boosting integrated banking service and cross-selling through financing business.



The credit card receivables amounted to HK\$275 million, representing a decrease of 11% as compared with that at the end of 2015, which was mainly attributable to the increase in pressure towards an economic downturn and slowdown of cardholder spending. However, with the growth of merchant acquiring business partners, merchant acquiring business turnover increased by 144.3% as compared with that of 2015. The Bank will continue to develop merchant acquiring business so as to enhance its operating income.

行政總裁致辭 Chief Executive Officer's Statement

私人銀行及財富管理業務方面，由於二〇一六年環球投資市場比較波動，令客戶偏向較保守投資，多以穩定收益及低波幅投資產品，如債券、定息回報產品，而國內客戶對保險類定息回報產品需求增加，帶動人壽保險業務強勁增長，佣金收入飆升3倍多。私人銀行及財富管理因應市場情況，積極豐富產品平台及成功開拓銷售渠道，成為首批推出互認基金及全港首推手機基金交易的銀行。配合客戶團隊專業服務，帶動相關非利息收入按年大幅增長79%。私人銀行及財富管理客群增長表現理想，繼續積極發展跨境業務，客戶存量較二〇一五年底增長22%。

二〇一六年，環球金融市場波動不穩，年內受內地經濟走弱、美國加息步伐加快，以及英國脫歐、美國總統大選等事件影響，在不明朗的環境下投資者入市信心不足，本行證券業務交易量及佣金收益隨著大市下跌。二〇一六年實現之證券經紀佣金收入較二〇一五年下跌38.7%至港幣1.65億元。本行將繼續積極應對市場形勢，集中資源優化電子證券服務平台，並就本地及跨境客戶推出更多優惠以滿足客戶需求。

分行網絡方面，經過合併及強化分行組織，目前本行在香港設有總分行共36間。



by customer service team, non-interest income recorded a significant increase of 79% as compared with that of 2015. With the continuous efforts on expanding cross-border business, the private banking and wealth management customer base increased by 22% as compared with that at the end of 2015, achieving a satisfactory growth.



of the stock market. In 2016, securities brokerage commission income decreased by 38.7% to HK\$165 million as compared with that in 2015. The Bank will continue to keep track of the change in the market situation and deploy resources to enhance electronic securities service platform. To cater for the needs of customers, the Bank will provide various fabulous offers to local and cross-border customers.

As for branch network, after consolidation and strengthening of branch organisation, at present, the Bank has a total of 36 banking offices in Hong Kong.

As regards private banking and wealth management business, customers adopted relatively conservative investment strategy and preferred investment products with low volatility and stable income, including bonds and fixed-income products, amid volatile market conditions in 2016. Demand for fixed interest rate insurance related products from customers in the Mainland increased, driving significant growth in life insurance business. Commission income from life insurance business surged more than 3 times. To be in line with market conditions, the Bank strived to enrich the product platform and succeeded in developing sales channel, being the pioneer bank launching mutual recognition of funds and fund trading services on the mobile application platform in Hong Kong. Thanks to the professional service delivered

In 2016, the global financial market remained fluctuated and unstable given the sluggish economic conditions in the Mainland, acceleration of the pace of US interest rate, the Brexit and the United States presidential election. In the light of the uncertain investment atmosphere, the investors' confidence remained weak. The Bank's securities transaction volume and brokerage income decreased amid the plunge

公司及商業銀行

公司銀行業務方面，截至二〇一六年十二月三十一日，企業貸款總額為港幣566億元，較二〇一五年底上升17.4%。報告期內，本行繼續著力完善「跨境公司金融服務平台」，打造香港市場有特色的資產經營平台，致力於為企業客戶提供銀團貸款、內保外貸、雙邊貸款、債券發行、結構性貸款等綜合性融資服務以及首次公開招股收款行、派息行、基石投資者貸款、首次公開招股過橋貸款、私有化退市融資、債券投資等一系列資本市場特色服務。本行牽頭兼簿記的銀團金額與二〇一五年相比增長168%，按路透排名，在香港銀行貸款市場的簿記行排名首次躋身於香港市場第五位，較二〇一五年再前進五位。本行將繼續加強與招行聯動，深入挖掘跨境金融、香港本地地產專案開發、銀團、企業發債、財資中心建設以及境內出口等業務機會，同時密切關注資本市場動態，在新股發行、資產重組、兼併收購、私有化退市、員工持股計劃等業務領域中進行業務探索，通過個性化的方案滿足客戶的需求。

商業銀行業務方面，貸款餘額（包括商業票據）為港幣136億元，較二〇一五年底下降13.0%，主要原因是經濟環境不明朗，客戶額度使用率減低。資產質素仍處於健康水平。本行將繼續以中小企及貿易融資為業務目標，推動相關收入。

財資

二〇一六年，市場從波動步向平穩，需求下降，加上政策改變，內地大部分跨境業務受影響，銷售業務呈現放緩；外匯交易買賣收益（包括外幣找換）較二〇一五年減少13.0%至港幣2.86億元；惟貨幣掉期收益則大幅增長，令整體外匯買賣淨收益上升38.3%至港幣5.40億元。

Corporate and commercial banking

With respect to corporate banking business, total corporate loans amounted to HK\$56.6 billion as at 31 December 2016, representing an increase of 17.4% as compared with that at the end of 2015. During the reporting period, the Bank made every effort to improve its “financial service platform for cross-border enterprises” and establish a unique asset management platform in Hong Kong market, striving to provide corporate customers with integrated services, such as syndicated loans, loans for overseas enterprises which were secured by guarantees from their respective parent companies, bilateral loans, bond issues and structured loans as well as a series of unique capital market services, such as initial public offer receiving bank service, dividend payment service, loans for cornerstone investors, bridging loans prior to initial public offerings, financing for delisting and privatisation and bond investment. Syndicated loans, with the Bank acted as lead manager and bookrunner, registered an increase of 168% as compared with that in 2015. According to Reuters ranking, the Bank ranked fifth among the syndicated loans bookrunners in Hong Kong for the first time, moving up 5 places from 2015. The Bank will continue to strengthen its business collaboration with CMB and explore opportunities from various business aspects such as cross-border financing, real estate project development in Hong Kong, syndicated loans, corporate bond issues, establishment of treasury centre and domestic export. Besides, the Bank will pay close attention to the capital market trend and identify opportunities from different business areas, such as new share issues, asset reorganisation, mergers and acquisitions, delisting and privatisation as well as employee stock ownership plans. Moreover, the Bank will also cater for the needs of customers by personalised solutions.

As to commercial banking business, the balance of loans, including trade bills, amounted to HK\$13.6 billion as at 31 December 2016, representing a decrease of 13.0% as compared with that at the end of 2015, which was mainly attributable to the uncertain economic conditions and decrease in credit facility utilisation by customers. The asset quality maintained at healthy level. The Bank will continue to target on small and medium enterprises and trade finance business so as to increase its related operating income.

Treasury business

In 2016, the volatile market turned stable and demand declined. These, coupled with the change of policy, adversely affected most of the cross-border business in the Mainland, resulting in slowdown in sales business. Revenue from foreign exchange trading business, including money exchange business, decreased by 13.0% to HK\$268 million as compared with that in 2015. However, net gain from foreign exchange trading increased by 38.3% to HK\$540 million as compared with that in 2015, which was mainly attributable to the substantial increase in revenue from currency swaps.

行政總裁致辭 Chief Executive Officer's Statement

截至二〇一六年底，本集團債券投資餘額為港幣504億元，較二〇一五年底上升68.2%。超過八成的債券信用等級都在A3或以上，風險較低。

本行會進一步提升金融市場的專業分析能力，務求能看準市場變動，抓緊機會營銷各類產品，並加深客戶關係，適時提供有效規避外匯及利率風險的產品；同時，積極研究各項新產品，以拓展業務增長點，並會繼續優化債券貨架，增加債券類別以滿足投資者對債券的殷切需求。

金融機構業務

銀行金融機構業務方面，本行積極關注市場環境變化，重點拓展海外業務領域，並著重發展「中小銀行跨境服務平台」，持續深化與境內中小銀行的跨境業務關係。本行以實現「清算、交易、投融資」三大服務功能為目標，加大產品開發力度，按照同業業務需求，配備清算、資金增值、境外資產配置、資本市場資金融通、貿易融資、銀團貸款、同業借款、外匯交易、風險管理等多元化的產品鏈。同時，堅守「輕型銀行」的發展策略，不斷擴大交易對手客戶群及豐富可交易的產品種類，帶入業務新流量，增加非利息收入來源。

非銀行金融機構業務方面，積極拓展「投商行結合」類業務，做新股融資、基石投資融資、併購融資、債券、基金、股票抵押融資、首次公開招股收款行、派息行等服務；設計「財富通」系列產品，從帳戶、託管到投資產品的選擇和槓桿融資，實現非銀行金融機構客戶於集資及交易市場各幣種資產配置，提供境外資產配置一條龍服務；並逐步拓展融資租賃、資產管理、基金公司等子行業客戶。

At the end of 2016, the Group's balance of debt securities investment amounted to HK\$50.4 billion, representing an increase of 68.2% as compared with that at the end of 2015. More than 80% of the debt securities were rated A3 or above and were exposed to comparatively low risks.

The Bank will further enhance its professional financial market analysis capabilities so as to capture market changes. Moreover, the Bank will also capitalise on all kinds of opportunities to offer various products, deepen customer relationship and provide products which efficiently mitigate the foreign exchange and interest rate risks in due course. Meanwhile, the Bank will proactively study various new products to pursue sustainable growth. The Bank will also continue to optimise its bonds portfolio and diversify the types of bonds so as to meet the strong needs of investors for bonds.

Financial institution business

With respect to bank financial institution business, the Bank kept pace with the market trend, focused on expanding overseas business and the development of "cross-border financial service platform for medium and small-sized financial institutions" as well as further deepening the cross-border business relationship with medium and small-sized financial institutions. With the objectives of realizing three main functions, namely "Clearing and Settlement, Dealing and Trading as well as Investment and Financing", the Bank placed great emphasis on product innovation. To cater for the business needs of other banks, the Bank offered diversified product chain, including clearing and settlement, capital growth, overseas asset allocation, capital market financing, trade financing, syndicated loans, interbank loans, forex trading and risk management. In adherence to the "asset-light bank" business strategy, the Bank brought in new business flow and broadened income avenues through expanding counterparty customer base and enriching tradable product range.

As regards non-bank financial institution business, the Bank strived to expand investment and commercial banking businesses through participating in initial public offer financing, cornerstone investment financing, mergers and acquisitions financing, bonds, funds, stock collateral loans, initial public offer receiving bank service and dividend payment service. The Bank designed series of wealth management products, from account and custodian to investment product selection and leverage financing. To facilitate fundraising and asset allocation in various kind of currencies in trading markets by non-bank financial institution customers, the Bank provided non-bank financial institutions with one-stop overseas asset allocation service. Besides, the Bank gradually acquired customers from other sub-sectors such as financial leasing, asset management and fund companies, etc.

中國及海外業務

中國及海外分行業務方面，積極發力，尋求發展機會，力保資產業務維持正向增長，保持了批發業務貸款資產穩健增長和盈利收入的相對穩定。截至二〇一六年十二月三十一日，客戶貸款為港幣261億元，較二〇一五年底增長29.2%。內地三家分行客戶貸款為港幣148億元，較二〇一五年底上升41.0%，主要來源於廣州分行新增貸款資產增長；澳門分行客戶貸款為港幣47.04億元，較二〇一五年底下降21.5%；美國地區分行客戶貸款為港幣65.16億元，較二〇一五年底增加78.7%。海外分行在總資產規模維持平穩水平下，著力調整結構，提高收益較高的信貸貸款投放，維持盈利水平增長。

在中國境內共設4間分支行，在澳門設有一間分行，另在美國洛杉磯、舊金山及開曼群島各設有海外分行一間。

保險

二〇一六年，永隆保險有限公司（「永隆保險」）實現毛保費收入港幣5.43億元，較二〇一五年減少21.1%；惟總索償額亦減少18.5%至港幣2.86億元，總體承保盈餘則上升3.1%至港幣7,886萬元。永隆保險將繼續依循穩健經營、創新發展的策略，充份利用銀行資源，打造平衡的業務結構，積極拓展電子業務渠道。同時，永隆保險亦致力提高投資收益，增強整體盈利水平和資本實力。



人力資源

截至二〇一六年十二月三十一日，本行僱員總人數為1,887人（二〇一五年十二月三十一日：1,945人），其中香港1,640人，中國境內179人，澳門38人，海外30人。

China and overseas business

With respect to China and overseas business, the Bank devoted efforts to grasp the development opportunities and ensure positive growth in the asset business through maintaining steady increase in wholesale lending and relatively stable revenues. As at 31 December 2016, loans to customers amounted to HK\$26.1 billion, representing an increase of 29.2% as compared with that at the end of 2015. As to the three branches in the Mainland, loans to customers amounted to HK\$14.8 billion, representing an increase of 41.0% as compared with that at the end of 2015, which was mainly attributable to the growth in the new loan assets of Guangzhou Branch. As for Macau Branch, loans to customers amounted to HK\$4,704 million, representing a decrease of 21.5% as compared with that at the end of 2015. Loans to customers of US branches amounted to HK\$6,516 million, representing an increase of 78.7% over that at the end of 2015. Given stable total asset, the overseas branches focused on restructuring, deploying funds to higher yielding loans and maintaining profit growth.

The Bank has 4 branches and sub-branch in Mainland China, a branch in Macau and 3 overseas branches, located respectively in Los Angeles and San Francisco in the United States, and the Cayman Islands.

Insurance

In 2016, Wing Lung Insurance Company Limited (“Wing Lung Insurance”) realised a gross premium income of HK\$543 million, representing a decrease of 21.1% as compared with 2015. Meanwhile, total insurance claims decreased by 18.5% to HK\$286 million. Underwriting business recorded an increase of profit by 3.1% to HK\$78.86 million. Wing Lung Insurance will continue to adhere to the business strategy of prudent operation and innovative development. Besides, Wing Lung Insurance will fully utilise the Bank’s resources, develop a balanced business structure and expand the electronic business channels. Meanwhile, Wing Lung Insurance will devote efforts to enhance overall profitability and capital strength through boosting investment income.

Human resources

As at 31 December 2016, the total number of employees of the Group is 1,887 (31 December 2015: 1,945), of which 1,640 are in Hong Kong, 179 are in the PRC, 38 are in Macau and 30 are overseas.

行政總裁致辭 Chief Executive Officer's Statement

展望二〇一七年，環球經濟充斥著不明朗因素。美國新政府的經濟政策尚未清晰，而聯邦儲備局利率正常化步伐未明，致主要央行貨幣政策分歧更顯著。除結構性問題外，歐洲經濟增長亦受制於英國「脫歐」及歐洲一些主要經濟體陸續舉行大選的相關風險。亞洲新興市場經濟體內需穩健擴張，且經濟基調相對良好，繼續為環球經濟的主要推動力。至於內地方面，經濟增長模式進一步邁向由內部需求及服務業帶動，朝可持續方向發展，亦有充裕政策迴旋空間，預料經濟保持中高速增长，為環球經濟增長的重要支柱。本地方面，香港經濟料會向好，貨物出口前景可望改善，勞工市場穩定且處於全民就業，私人消費料會進一步增長，消費意慾會保持堅挺，通脹料會維持溫和，惟仍存在不明朗因素。面對更為複雜多變的環球經濟前景，銀行的經營環境仍然充滿挑戰。本行會繼續保持高度警覺，強化風險管控能力；優化工作流程，提高工作效益；嚴格控制成本，有效善用資源。成為招商銀行集團成員後，本行實力上得到強大支援，業務領域亦得以擴闊。本行會進一步深化與招行的整合，充份發揮內外聯動業務的優勢，體現協同效應；並與招行合力打造境內外一體化跨境金融服務平台，以增強競爭力優勢，並提升盈利能力。

Looking ahead 2017, the global economy will remain uncertain. The economic policy directions of the new US administration remained unclear. In view of the uncertain pace of interest rate normalisation in the US, the monetary policy divergence among major central banks will become more pronounced. Economic growth in Europe will be constrained by the lingering structural issues as well as risks arising from the Brexit-related developments and the upcoming general elections in several major European countries. Asian emerging market economies will remain the main propellers of global economic growth given solid domestic demand expansion and relatively sound economic fundamentals. The growth of the Mainland economy will be further driven by domestic demand and the service sector and will move towards a pattern of sustainable development. With ample policy room, the Mainland economy is expected to maintain a medium-high pace of growth, remaining an important pillar of global economic growth. Hong Kong economy is expected to fare better in 2017, underpinned by improvement in the performance of goods exports, stable labour market in a virtually full-employment situation, further growth in private consumption, strong customer sentiment and modest inflation, but uncertainties prevail. In view of complex and ever-changing economic outlook, the operating environment continues to be challenging for the banking sector. The Bank will stay alert to the ever-changing operating environment and devote efforts to strengthen risk management capabilities, fine-tune operation procedures to enhance work efficiency, tighten cost control measure and improve resources allocation. Being a member of China Merchants Bank Group, the Bank has strong parental support and wide business scope for further development. The Bank will strive to realise synergy effects through further integration and collaboration with CMB. Meanwhile, the Bank will also cooperate with CMB to build a cross-border financial service platform, so as to strengthen its competitive edge and enhance its profitability.

朱琦
常務董事兼行政總裁

二〇一七年三月十七日

ZHU Qi
Executive Director and Chief Executive Officer

17 March 2017

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WING LUNG BANK

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最高可省港幣24,000元
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董事會報告書 Report of the Directors

董事會同人現謹發表截至二〇一六年十二月三十一日止年度之報告書及已審核之綜合財務報表。

主要營業地點

本行是於香港註冊成立及營業之持牌銀行，其註冊辦事處及主要營業地點位於香港中環德輔道中45號。

主要業務

本行及其附屬公司（合稱「本集團」）之主要業務為銀行及有關之金融服務。主要附屬公司之業務見財務報表註釋26。

本集團是年度按業務及地域劃分之表現分析詳載於財務報表註釋40。

業績及分配

本集團截至二〇一六年十二月三十一日止年度之業績列於本年財務報表第40頁之綜合收益表內。

董事會並無建議派發截至二〇一六年十二月三十一日止年度之股息（二〇一五年：無）。

儲備

本集團儲備之變動詳載於財務報表註釋39。

捐款

是年度本集團之慈善捐款共為港幣20,000元（二〇一五年：港幣100,000元）。

其他物業及設備

本集團其他物業及設備之變動詳載於財務報表註釋31。

股本

本行之股本詳載於財務報表註釋38，是年度並無變動。

The directors have pleasure in submitting their report together with the audited consolidated financial statements for the year ended 31 December 2016.

Principal place of business

The Bank is a licensed bank incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 45 Des Voeux Road Central, Hong Kong.

Principal activities

The Bank and its subsidiaries (the “Group”) are engaged in the provision of banking and related financial services. The principal activities of the principal subsidiaries are set out in note 26 to the financial statements.

An analysis of the Group’s performance for the year by business and geographical segment is set out in note 40 to the financial statements.

Results and appropriations

The profits of the Group for the year ended 31 December 2016 are set out in the consolidated income statement on page 40.

The directors do not recommend the payment of any dividend (2015: Nil) in respect of the year ended 31 December 2016.

Reserves

Details of the movements in the Group’s reserves are set out in note 39 to the financial statements.

Donations

Charitable and other donations made by the Group during the year amounted to HK\$20,000 (2015: HK\$100,000).

Other properties and equipment

Details of the movements in the Group’s other properties and equipment are set out in note 31 to the financial statements.

Share capital

Details of share capital of the Bank are set out in note 38 to the financial statements. There were no movements during the year.

董事會報告書 Report of the Directors

資本工具

本行於是年度贖回被界定為本行的二級資本的後償票據合共港幣1,500,000,000元。本行發行之後償債項及額外權益工具詳載於財務報表註釋34。

董事

本年度內及截至本報告書日期止之董事芳名如下：

田惠宇 (董事長)
李浩 (副董事長)
朱琦# (行政總裁)
許世清# (二〇一六年十一月三日委任為常務董事)

徐志宏#
劉鈞#
朱江濤 (二〇一六年七月二十九日委任為非執行董事)

周光暉¹
陳智思¹
劉二飛¹
郭琳廣¹
王啟新¹ (二〇一七年一月十一日委任為獨立非執行董事)

徐子穎 (二〇一七年三月十七日辭任非執行董事)
鄭先炳 (二〇一七年三月十七日辭任非執行董事)

常務董事
¹ 獨立非執行董事

Capital instruments

During the year, the Bank redeemed subordinated notes which qualified as Tier 2 capital of the Bank totaling HK\$1,500,000,000. Details of the Bank's subordinated debts issued and additional equity instruments are set out in note 34 to the financial statements.

Directors

The directors during the year and up to the date of this report are as follows:

Mr TIAN Huiyu (Chairman)
Mr LI Hao (Vice-Chairman)
Mr ZHU Qi# (Chief Executive Officer)
Dr XU Shiqing# (appointed as Executive Director on 3 November 2016)

Dr XU Zhihong#
Mr LIU Jun# (appointed as Non-executive Director on 29 July 2016)
Mr ZHU Jiangtao

Mr CHOW Kwong Fai Edward¹
Mr CHAN Charnwut Bernard¹
Mr LIU Erh Fei¹
Mr KWOK Lam Kwong Larry¹
Mr WANG Qixin¹ (appointed as Independent Non-executive Director on 11 January 2017)

Ms XU Ziyang (resigned as Non-executive Director on 17 March 2017)
Dr ZHENG Xianbing (resigned as Non-executive Director on 17 March 2017)

Executive Director
¹ Independent Non-executive Director

附屬公司董事

於本年度內及截至本財務報表日期止出任本行附屬公司董事之名單如下：

陳自然*、陳照男、張頌強、章安明#、招志文#、德衛有限公司、億聯有限公司、高宏、和心、黃睿*、金路、劉慧敏、柳汝強、李芷君、梁朝盛、廖小居、劉鈞、潘克原、彭建寅*、談儉成#、譚劍偉*、王志強、王菲菲*、永隆銀行信託有限公司、胡立愷、許世清、徐志宏、張楊*及朱琦。

* 他／她已經辭任本行有關附屬公司董事職務。

由二〇一六年四月十五日起，永隆證券有限公司及永隆期貨有限公司已不是本行之附屬公司。

董事之股本權益

並無任何董事獲授予認購本行股份之權利，亦無任何董事行使該等權利。

是財務年度內本行或其任何附屬公司、母公司集團之附屬公司或其控股公司概無參與任何安排，致令本行董事持有本行或其他個體公司之任何股本權益，或持有其債券而獲得利益。

獲准許的彌償條文

符合《香港公司條例》第469(2)條要求並惠及本行董事之獲准許的彌償條文，於本年度內及截至本報告書日期止有效。

董事之交易、安排或合約權益

是年度內及至是年終結日止，本行或其任何附屬公司、母公司集團之附屬公司或其控股公司並無訂立任何與本行業務有關而董事直接或間接享有重大權益或與董事有關連的實體之其他重要交易、安排或合約。

Directors of subsidiaries

The names of directors who have served on the boards of the Bank's subsidiaries during the year and up to the date of the financial statements are as follows:

CHAN Chi Yin*, CHEN Zhaonan, CHEUNG Chung Keung, CHEUNG On Ming Kitty#, CHIU Chi Man#, DEERIGHT LIMITED, EAGLEARN LIMITED, GAO Hong, HE Xin, HUANG Rui*, JIN Lu, LAU Wai Man Katherine, LAU Yu Keung, LEE Tsz Kwan Paggie, LEONG Chou Sern, LIAO Xiaojun, LIU Jun, PUN Kei Yuen Henry, PENG Jianyin*, TAM Kim Sing#, TAM Kim Wai Joseph*, WANG Zhiqiang, WANG Feifei*, Wing Lung Bank (Trustee) Limited, WOO Lap Hoi, XU Shiqing, XU Zhihong, ZHANG Yang* and ZHU Qi.

* He/She has resigned as a Director of the relevant subsidiary of the Bank.

Wing Lung Securities Limited and Wing Lung Futures Limited are not the subsidiaries of the Bank with effective from 15 April 2016.

Directors' interests in shares

None of the directors have been granted, or have exercised, any rights to subscribe for shares of the Bank.

At no time during the financial year was the Bank, or any of its subsidiaries, fellow subsidiaries or its holding company a party to any arrangement 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.

Permitted indemnity provision

During the year and up to the date of this report, a permitted indemnity provision that meets the requirements specified in section 469(2) of the Companies Ordinance for the benefit of Directors of the Bank is in force.

Directors' interests in transactions, arrangement or contracts

No transactions, arrangement or contracts of significance in relation to the Bank's business to which the Bank, or any of its subsidiaries, fellow subsidiaries or its holding company was a party and in which a director of the Bank or an entity connected with a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事會報告書 Report of the Directors

管理合約

是年度內，本行並無就全盤或其中重大部份業務簽訂或存有任何管理合約。

遵從《銀行業（披露）規則》

本行須遵從《銀行業（披露）規則》，該規則對認可機構之公開披露如收益表、事務狀況及資本充足訂下最低標準。截至二〇一六年十二月三十一日止之財政年度之綜合財務報表已全面遵從《銀行業（披露）規則》所適用之披露規定。

退休計劃

本集團為其職員設有退休計劃。該等退休計劃之詳情載於財務報表註釋14。

核數師

德勤•關黃陳方會計師事務所照章告退，但願意應聘續任。在即將召開的股東周年大會中，將提請通過續聘德勤•關黃陳方會計師事務所為本行核數師的議案。

承董事會命
田惠宇 謹啟
董事長

二〇一七年三月十七日

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 subsisting during the year.

Compliance with the Banking (Disclosure) Rules

The Bank is required to comply with the Banking (Disclosure) Rules which set out the minimum standards for public disclosure which authorised institutions must make in respect of the income statement, state of affairs and capital adequacy. The consolidated financial statements for the year ended 31 December 2016 comply fully with the applicable disclosure provisions of the Banking (Disclosure) Rules.

Retirement schemes

The Group operates retirement schemes for its employees. Details of the Group's retirement schemes are set out in note 14 to the financial statements.

Auditors

Deloitte Touche Tohmatsu retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Deloitte Touche Tohmatsu as auditors of the Bank is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board
TIAN Huiyu
Chairman

17 March 2017

企業管治報告 Corporate Governance Report

本行竭力維持高水平企業管治，為提升銀行整體的管理質素，董事會已推行企業管治措施，且特別重視一個有效的董事會，去領導和監控銀行，確保所有業務活動合乎誠信及優良商業道德操守。截至二〇一六年十二月三十一日止之年度內，本行已致力依循香港金融管理局發出的「本地註冊認可機構的企業管治」指引。

董事會

董事會以盡責的態度和有效的方式領導銀行，所有董事會成員共同分擔為銀行制訂正確方針和作適當管理的責任。董事會在最高管理層須為銀行制訂經營方針，及對銀行的運作與財務全負責。其主要職責包括而不限於：

- 核准及監察銀行經營目標、策略、業務計劃與關鍵性政策文件；
- 確保銀行設立有效的風險管治制度；
- 委任及監察行政人員，確保具備適當的能力；
- 確立企業價值觀及標準；
- 確保銀行設立有效的審計職能；
- 確保銀行在法律容許及既定政策之內審慎經營；
- 確保及監察銀行以高度的誠信經營；及
- 承擔銀行集團風險管理和內部控制的責任。

董事會現時由十二位成員組成，四位為常務董事，八位為非執行董事，而當中五位為獨立非執行董事。成員部分來自銀行業，部分來自其他行業，各有不同背景和豐富經驗。獨立非執行董事均具備適當的專業資格。董事的姓名及個人資料詳見本年報第6至10頁。

The Bank is devoted to maintaining high standards of corporate governance. To enhance the overall management quality of the Bank, the Board of Directors (the “Board”) has put in place governance practices with special emphasis on an effective Board for leadership and control, sound business ethics and integrity in all business activities. Throughout the year ended 31 December 2016, the Bank is committed to the guidelines set out in the “Corporate Governance of Locally Incorporated Authorised Institutions” issued by the Hong Kong Monetary Authority.

Board of Directors

The Board is charged with leading the Bank in a responsible and effective manner. Directors, as members of the Board, jointly share responsibility for the proper direction and management of the Bank. The Board is responsible for providing direction at the top of the organization and for the operations and financial soundness of the Bank. Its main responsibilities include, but not limited to, the following:

- Approving and monitoring the Bank’s objectives, strategies, business plans and key policies;
- Ensuring the establishment of effective risk management polices;
- Appointing and overseeing the Executives as well as ensuring competent management;
- Setting corporate values and standards;
- Ensuring effective audit functions;
- Ensuring prudent conduct of operations within laws and approved policies;
- Ensuring and monitoring integrity in the Bank’s conduct of affairs; and
- Responsible for the risk management and internal control of the Group.

The Board currently comprises twelve members, four executive directors and eight non-executive directors, of whom five are independent non-executive directors. The individuals who make up the Board draw on a rich and diverse background of experience from both within and outside of the banking community. The independent non-executive directors possess appropriate professional qualifications. The names and brief biographical details of the directors are shown on pages 6 to 10 of this Annual Report.

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自永隆銀行成為招商銀行的全資附屬公司後，董事會為提升銀行整體的管理素質，持續改進企業管治，確保所有銀行業務合規經營。現時本行設立戰略委員會、薪酬與考核委員會及審計與風險管理委員會，藉此監察銀行有關方面的事務。每個委員會有特定職權範圍，訂明其職責、權力及功能。委員會向董事會匯報，在適當時候就所討論事項提出建議。董事會除負起全面監督的角色外，同時會執行一些指定職務，如核准聘任特定行政人員、審閱財務賬目、建議派發股息及核准有關董事會合規的政策等。

董事長與行政總裁

董事長與行政總裁的職位由不同人擔任。

董事長田惠宇先生為董事會之領導人，負責確保董事會有效地運作，適時及建設性地處理所有重要和合適的事項。

行政總裁朱琦先生聯同管理委員會，獲授予權力和責任管理本行業務運作及推行業務發展策略。

管理委員會

管理委員會成員由董事會委任，現時由四成員組成，分別為朱琦先生、許世清博士、徐志宏博士及劉鈞先生。根據其職權範圍及董事會不時訂下的方針，就本行的管理和日常營運，行使董事會授予的權力和酌情權。管理委員會的主要責任包括：

- 執行經董事會同意和核准的政策及業務計劃；
- 獲董事會授權重檢及審批政策文件，並針對關鍵性的政策文件向董事會提出建議；

Since the Bank has become a wholly-owned subsidiary of China Merchants Bank Co., Ltd., the Board strives to improve its corporate governance and ensure operational compliance so as to enhance management quality. The Bank currently establishes Strategy Committee, Remuneration and Appraisal Committee as well as Audit and Risk Management Committee, to oversee particular aspects of the Bank's affairs. Each of the committees has defined terms of reference setting out its duties, powers and functions. The committees report to the Board and, where appropriate, make recommendations on matters discussed. The Board, in addition to its overall supervisory role, retains specific responsibilities such as approving specific executive appointments, approving financial accounts, recommending dividend payments, approving policies relating to the Board's compliance, etc.

Chairman and Chief Executive Officer

The positions of chairman of the Board and chief executive officer are separate.

The Chairman, Mr TIAN Huiyu, provides leadership for the Board. He is responsible for ensuring that the Board works effectively and that all key and appropriate issues are discussed by the Board in a timely and constructive manner.

The Chief Executive Officer, Mr ZHU Qi, in conjunction with the Management Committee, is delegated with the authority and responsibility for running the Bank's operation and implementing the Bank's business strategies.

Management Committee

The Management Committee consists of four members, all appointed by the Board. The current members are Mr ZHU Qi, Dr XU Shiqing, Dr XU Zhihong and Mr LIU Jun. The Management Committee exercises the powers, authorities and discretions of the Board relating to the management and day-to-day running of the Bank in accordance with its terms of reference and directions as the Board may determine from time to time. Its main responsibilities include the following:

- To implement agreed policies and to execute business plans approved by the Board;
- To review and approve the policies with the authority granted by the Board as well as make recommendations to the Board with respect to the key policies;

- 協助董事會規劃銀行之可接受風險程度及策略以管理其業務所承受之各類風險；以及執行和維持銀行業務的整體風險管理架構；
 - 確保銀行於日常業務在依循有關法律及董事會核准的政策暢順運作；
 - 監督銀行各特定委員會，並如認為適合隨時授權予各特定委員會執行日常監察；
 - 蒐集市場資料並向董事會建議政策及方略；
 - 穩健經營銀行業務；
 - 適時向董事會其他成員提供資料，讓其知悉銀行最新動向以執行其職務；及
 - 隨時執行董事會指派的其他事務。
- To assist the Board to formulate the Bank's risk appetite and strategies for managing various types of risk to which the Bank's business are exposed; and the implementation and maintenance of the overall risk management framework across the Bank's business;
 - To ensure smooth day-to-day operations of the Bank within applicable laws and policies approved by the Board;
 - To oversee the specific committees of the Bank, and delegate authority and power to these committees for daily monitoring as the Committee thinks fit from time to time;
 - To collect market information and to recommend policy and strategy to the Board;
 - To manage the Bank's business in a prudent manner;
 - To provide timely information to other members of the Board and keep them apprised of the latest development of the Bank so as to enable them to discharge their duties; and
 - To carry out any other matters as the Board thinks fit from time to time.

管理委員會定期向董事會呈送詳盡業務報告，內容包括管理層的業務策略和目標、各項業務的發展及行動計劃等，以便在董事會議上討論。管理委員會適時提供適當和足夠的資料予董事會其他成員，讓其知悉銀行最新動向，以執行其職務。

戰略委員會

戰略委員會的成員由董事會委任，現時由五位董事組成，分別為田惠宇先生（主席）、朱琦先生、劉二飛先生、郭琳廣先生及王啟新先生。該委員會的職責包括：

- 負責確定銀行的戰略發展方向，組織制定中長期發展戰略；
 - 負責銀行的戰略實施與檢討，加強戰略實施的協調性與穩定性；
- To establish strategic development goals, and to formulate medium to long term development strategies of the Bank;
 - To implement and review the strategies of the Bank as well as strengthen the consistency and stability of the implementation of the strategies of the Bank;

The Management Committee presents to the Board regularly by way of detailed business reports on management's business strategies and objectives, updates on different lines of business, action plans, etc for discussion at each Board meeting. The Committee also provides appropriate and sufficient information to the other members of the Board in a timely manner to keep them apprised of the latest development of the Bank so as to enable them to discharge their duties.

Strategy Committee

The Strategy Committee consists of five members, all appointed by the Board. The current members are Mr TIAN Huiyu (Chairman), Mr ZHU Qi, Mr LIU Erh Fei, Mr KWOK Lam Kwong Larry and Mr WANG Qixin. The duties of the Strategy Committee include the following:

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- 負責核准重大投資及資本開支事項；
 - 評估銀行與外部機構、團體的重要合作關係；
 - 評估和批准銀行的慈善捐獻活動；及
 - 提出需經董事會討論決定的重大問題的建議和方案。
- To approve significant investment and capital expenditure plan;
 - To evaluate the Bank's key partnership with external organizations;
 - To evaluate and approve the donations made to charitable organizations; and
 - To put forward proposals and plans for important issues to be discussed and decided by the Board.

薪酬與考核委員會

薪酬與考核委員會成員由董事會委任，現時由四位董事組成，分別為李浩先生（主席）、周光暉先生、陳智思先生及郭琳廣先生。該委員會的職責由董事會不時界定，除特別指定者外，其職責包括：

- 監督、檢查銀行的年度經營計劃、董事會決議的執行情況，並進行評估；
 - 向董事會建議合適人選出任董事及行政人員；
 - 負責研究董事和行政人員的考核標準，按年度進行考核並提出建議；
 - 研究、審查和批准銀行薪酬政策與董事、高級管理人員及其主要人員的薪酬方案；
 - 評估和批准銀行董事、行政人員的僱傭協議或服務協議；
 - 評估和批准銀行員工的薪酬戰略、年度薪酬調整計劃、福利計劃等；及
 - 董事會授權的其他事宜。
- To oversee, examine and evaluate the execution of the Bank's annual business plans and the Board's resolutions;
 - To make recommendations of the individuals for the appointment as Directors and Executives to the Board;
 - To study the performance appraisal standards for the Directors and Executives, and to conduct appraisals and make recommendations annually;
 - To study, review and approve the Bank's remuneration policy and packages for the Directors, senior management, and key personnel as specified therein;
 - To evaluate and approve the employment or service agreements of the Bank's Directors and Executives;
 - To evaluate and approve the Bank's remuneration strategies, the annual pay adjustment and benefits schemes for the staff of the Bank; and
 - To execute other duties as may be delegated by the Board.

Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee consists of four members, all appointed by the Board. The current members are Mr LI Hao (Chairman), Mr CHOW Kwong Fai Edward, Mr CHAN Charnwut Bernard and Mr Kwok Lam Kwong Larry. The Committee shall exercise such functions as shall be determined from time to time by the Board and unless otherwise determined shall include the following:

審計與風險管理委員會

審計與風險管理委員會成員由董事會委任，現時由五位董事組成，分別為周光暉先生（主席）、朱江濤先生、陳智思先生、劉二飛先生及郭琳廣先生，他們均具備合適的學歷和專業資格或相關的財務管理才能，並獲提供充足資源履行其職務。

該委員會之主要責任包括：

- 保證銀行的內部會計系統及財務控制體系的合理性與正確性；
- 提議聘請或更換外部審計機構，對其獨立性及表現進行評估；
- 提議通過內部審計章程；
- 通過由稽核部制定之年度內部審計計劃；
- 對內部審計部門的工作程序和工作效果進行評價；
- 審閱內部稽核報告的重要事項；
- 審閱外聘會計師致管理層函件及監管機構報告內重要事項，確保能及時採取補救行動，並跟進所有建議，確保在合理時間內執行；
- 檢討／提議／建議通過重大政策文件；
- 負責銀行風險管理體系監控，對銀行風險狀況進行定期評估，並提出相應的政策建議；
- 監控、檢討及進行常規評估銀行的內部控制制度，對銀行行政人員在信貸、市場、營運、利率、戰略、法律、聲譽及流動資金方面的風險控制情況進行監督；及
- 董事會授權的其他事宜。

Audit and Risk Management Committee

The Audit and Risk Management Committee consists of five members, all appointed by the Board. The current members are Mr CHOW Kwong Fai Edward (Chairman), Mr ZHU Jiangtao, Mr CHAN Charnwut Bernard, Mr LIU Erh Fei and Mr KWOK Lam Kwong Larry. They possess appropriate academic and professional qualifications or related financial management expertise, and are provided with sufficient resources to discharge their duties.

The principal duties of the Audit and Risk Management Committee include the following:

- To ensure the rationality and accuracy of the internal accounting and financial control systems of the Bank;
- To propose the appointment or replacement of external auditors, and assess their independence and performance;
- To propose the approval of the Audit Charter;
- To approve the annual internal audit plan;
- To evaluate the procedures and performance of internal auditors;
- To review the significant issues raised in the internal audit reports;
- To review the significant issues raised in the management letters from external auditors and reports from the regulatory authorities to ensure that prompt remedial action is taken as well as all recommendations are followed up and implemented within a reasonable period of time;
- To review/propose/recommend the approval of significant policies;
- To monitor the risk management system of the Bank, to conduct regular assessment of the risk position of the Bank, and to propose the implementation of the relevant policies;
- To monitor, review and conduct regular assessment of the internal control system of the Bank and to monitor the risk management of the Bank's exposures to credit risk, market risk, operational risk, interest rate risk, strategic risk, legal risk, reputation risk and liquidity risk by the Executives; and
- To execute other duties as may be delegated by the Board.

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董事提名

本行無成立提名委員會。薪酬與考核委員會負責向董事會建議合適人選出任董事及行政人員；全體董事會負責核准新成員之委任及在股東年會上提名合適的人士應選董事，以填補董事空缺或增添董事數目。

內部監控

董事會及行政人員負責設立、維持及執行一有效的內部監控系統。本集團的內部監控系統包括一個完善的組織架構和全面的政策及準則。董事會之下已設立審計與風險管理委員會及各特定委員會，以協助管理和監察各種風險。董事會對各部門的職務、責任和誠信的期望，已清晰地列載於各政策文件內，包括行為守則、內部監控政策及合規政策聲明等。董事會並已清楚界定各業務及營運部門的權責，以確保有效之制衡。

本集團之內部監控系統涵蓋每一個業務及營運部門，以保障本集團資產免受損失或被盜取；妥善保存會計紀錄以提供可靠的財務資料；合理地對欺詐及重大錯誤作出防範，惟難以確保其絕對不會發生。本集團已訂立政策和程序，確保遵照有關法律、規例和行業標準。為了應付監管機構日益嚴謹的法例要求以及瞬息萬變的營商環境，董事會已投放更多資源及努力進一步強化本集團之管理層架構及監察。

本集團已訂定不同的風險管理政策和程序，並由特定的委員會及單位負責識別、評估、監察及管理本集團所面對的各種風險。風險管理政策及藉以控制主要風險的規限由董事會或管理委員會擬定及批准。有關管理主要風險（包括信貸、市場、流動資金及營運風險）的政策及程序，詳列在財務報表註釋3「金融風險管理」一欄。

Nomination of Directors

The Bank does not have a Nomination Committee. The Remuneration and Appraisal Committee is responsible for making recommendations of the individuals for the appointment as Directors and Executives to the Board. The Board as a whole is responsible for the procedure of agreeing to the appointment of its members and for nominating appropriate person for election at the annual general meeting, either to fill a casual vacancy or as an addition to the existing directors.

Internal Control

The Board and Executives are responsible for establishing, maintaining and operating an effective system of internal control. The internal control system of the Group comprises a well-established organizational structure and comprehensive policies and standards. The Audit and Risk Management Committee and other designated committees have been established with the objective of assisting the Board to manage and monitor various risks. The Board's expectations regarding duty, responsibility and integrity of each department are clearly spelled out in formal policy statements, which include Code of Conduct, Internal Control Policy and Compliance Policy Statement, etc. The Board has clearly defined the lines of authority and responsibilities of each business and operational unit to ensure adequate checks and balances.

The Group's internal control system covers every business and operational function so as to safeguard its assets against loss and misappropriation; to maintain proper accounting records for producing reliable financial information; to provide reasonable, but not absolute, assurance against material fraud and errors. Policies and procedures are established to ensure compliance with applicable laws, regulations and industry standards. To cope with the increasingly stringent requirements from relevant regulatory authorities together with ever-changing business environment, the Board has dedicated more resources and efforts to further strengthen the Group's management structure and oversight.

The Group has had in place various risk management policies and procedures. There are specific committees and units that are responsible for identifying, assessing, monitoring and managing the risks that the Group faces. Risk management policies and major risk control limits are established and approved by the Board or the Management Committee. A more detailed discussion of the policies and procedures for managing each of the major types of risk the Group is facing, including credit, market, liquidity and operational risk, is included in note 3 to the financial statements "Financial Risk Management" section.

董事會負責本集團之內部監控系統，並對有關系統之有效性作出檢討。內部稽核為本集團內部監控架構重要的一環，向董事會提供客觀保證，透過對所有業務及營運部門的定期全面審查以確保完善的內部監控系統得以維持及依循既定的程序和標準。審計與風險管理委員會審閱內部稽核報告的重要事項。外聘稽核數師致管理層函件及監管機構報告內的重要事項均提呈審計與風險管理委員會審閱，確保能及時採取補救行動，並跟進所有建議，確保能在合理時間內執行。稽核部每年根據風險為本之原則，將稽核資源重點擺放於較高風險之範疇上，以制訂其年度內部審計計劃。該計劃會提交管理委員會審閱，並由審計與風險管理委員會核准。為確保稽核之獨立性，董事會已訂立內部審計章程，制訂內部稽核之職權及責任，本行總稽核直接向管理委員會及審計與風險管理委員會報告。

問責及稽核

董事負責監督編製每個財政時段的財務報表，使賬目能真實和公平地反映集團在該時段的業務狀況、業績及現金流量表現。於編製截至二〇一六年十二月三十一日止年度之財務報表時，董事已採用適當之會計政策並貫徹應用，已批准採納符合國際財務報告準則的全部香港財務報告準則，及作出審慎合理的判斷及估計，並按持續經營之基準編製財務報表。

本行在有關期間完結後的四個月及三個月限期內，分別適時地發表全年業績公佈及中期業績公佈。

The Board is responsible for the Group's internal control system and for reviewing its effectiveness. The Group's internal audit function plays an important role in the Group's internal control framework. It provides objective assurance to the Board that a sound internal control system is maintained and operated in compliance with the established processes and standards through regular and comprehensive audits on all business and operational functions. The Audit and Risk Management Committee reviews the significant issues raised in the internal audit reports. Significant issues raised in the management letters from external auditors and reports from regulatory authorities will be brought to the attention of the Audit and Risk Management Committee to ensure that prompt remedial action is taken. All recommendations will be properly followed up to ensure they are implemented within a reasonable period of time. Pursuant to a risk based methodology, the Internal Audit Department plans its internal audit schedules annually with audit resources prioritised towards higher risk areas. The Internal Audit Plan is submitted to the Management Committee for review as well as the Audit and Risk Management Committee for approval. To preserve the audit independence, the Board has established the Audit Charter to set out the authorities and responsibilities of internal audit function. The Group Chief Auditor reports directly to the Management Committee as well as the Audit and Risk Management Committee.

Accountability and Audit

The directors are responsible for overseeing the preparation of financial statements of each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements for the year ended 31 December 2016, the directors have applied suitable accounting policies consistently, approved adoption of all Hong Kong Financial Reporting Standards which are in conformity with the International Financial Reporting Standards, and made prudent judgments and estimates, and prepared the financial statements on a going concern basis.

The Bank has announced its annual and interim results in a timely manner within the limits of 4 months and 3 months respectively after the end of the relevant period.

獨立核數師報告書 Independent Auditor's Report

致永隆銀行有限公司成員
(於香港註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於40至180頁的永隆銀行有限公司(以下簡稱「貴銀行」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二〇一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表及綜合全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表註釋,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二〇一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

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

關鍵審計事項

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

客戶貸款總額之減值

由於貴集團在釐定是否存在減值事項以及貸款減值撥備的錄入金額時行使了重大判斷,我們將客戶貸款及墊款總額減值識別為一項關鍵審計事項。

TO THE MEMBERS OF WING LUNG BANK LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Wing Lung Bank Limited (the "Bank") and its subsidiaries (collectively referred to as "the Group") set out on pages 40 to 180 which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and 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 ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Impairment on gross loans and advances to customers

We identified the impairment on gross loans and advances to customers as a key audit matter due to the significant judgment in determining whether an impairment event has occurred exists and how much to record as loan impairment allowances.

截至二〇一六年十二月三十一日止，如註釋24(a)所述，客戶墊款及貸款總額主要包括公司及個人貸款共計港幣137,595百萬元，其中分別錄入了「減值準備－綜合評估」港幣348百萬元，以及「減值準備－個別評估」港幣100百萬元。

管理層採用信貸評級系統以釐定企業貸款是否存在客觀證據表明發生減值。判定交易對手的信貸級別（包括借貸者及擔保方之財務能力，抵押品以及特定交易之風險）時須涉及到重大判斷。

個別減值乃根據個別戶口是否出現損失之評估而判定，包括對抵押品之價值，按照相關的折現率折現。

綜合減值乃根據過往損失經驗進行計算，並根據就觀察所得之經濟及信貸環境資料數據及判斷作調整和補充。

管理層關於相關重大會計政策的披露載列於註釋1.7(a)，金融風險管理載列於註釋3.1，相關主要會計估計及判斷載列於註釋4(a)。

我們的審計如何處理該等關鍵審計事項

我們對客戶貸款總額減值實施了如下程式：

- 測試信貸批核、審閱及監控程序，包括識別不良貸款以及減值量度。
- 以抽樣形式、檢驗管理層認為「無減值」的企業信貸審閱文檔以檢查其貸款評級。

個別評估

關於管理層認為已經發生減值的貸款樣本：

- 我們評價了管理層對於是否發生減值事項的判斷；
- 我們檢驗了抵押品估值報告及由管理層提呈的其他證據，並檢查了抵押品的價值以及採用的折現率；
- 我們重新計算了個別減值準備。

As at 31 December 2016, as set out in note 24(a), gross loans and advances to customers comprising mainly corporate and individual loans amounting to HK\$137,595 million against which “Impairment allowances – Collectively assessed” of HK\$ 348 million and “Impairment allowances – Individually assessed” of HK\$ 100 million were recorded.

The management adopts a credit grading system for corporate loans to determine whether objective evidence of impairment exists. Significant judgment is required to determine the credit worthiness of the counterparties, including the financial strength of the borrowers and guarantors, collateral pledged and the risk of specific transactions.

Individual impairment is determined by an evaluation of the incurred loss on a case-by-case basis, which includes the assessment of the collateral value adjusted at the relevant discount rates.

Collective impairment is calculated based on historical loss experience and adjusted for current observable data on economic and credit environment supplemented by judgment.

Management’s disclosures with regards to the relevant significant accounting policies are contained in note 1.7(a), whilst the related financial risk management are contained in note 3.1 and the relevant critical accounting estimates and judgments are contained in note 4(a).

How our audit addressed the key audit matter

Our procedures in relation to impairment on gross loans and advances to customers included:

- Testing of controls over the credit approval as well as review and monitoring process, including the identification of non-performing loans and the measurement of the impairment.
- Checking the loan grading for a sample of corporate loans that are considered to be “not impaired” by management by examining the credit review files.

Individual assessment

For a sample of loans which are considered by management to be impaired:

- We evaluated management’s judgment on whether an impairment event has occurred;
- We examined collateral valuation reports and other evidence provided by management and checked the collateral value and the discount rates applied; and
- We recalculated the individual impairment allowances.

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組合評估

- 我們評價了管理層採用釐定綜合減值準備的方法，包括根據當前經濟及信貸環境之可見資料數據調整過往虧損經驗，以反映近期市況。
- 我們抽樣檢查了管理層在計算中所採用之資料，並重新計算了綜合減值。

其他事項

永隆銀行有限公司截至二〇一五年十二月三十一日止年度之財務報表經由另一核數師審計，並於二〇一六年三月十七日出具無保留意見。

其他信息

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

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴銀行董事須負責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》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

Collective assessment

- We evaluated the methodology adopted by management for determining the collective impairment allowances, including adjustments to the historical loss experience based on current observable data on economic and credit environment to reflect the current conditions.
- We sample checked the data used in management's computations and recalculated the collective impairment as at the year end.

Other Matter

The consolidated financial statements of Wing Lung Bank Limited for the year ended 31 December 2015, were audited by another auditor who expressed an unmodified opinion on those statements on 17 March 2016.

Other Information

The directors of the Bank are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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 Directors and Those Charged with Governance 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 determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

治理層需負責監管貴集團財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照香港《公司條例》第405條的規定僅向全體成員出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就我們報告之內容對任何人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或並集合起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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 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 HKSA's 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 HKSA's, we exercise professional judgment and maintain professional skepticism 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.

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- 對董事採用持續經營會計基礎的適當性做出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留的意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。
- 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.

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

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

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

We communicate with those charged with governance 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 those charged with governance 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.

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

出具本獨立核數師報告的審計項目合夥人是唐業銓。

The engagement partner on the audit resulting in the independent auditor's report is Eric Tong.

德勤•關黃陳方會計師行
執業會計師
香港

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

二零一七年三月十七日

17 March 2017

綜合收益表

Consolidated Income Statement

截至二〇一六年十二月三十一日止之年度 For the year ended 31 December 2016

| | | 註釋 Note | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------------------|--|------------|----------------------------------|----------------------------------|
| 利息收入 | Interest income | 5 | 6,383,127 | 7,682,071 |
| 利息支出 | Interest expense | 6 | (2,934,501) | (3,812,118) |
| 淨利息收入 | Net interest income | | 3,448,626 | 3,869,953 |
| 服務費及佣金收入 | Fees and commission income | | 1,153,614 | 1,041,104 |
| 服務費及佣金支出 | Fees and commission expense | | (332,847) | (154,548) |
| 服務費及佣金淨收入 | Net fees and commission income | 7 | 820,767 | 886,556 |
| 保險營業收入 | Insurance operating income | 8 | 965,622 | 607,280 |
| 淨交易收益 | Net trading gain | 9 | 597,828 | 465,655 |
| 出售可供出售證券之 淨收益 | Net gain on disposal of available-for-sale securities | | 127,616 | 104,435 |
| 其他營業收入 | Other operating income | 10 | 296,817 | 374,108 |
| 營業收入 | Operating income | | 6,257,276 | 6,307,987 |
| 保險申索準備 | Charge for insurance claims | 8 | (285,592) | (350,450) |
| 提取保險申索後之營業收入 | Operating income net of insurance claims | | 5,971,684 | 5,957,537 |
| 營業支出 | Operating expenses | 11 | (1,977,049) | (1,982,412) |
| 提取減值準備前之營業溢利 | Operating profit before impairment charge | | 3,994,635 | 3,975,125 |
| 金融資產之減值損失 | Impairment losses on financial assets | 12 | (251,838) | (29,464) |
| 營業溢利 | Operating profit | | 3,742,797 | 3,945,661 |
| 投資物業之公平價值收益 | Fair value gains on investment properties | 29 | 44,256 | 36,610 |
| 出售其他物業及設備之 淨虧損 | Net loss on disposal of other properties and equipment | | (7,428) | (2,040) |
| 出售附屬公司之淨收益 | Net gain on disposal of subsidiaries | | 188,446 | – |
| 應佔共同控制實體之 淨溢利／(虧損) | Share of net profit/(loss) of jointly controlled entities | | 218,886 | (16,184) |
| 應佔聯營公司之淨溢利 | Share of net profit of an associate | | 786 | 1,222 |
| 除稅前溢利 | Profit before taxation | | 4,187,743 | 3,965,269 |
| 所得稅 | Income tax | 15 | (682,697) | (692,958) |
| 本年度溢利 | Profit for the year | | 3,505,046 | 3,272,311 |
| 歸屬於： | Attributable to: | | | |
| 本行股東 | Equity shareholders of the Bank | | 3,496,541 | 3,250,426 |
| 非控制的股東權益 | Non-controlling interests | | 8,505 | 21,885 |

載於第45頁至第180頁之註釋為此等綜合財務報表之一部份。

The notes on pages 45 to 180 form part of these consolidated financial statements.

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至二〇一六年十二月三十一日止之年度 For the year ended 31 December 2016

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------------------|---|----------------------------------|----------------------------------|
| 本年度溢利 | Profit for the year | 3,505,046 | 3,272,311 |
| 本年度其他全面收益 | Other comprehensive income for the year | | |
| 其後可能重新分類至 收益表之項目： | Items that may be reclassified subsequently to the income statement: | | |
| 可供出售證券之 公平價值改變 | Changes in fair value of available-for-sale securities | (86,124) | 102,216 |
| 可供出售證券之公平價值因 出售附屬公司而減少 | Decrease in fair value of available-for-sale securities due to disposal of subsidiaries | (188,446) | – |
| 於出售可供出售證券時 轉入收益表 | Transfer to income statement on disposal of available-for-sale securities | (127,616) | (104,435) |
| 於可供出售證券減值時 轉入收益表 | Transfer to income statement on impairment of available- for-sale securities | 4,761 | – |
| 應佔聯營公司之儲備 | Share of an associate's reserves | 80 | (78) |
| 應佔共同控制實體之儲備 | Share of jointly controlled entities' reserves | 1,338 | 45,328 |
| 因折算海外分行及附屬公司 的財務報表產生的 匯兌變動 | Exchange difference on translation of financial statements of overseas branches and subsidiaries | (214,893) | (198,727) |
| 其他全面收益之遞延稅項之 影響 | Effect of deferred taxation on other comprehensive income items | 26,773 | 587 |
| 其後不會重新分類至 收益表之項目： | Items that will not be reclassified subsequently to the income statement: | | |
| 重估房產之盈餘 | Surplus on revaluation of bank premises | 32,135 | 424,180 |
| 界定福利計劃之精算收益／ (虧損) | Actuarial gain/(loss) on defined benefit schemes | 40,751 | (42,981) |
| 其他全面收益之遞延稅項之 影響 | Effect of deferred taxation on other comprehensive income items | (6,724) | 7,092 |
| 本年度其他全面 (支出)／ 收益 | Other comprehensive (expense)/income for the year | (517,965) | 233,182 |
| 本年度全面收益總額 | Total comprehensive income for the year | 2,987,081 | 3,505,493 |
| 歸屬於： | Attributable to: | | |
| 本行股東 | Equity shareholders of the Bank | 2,978,576 | 3,483,608 |
| 非控制的股東權益 | Non-controlling interests | 8,505 | 21,885 |

載於第45頁至第180頁之註釋為此等綜合財務報表之一部份。

The notes on pages 45 to 180 form part of these consolidated financial statements.

綜合財務狀況表

Consolidated Statement of Financial Position

二〇一六年十二月三十一日 As at 31 December 2016

| | | 註釋 Note | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|--|------------|----------------------------------|----------------------------------|
| 資產 | Assets | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 17 | 35,315,244 | 42,267,021 |
| 同業定期存放及貸款 | Placements with and loans and advances to banks | 18 | 26,070,918 | 26,962,735 |
| 持作買賣用途之證券 | Trading securities | 19 | 1,328,530 | 952,943 |
| 衍生金融工具 | Derivative financial instruments | 20 | 697,578 | 837,171 |
| 以公平價值誌入損益賬之 金融資產 | Financial assets designated at fair value through profit or loss | 21 | 4,865,980 | 3,924,327 |
| 可供出售之證券 | Available-for-sale securities | 22 | 45,561,712 | 25,125,284 |
| 持有到期證券 | Held-to-maturity securities | 23 | 883,823 | 1,708,475 |
| 貸款及其他賬項 | Advances and other accounts | 24 | 146,445,745 | 148,511,479 |
| 共同控制實體權益 | Interests in jointly controlled entities | 27 | 1,678,416 | 1,482,178 |
| 聯營公司權益 | Interest in an associate | 28 | 3,363 | 3,875 |
| 投資物業 | Investment properties | 29 | 3,191,670 | 3,130,050 |
| 租賃土地權益 | Interests in leasehold land | 30 | 180,569 | 189,302 |
| 其他物業及設備 | Other properties and equipment | 31 | 1,382,159 | 1,318,379 |
| 可回收稅項 | Tax recoverable | | 3,204 | 6,527 |
| 遞延稅項資產 | Deferred tax assets | 35 | 49,415 | 44,250 |
| 列作出售資產 | Assets classified as held for sale | 37 | - | 512,413 |
| 總資產 | Total assets | | 267,658,326 | 256,976,409 |
| 負債 | Liabilities | | | |
| 同業存款 | Deposits and balances from banks | | 39,307,661 | 29,248,997 |
| 衍生金融工具 | Derivative financial instruments | 20 | 901,847 | 733,155 |
| 以公平價值誌入損益賬之 金融負債 | Financial liabilities designated at fair value through profit or loss | 32 | - | 503,961 |
| 客戶存款 | Deposits from customers | 33 | 184,251,154 | 180,212,858 |
| 發行之存款證 | Certificates of deposit issued | | 3,589,223 | 7,271,309 |
| 發行之後償債項 | Subordinated debts issued | 34 | 1,541,841 | 3,039,595 |
| 當期稅項 | Current taxation | | 257,514 | 174,819 |
| 遞延稅項負債 | Deferred tax liabilities | 35 | 38,698 | 48,368 |
| 其他賬項及預提 | Other accounts and accruals | 36 | 5,152,943 | 5,506,242 |
| 列作出售負債 | Liabilities classified as held for sale | 37 | - | 304,271 |
| 總負債 | Total liabilities | | 235,040,881 | 227,043,575 |
| 權益 | Equity | | | |
| 股本 | Share capital | 38 | 1,160,951 | 1,160,951 |
| 儲備 | Reserves | 39 | 28,131,090 | 25,271,605 |
| 歸屬於本行股東權益合計 | Total equity attributable to shareholders of the Bank | | 29,292,041 | 26,432,556 |
| 額外權益工具 | Additional equity instruments | 34 | 3,251,990 | 3,251,990 |
| 非控制的股東權益 | Non-controlling interests | | 73,414 | 248,288 |
| 權益總額 | Total equity | | 32,617,445 | 29,932,834 |
| 權益及負債總額 | Total equity and liabilities | | 267,658,326 | 256,976,409 |

經已於二〇一七年三月十七日由董事會
通過及授權發佈。Approved and authorised for issue by the Board of Directors on 17
March 2017.田惠宇
朱琦董事長
董事兼行政總裁TIAN Huiyu
ZHU QiChairman
Director and Chief Executive Officer載於第45頁至第180頁之註釋為此等綜
合財務報表之一部份。The notes on pages 45 to 180 form part of these consolidated financial
statements.

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二〇一六年十二月三十一日止之年度 For the year ended 31 December 2016

| | | 股本 Share capital 港幣千元 HK\$'000 | 資本儲備 Capital reserve 港幣千元 HK\$'000 | 重估 房產儲備 premises revaluation reserve 港幣千元 HK\$'000 | 重估 投資儲備 Investment revaluation reserve 港幣千元 HK\$'000 | 其他儲備 Other reserves 港幣千元 HK\$'000 | 保留溢利 Retained earnings 港幣千元 HK\$'000 | 小計 Sub-total 港幣千元 HK\$'000 | 額外權益 工具 Additional equity instruments 港幣千元 HK\$'000 | 非控制的 股東權益 Non- controlling interests 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-----------------------------|---|--|--|--|--|---|--|-------------------------------------|---|--|---------------------------------|
| 於二〇一五年一月一日 | At 1 January 2015 | 1,160,951 | 57,500 | 66,769 | 430,730 | 1,021,154 | 20,330,835 | 23,067,939 | 2,015,390 | 123,370 | 25,206,699 |
| 二〇一五年權益總額的改變： | Changes in equity for 2015: | | | | | | | | | | |
| 本年度溢利 | Net profit for the year | - | - | - | - | - | 3,250,426 | 3,250,426 | - | 21,885 | 3,272,311 |
| 本年度其他全面收益／ (支出) | Other comprehensive income/ (expense) for the year | - | - | 456,402 | 10,692 | (198,023) | (35,889) | 233,182 | - | - | 233,182 |
| 本年度全面收益／(支出) 總額 | Total comprehensive income/ (expense) for the year | - | - | 456,402 | 10,692 | (198,023) | 3,214,537 | 3,483,608 | - | 21,885 | 3,505,493 |
| 轉出或然儲備 | Transfer from contingency reserve | - | - | - | - | (96) | 96 | - | - | - | - |
| 發行額外權益工具 | Issue of additional equity instruments | - | - | - | - | - | - | - | 1,236,600 | - | 1,236,600 |
| 非控制的股東權益 的增加 | Amount increase in non-controlling interests | - | - | - | - | - | - | - | - | 103,033 | 103,033 |
| 權益工具分配 | Distribution for equity instruments | - | - | - | - | - | (118,991) | (118,991) | - | - | (118,991) |
| 於二〇一五年十二月三十一日 及二〇一六年一月一日 | At 31 December 2015 and 1 January 2016 | 1,160,951 | 57,500 | 523,171 | 441,422 | 823,035 | 23,426,477 | 26,432,556 | 3,251,990 | 248,288 | 29,932,834 |
| 二〇一六年權益總額的改變： | Changes in equity for 2016: | | | | | | | | | | |
| 本年度溢利 | Net profit for the year | - | - | - | - | - | 3,496,541 | 3,496,541 | - | 8,505 | 3,505,046 |
| 本年度其他全面收益／ (支出) | Other comprehensive income/ (expense) for the year | - | - | 32,975 | (370,074) | (200,742) | 19,876 | (517,965) | - | - | (517,965) |
| 本年度全面收益／ (支出) 總額 | Total comprehensive income/ (expense) for the year | - | - | 32,975 | (370,074) | (200,742) | 3,516,417 | 2,978,576 | - | 8,505 | 2,987,081 |
| 轉出或然儲備 | Transfer from contingency reserve | - | - | - | - | (46) | 46 | - | - | - | - |
| 非控制的股東權益 的減少 | Amount decrease in non-controlling interests | - | - | - | - | - | - | - | - | (183,379) | (183,379) |
| 權益工具分配 | Distribution for equity instruments | - | - | - | - | - | (119,091) | (119,091) | - | - | (119,091) |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 1,160,951 | 57,500 | 556,146 | 71,348 | 622,247 | 26,823,849 | 29,292,041 | 3,251,990 | 73,414 | 32,617,445 |

載於第45頁至第180頁之註釋為此等綜合財務報表之一部份。

The notes on pages 45 to 180 form part of these consolidated financial statements.

綜合現金流量表

Consolidated Cash Flow Statement

截至二〇一六年十二月三十一日止之年度 For the year ended 31 December 2016

| | | 註釋 Note | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------------------|---|------------|----------------------------------|----------------------------------|
| 營業活動之現金 流入／(流出) 淨額 | Cash generated from/(used in) operations | 43(a) | 11,787,456 | (1,626,380) |
| 支付香港利得稅 | Hong Kong profits tax paid | | (368,761) | (535,154) |
| 支付海外稅項 | Overseas tax paid | | (215,382) | (200,818) |
| 營業活動之現金 流入／(流出) 淨額 | Net cash generated from/(used in) operating activities | | 11,203,313 | (2,362,352) |
| 投資活動 | Investing activities | | | |
| 購入可供出售之證券及 持至到期證券 | Purchase of available-for-sale securities and held-to-maturity securities | | (40,419,379) | (27,282,246) |
| 獲取共同控制實體 之股本 | Acquisition of share capital of a jointly controlled entity | | – | (1,236,600) |
| 共同控制實體之貸款償還 | Loans repaid from jointly controlled entities | | 5,835 | 2,834 |
| 收取共同控制實體及 聯營公司之股息 | Dividends received from jointly controlled entities and an associate | | 19,527 | 22,090 |
| 出售及贖回可供出售之 證券及持至到期證券 所得之款項 | Proceeds from sale and redemption of available- for-sale securities and held-to-maturity securities | | 23,134,330 | 23,881,856 |
| 增置其他物業及設備 | Payment for additions of other properties and equipment | | (210,634) | (200,247) |
| 出售其他物業及設備所得之 款項 | Proceeds from disposal of other properties and equipment | | 140 | 273 |
| 投資活動之現金流出淨額 | Net cash used in investing activities | | (17,470,181) | (4,812,040) |
| 融資活動 | Financing activities | | | |
| 額外權益工具分配 | Distribution for additional equity instruments | | (119,091) | (118,991) |
| 發行額外權益工具 | Issue of additional equity instruments | | – | 1,236,600 |
| 償還已發行的後償債券 | Repayment of subordinated debts issued | | (1,500,000) | – |
| 非控制的股東權益的 (減少)／增加 | Amount (decrease)/increase in non-controlling interests | | (183,379) | 103,033 |
| 融資活動之現金(流出)／ 流入淨額 | Net cash (used in)/generated from financing activities | | (1,802,470) | 1,220,642 |
| 現金及等同現金項目之 淨減少 | Net decrease in cash and cash equivalents | | (8,069,338) | (5,953,750) |
| 於一月一日現金及等 同現金項目 | Cash and cash equivalents at 1 January | | 25,727,130 | 31,807,929 |
| 外幣匯率變動之影響 | Effects of foreign exchange rate changes | | (221,604) | (127,049) |
| 於十二月三十一日現金及 等同現金項目 | Cash and cash equivalents at 31 December | 43(b) | 17,436,188 | 25,727,130 |
| 營業活動之現金流量包括： | Cash flows from operating activities include: | | | |
| 利息收入 | Interest received | | 6,443,411 | 7,644,366 |
| 利息支出 | Interest paid | | 2,918,192 | 3,715,802 |
| 股息收入 | Dividends received | | 21,089 | 40,228 |

載於第45頁至第180頁之註釋為此等綜合財務報表之一部份。

The notes on pages 45 to 180 form part of these consolidated financial statements.

財務報表註釋 Notes to the Financial Statements

1 主要會計政策

1.1 編製基礎

本綜合財務報表乃根據適用之香港財務報告準則，即所有由香港會計師公會頒佈並且適用之個別香港財務報告準則、香港會計準則及詮釋、香港普遍採納之會計準則。本綜合財務報表同時符合香港《公司條例》之要求。

本綜合財務報表以歷史成本常規法編製，並就可供出售之金融資產、持作買賣用途之金融資產及負債（包括衍生金融工具），以公平價值誌入損益賬之金融資產及負債及投資物業之重估作出修訂。

編製符合香港財務報告準則之綜合財務報表須使用多項重要之會計估計，亦須管理層在應用本集團會計政策之過程中作出判斷。涉及較大程度之判斷及較高複雜性、或其假設及估計對本綜合財務報表有重大影響之範疇，已詳列於註釋4。

香港會計師公會已頒佈多項新增／經修訂之香港財務報告準則，並於二〇一六年一月一日或之後之會計年度開始生效。本年度採納之香港財務報告準則修訂對本集團的綜合財務報表並無重大影響。下列為與本集團業務相關之香港財務報告準則修訂：

— 香港財務報告準則第11號之修訂「合營公司權益」-收購合營公司權益之會計處理。該修訂為收購合營公司權益之會計處理提供指引。採納該修訂對本集團之共同控制實體權益並無影響。

1 Summary of significant accounting policies

1.1 Basis of preparation

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

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities held for trading (including derivative financial instruments), financial assets and financial liabilities designated at fair value through profit or loss and investment properties.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The HKICPA has issued a number of new/revised HKFRSs, which are effective for accounting periods beginning on or after 1 January 2016. The adoption of the amendments to HKFRSs in the current year has no material impact on the Group's consolidated financial statements. The following revised HKFRSs which are relevant to Group's operations:

— Amendments to HKFRS 11, Joint arrangements – Accounting for acquisitions of interests in joint operations. The amendments provide new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The adoption of these amendments have no impact on the Group's interest in jointly controlled entities.

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.1 編製基礎 (續)

截至本綜合財務報表發佈日止，香港會計師公會公佈了若干新增／經修訂之香港財務報告準則，該等準則尚未於二〇一六年一月一日開始之會計年度生效，本集團並未有提早採納此等準則。本集團正評估此等新增／經修訂之香港財務報告準則在首個應用期產生的影響。下列新增／經修訂之香港財務報告準則與本集團業務相關：

- 香港財務報告準則第9號「金融工具」，於二〇一八年一月一日或之後之會計年度開始生效。
- 香港財務報告準則第15號「與客戶訂約帶來之收入」，於二〇一八年一月一日或之後之會計年度開始生效。
- 香港財務報告準則第16號「租賃」，於二〇一九年一月一日或之後之會計年度開始生效。

香港財務報告準則第9號對本集團之金融工具的分類及計量可能有所影響，就適用於金融資產之新減值要求亦當認定預期信用損失。

香港財務報告準則第15號提供按原則確認收入的方法，並引入於履行責任後確認收入的概念。該準則應予追溯應用，並備有若干權宜措施。其對本集團的收入確認方法無重大影響。

香港財務報告準則第16號取消目前對承租人區分資產負債表內融資租賃和資產負債表外經營租賃的要求，並以單一的資產負債表內會計模型取代。本集團對租賃的確認及計量可能受影響。

1 Summary of significant accounting policies (Continued)

1.1 Basis of preparation (Continued)

Up to the date of issue of these consolidated financial statements, the HKICPA has also issued certain new/revised HKFRSs which are not yet effective for accounting period beginning on 1 January 2016 and have not been early adopted by the Group. The Group is in the process of making an assessment of what the impact of these new/revised HKFRSs is expected to be in the period of initial application. The following new/revised HKFRSs are relevant to the Group's operations:

- HKFRS 9, Financial instruments, which is effective for annual periods beginning on or after 1 January 2018.
- HKFRS 15, Revenue from contracts with customers, which is effective for annual periods beginning on or after 1 January 2018.
- HKFRS 16, Leases, which is effective for annual periods beginning on or after 1 January 2019.

HKFRS 9 may have an impact on the Group's classification and measurement of financial instruments. Expected credit loss shall also be recognised on the financial assets to which the new impairment requirements apply.

HKFRS 15 provides a principles-based approach for revenue recognition, and introduces the concept of recognising revenue for obligations as they are satisfied. The standard should be applied retrospectively, with certain practical expedients available. They have no significant impact on the Group's revenue recognition.

HKFRS 16 eliminates the current requirements for lessees to distinguish between on-balance sheet finance leases and off-balance sheet operating leases. They are to be replaced by a single, on-balance sheet accounting model instead. They may have an impact on the Group's recognition and measurement of leases.

1 主要會計政策 (續)

1.2 綜合財務報表

截至二〇一六年十二月三十一日止之綜合財務報表包含本行、其子公司及本集團的共同控制實體權益及聯營公司權益。

附屬公司為本集團所控制之實體。當本集團承擔或有權從參與該實體的活動而獲取可變的回報，並有能力行使權力影響該回報，控制權則被確認。附屬公司包括本行直接或間接地控制其董事會之組成、控制其多於半數投票權或擁有多於半數其已發行股本之公司。

附屬公司權益自控制權轉移予本集團當日起於財務報表作綜合計算，並自該控制權終止之日起不再綜合計算。

集團內公司間之交易、結餘及未變現交易收益已於綜合財務報表內完全抵銷。集團內公司間之交易產生之未變現虧損也同時會被抵銷，除非有證據顯示該等資產出現減值。

本集團於若干未作綜合計算的結構性實體的權益包括(i)由本集團設立及管理的投資基金，為投資者管理資產以賺取費用；及(ii)本集團購入由第三方管理的投資基金。

本集團未作綜合計算的結構性實體權益的最高風險承擔為所持資產的賬面值，並見於註釋22。於二〇一六年十二月三十一日，無對未作綜合計算的結構性實體作財務支持(二〇一五年：無)。

1 Summary of significant accounting policies (Continued)

1.2 Consolidation

The consolidated financial statements for the year ended 31 December 2016 comprise the Bank and its subsidiaries and the Group's interest in an associate and jointly controlled entities.

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. They include entities in which the Bank, directly or indirectly, controls the composition of the Board of Directors, controls more than half of the voting power or holds more than half of the issued share capital.

Interests in subsidiaries are consolidated into the financial statements from the date on which control commences until the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from inter-company transactions are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group has interests in certain unconsolidated structured entities which include (i) investment funds established and managed by the Group to generate fees from managing assets on behalf of investors; and (ii) third-party managed investment funds purchased by the Group.

The maximum exposure to loss from the Group's interests in unconsolidated structured entities is the carrying amount of the assets held and is included in note 22. As at 31 December 2016, no financial support was given to the unconsolidated structured entities (2015: Nil).

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.3 共同控制實體

共同控制實體指本集團與其他人士以合約協議方式共同進行經濟活動，該活動受雙方共同控制，任何一方均沒有單獨控制權。

共同控制實體是指本集團與其他人士以合約協議方式共同控制該公司並擁有其淨資產的權利。

本集團之共同控制實體權益是以權益法在綜合財務報表內記賬，記賬方法是先以成本另按本集團於購入後應佔該共同控制實體淨資產及任何相關投資減值損失的轉變而調整。本集團應佔年內共同控制實體的購入後、除稅後業績及任何減值損失在綜合收益表內確認，而本集團應佔共同控制實體之其他全面收益的購入後、除稅後項目亦在綜合全面收益表內確認。

1.4 聯營公司

聯營公司是指本集團可對其管理發揮重大影響力，包括制定其財務及經營政策，但不能控制或共同控制其管理層之公司，一般是指持有20% – 50%股本投票權者。

本集團之聯營公司權益是以權益法在綜合財務報表內記賬，記賬方法是先以成本另按本集團於購入後應佔該聯營公司淨資產及任何相關投資減值損失的轉變而調整。本集團應佔年內聯營公司的購入後、除稅後業績及任何減值損失在綜合收益表內確認，而本集團應佔聯營公司之其他全面收益的購入後、除稅後項目亦在綜合全面收益表內確認。

1 Summary of significant accounting policies (Continued)

1.3 Jointly controlled entities

A jointly controlled entity is an entity which operates under a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

A jointly controlled entity is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements under the equity method and are initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the jointly controlled entities' net assets and any impairment losses relating to the investment. The Group's share of the post-acquisition, post-tax results of the jointly controlled entities and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the jointly controlled entities' other comprehensive income is recognised in the consolidated statement of comprehensive income.

1.4 Associate

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decision. This is generally accompanied by a shareholding of between 20% and 50% of the voting rights.

The Group's interest in an associate is accounted for in the consolidated financial statements under the equity method and are initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets and any impairment losses relating to the investment. The Group's share of the post-acquisition, post-tax results of the associate and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the associate's other comprehensive income is recognised in the consolidated statement of comprehensive income.

1 主要會計政策 (續)

1.5 收入認算

收入是按已收或應收報酬的公平價值計算。假設經濟利益有可能流向本集團及收入和支出(如適用)屬可靠計量的,收入在綜合收益表內確認如下:

(a) 利息收入及支出

所有金融工具之利息收入及支出乃採用實際利息方法於綜合收益表內以應計基準確認。

實際利息方法乃是一種用以計算金融資產或金融負債之攤銷成本及於其相關期內攤分利息收入或利息支出之方法。實際利率指能將預計未來之現金付賬或收入,從相關金融工具之預計年期(或較短之年期,如適用)折算至與金融資產或金融負債之賬面值之利率。在計算實際利率時,本集團乃按金融工具之所有合約條款(如提早清還之行使權)而估計其現金流量,但不考慮未發生之信貸損失。此計算包括所有合約內交易雙方所收取或支付之金額;包括能構成整體實際利息之住宅按揭貸款之現金回贈、交易成本及所有其他溢價或折讓。

若金融資產價值因減值虧損被調低,其利息收入則以計算有關減值虧損時所採用來折算未來現金流量之利率來確認。因時間推移以致減值資產的現值增加,將確認為利息收入。

(b) 服務費及佣金收入

由金融服務而產生之服務費及佣金收入,在有關服務提供時確認,但如服務費是為彌補持續為客戶提供一項服務的成本或承受風險而收取或費用性質為利息則除外。在這些情況下,服務費在成本發生或承受風險的會計期確認或視作利息收入。

1 Summary of significant accounting policies (Continued)

1.5 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Provided it is probable that economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the consolidated income statement as follows:

(a) Interest income and expense

Interest income and expense for all financial instruments are recognised in the consolidated income statement on an accruals basis 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 cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all amounts paid or received between parties to the contract, including cash rebates granted in relation to residential mortgage loans, that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Subsequent increase of such net present value of impaired assets due to the passage of time is recognised as interest income.

(b) Fee and commission income

Fee and commission income arises on financial services provided by the Group and is recognised when the corresponding service is provided, except where the fee is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the fee is recognised as income in the accounting period in which the cost or risk is incurred and is accounted for as interest income.

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.5 收入認算 (續)

(c) 融資租賃及租購合約之利息收入

融資租賃及租購合約隱含財務收入按租賃年期確認為利息收入，以令每個會計年度期間剩餘的淨租賃投資回報大致相同。或有租金以該收入產生的會計期間列作收入。收購融資租賃或租購合約之經紀佣金包括於該等資產之賬面值內並根據其可使用年期於綜合損益賬內攤銷作為利息收入調整。

(d) 經營租賃之租金收入

除非有更具代表性的基準衡量從使用租賃資產獲取利益的模式，經營租賃之租金收入按該租期所涵蓋的年期以等額分期確認為其他經營收入。經營租賃協議所涉及的激勵措施均在綜合收益表中確認為租賃淨收款總額的組成部分。或有租金以該收入產生的會計期間列作收入。

(e) 股息收入

非上市投資股息收入在股東收取權被確立時才予以確認。上市投資股息收入則在該投資的股價除息時才被確認。

1.6 金融資產

本集團之金融資產分為以下類別：貸款及應收賬項、持作買賣用途之證券、以公平價值誌入損益賬之金融資產、持至到期證券及可供出售證券。此等分類乃按購入投資時之目的而歸類，並由管理層在最初確認投資時決定。

(a) 貸款及應收賬項

貸款及應收賬項包括庫存現金及短期資金、同業定期存放及貸款、商業票據及客戶貸款，此等項目為固定或可確定付款金額及沒有活躍市場報價的非衍生金融資產。此乃本集團直接為債務人提供金錢、貨品或服務並在無意把其應收賬項用作買賣用途之情況下產生。

貸款及應收賬項採用實際利息方法計算攤銷成本減除減值虧損列賬。

1 Summary of significant accounting policies (Continued)

1.5 Revenue recognition (Continued)

(c) Finance income from finance lease and hire purchase contract

Finance income implicit in finance lease and hire purchase payments is recognised as interest income over the period of the leases so as to produce an approximately constant periodic rate of return on the outstanding net investment in the leases for each accounting period. Contingent rentals are recognised as income in the accounting period in which they are earned. Commission paid to dealers for acquisition of finance lease loans or hire purchase contracts is included in the carrying value of the assets and amortised to the consolidated income statement over the expected life of the lease as an adjustment to interest income.

(d) Rental income for operating lease

Rental income receivable under operating leases is recognised as other operating income in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in the consolidated income statement as an integral part of the aggregate net lease payments receivable. Contingent rentals receivable are recognised as income in the accounting period in which they are earned.

(e) Dividend income

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established. Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

1.6 Financial assets

The Group classifies its financial assets under the following categories: loans and receivables, trading securities, financial assets designated at fair value through profit or loss, held-to-maturity securities, and available-for-sale securities. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Loans and receivables

Loans and receivables, including cash and short term funds, placements with and loans and advances to banks, trade bills and loans and advances to customers, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable.

Loans and receivables are carried at amortised cost using the effective interest method less impairment losses.

1 主要會計政策 (續)

1.6 金融資產 (續)

(b) 持作買賣用途之證券

擬在短期內出售而購入之金融資產被分類為持作買賣用途。除被指定作為對沖用途外，衍生工具亦分類為持作買賣用途。

本集團並無符合於註釋1.9所列作對沖條件之衍生金融工具。

持作買賣用途之證券按其公平價值列賬而交易成本直接於綜合收益表內反映。其公平價值之變動，將於綜合收益表內確認為「持作買賣用途之證券淨收益／虧損」。

(c) 以公平價值誌入損益賬之金融資產

以公平價值誌入損益賬之金融資產乃不擬於短期內出售而購入之證券，但在符合下列條件下由管理層在起初所指定列入此類別：

- 該指定能消除或主要地減低以不同基礎上計量金融資產或確認其損益而出現不一致之計量或確認之情況 (或稱為「會計錯配」)；
- 根據列明之風險管理或投資策略管理的一組金融資產，並以公平價值為基礎評估其表現，及按相同基準向管理層提供有關資產的內部資訊；或
- 一些包含固有衍生工具之金融工具，因其衍生工具可重大調整由金融工具於合約上產生之現金流量及將包含之衍生工具從金融工具內分開是不被禁止的。

此等金融資產首先以公平價值確認，其交易成本直接列入綜合收益表內。公平價值變動均在其產生之期間列入綜合收益表作為「以公平價值誌入損益賬之金融工具淨收益／虧損」。

1 Summary of significant accounting policies (Continued)

1.6 Financial assets (Continued)

(b) Trading securities

A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges.

The Group does not have derivative financial instruments which meet the criteria for hedge accounting as described in note 1.9.

Trading securities are stated at fair value, and transaction costs taken directly to the consolidated income statement. Changes in fair value are recognised as “Net gain/loss from trading securities” in the consolidated income statement as they arise.

(c) Financial assets designated at fair value through profit or loss

Financial assets designated at fair value through profit or loss are not those financial assets acquired principally for the purpose of selling in the short term but designated by management as such at inception if they meet the following criteria:

- The designation 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;
- A group of financial assets is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and this is the basis on which information about these assets is provided internally to the management; or
- It relates to those financial instruments embedded with derivatives which significantly modify the cash flows that would otherwise be required under the contract and the separation of the embedded derivative(s) from the financial instrument is not prohibited.

These financial assets are recognised initially at fair value and transaction costs taken directly to the consolidated income statement. Changes in fair value are recognised as “Net gain/loss arising from financial instruments designated at fair value through profit or loss” in the consolidated income statement in the period in which they arise.

財務報表註釋 Notes to the Financial Statements

1 主要會計政策 (續)

1.6 金融資產 (續)

(d) 持至到期證券

持至到期證券乃本集團之管理層有肯定意向及能力持至期滿之固定或可確定付款金額及有固定年期之非衍生金融資產。若本集團出售或重新分類持至到期資產，除不屬重大數額外，整個類別均受影響並須重新分類為可供出售用途。

持至到期證券以實際利息方法計算其攤銷成本減除減值虧損列賬。

若對持至到期證券的投資意向及能力有所改變，則不應把金融資產繼續歸入持至到期證券，而應歸入於可供出售證券並重新以公平價值計量。

(e) 可供出售證券

可供出售證券乃被指定列入此類別或並無歸入其他類別之非衍生金融資產。可供出售證券是指有意作無期限持有但可因應流動資金所需或利率、匯率或股票價格變動而可供出售之證券。

可供出售證券以公平價值列示。公平價值變動所產生之未變現損益會在其他全面收益確認並獨立地累計於權益內，直至金融資產在賬項中沖銷或減值，於其時過往已在其他全面收益確認之累計損益將由權益轉到綜合收益表內確認。

在活躍市場中沒有市場報價而其公平價值是不能夠可靠計量的股權證券投資，根據註釋1.7(a)按成本減除任何減值損失列賬。

持作買賣用途之證券、以公平價值誌入損益賬之金融資產、持至到期及可供出售證券之購入與出售，按其交易日期，即本集團成為金融工具合約其中一方時列賬。貸款或應收款則在有關現金貸予借款人時列賬。

1 Summary of significant accounting policies (Continued)

1.6 Financial assets (Continued)

(d) Held-to-maturity securities

Held-to-maturity securities are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell or reclassify other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

Held-to-maturity securities are carried at amortised cost using the effective interest method less impairment losses.

If, as a result of a change in intention or ability, it is no longer appropriate to classify a financial asset as held-to-maturity, it shall be reclassified as available-for-sale and remeasured at fair value.

(e) Available-for-sale securities

Available-for-sale securities are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. Available-for-sale securities are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Available-for-sale securities are stated at fair value. Unrealised gains and losses arising from changes in the fair value are recognised in other comprehensive income and accumulated separately in equity until the financial asset is derecognised or impaired at which time the cumulative gain or loss previously recognised in other comprehensive income shall be reclassified from equity to the consolidated income statement.

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be measured reliably are carried at cost less impairment losses, if any, in accordance with note 1.7(a).

Purchases and sales of trading securities, financial assets designated at fair value through profit or loss, held-to-maturity and available-for-sale securities are recognised on trade-date – the date on which the Group becomes a party to the contractual provision of the instrument. Loans and receivables are recognised when cash is advanced to the borrowers.

1 主要會計政策 (續)

1.7 金融資產減值

(a) 以攤銷成本列賬之金融資產

本集團會於各個結算日評估是否存在客觀證據證明某項金融資產或某一組合金融資產出現減值情況。惟當有客觀證據證明於首次確認資產後發生一宗或多宗事件導致減值情況出現(「虧損事件」)，而該宗或該等虧損事件對該項或該一組合金融資產於估計未來現金流量構成可合理估計的影響，有關金融資產才算出現減值及產生減值損失。證明某項或某一組合金融資產已出現減值的客觀證據包括集團察覺到有關以下虧損事件的明顯證據：

- (i) 發行人或承擔人出現重大財政困難；
- (ii) 違反合約如逾期交付或拖欠利息或本金；
- (iii) 本集團就借款人因經濟或法律理由而出現的財政困難給予借款人在一般情況下放款人不予考慮的優惠條件；
- (iv) 借款人有可能破產或進行其他財務重組；
- (v) 因財政困難而導致某項金融資產失去活躍市場；或
- (vi) 可觀察的資料顯示某一組合金融資產自首次確認入賬後，其估計之未來現金流量出現重大跌幅，儘管未能認定有關跌幅是來自組別內哪項個別金融資產。資料包括：
 - 組別內借款人的付款狀況出現逆轉；或
 - 組別內資產拖欠情況與有關的國家或當地經濟狀況配合。

1 Summary of significant accounting policies (Continued)

1.7 Impairment of financial assets

(a) Financial assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a 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 estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or a group of financial assets is impaired includes observable data that comes to the attention of the Group about the following loss events:

- (i) significant financial difficulty of the issuer or obligor;
- (ii) a breach of contract, such as a default or delinquency in interest or principal payments;
- (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 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.

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Notes to the Financial Statements

1 主要會計政策 (續)

1.7 金融資產減值 (續)

(a) 以攤銷成本列賬之金融資產 (續)

本集團首先評估是否有客觀證據證明個別重大的金融資產出現減值，或非個別重大的金融資產個別或整體出現減值。若本集團確定不存在任何客觀證據證明個別評估的金融資產（不論是否屬重大）出現減值，有關資產將撥入具類同信貸風險特質的金融資產組合內，以作綜合評估。綜合評估並不包括已被個別評估為需減值或需繼續減值的資產。

若有客觀證據證明按攤銷成本列賬的金融資產出現減值損失，則以資產的賬面值與按金融資產原來的實際利率折算估計之未來現金流量（不包括日後未產生的信貸損失）所得的現值差額計算減值損失。此損失會透過減值準備賬在資產之賬面值內扣除並於綜合收益表內確認。倘金融資產按浮動利率計息，用於計算任何減值損失之折現率則為合約下釐定的即期實際利率。在實際運作上，本集團可採用可觀察之市場價值為公平價值來計算其減值。

計算有抵押之金融資產的預計未來現金流量的現值反映因收回抵押品後扣除取得及出售抵押品（不論抵押品是否可能被收回）之成本所可能產生的現金流量。

在進行綜合減值評估時，未進行個別減值的金融資產是按類同信貸風險特質作出分類。這些特質與預測該等組別資產之未來現金流量有關，可顯示所評估資產在合約條款下其債務人償還所有到期債務的能力。

同一類別之金融資產，其未來現金流量乃根據該類別資產之合約現金流量及相同信貸特質資產之過往損失經驗作出評估。過往損失經驗會因應就觀察所得之經濟及信貸環境資料數據而作調整，以反映未有影響過往損失經驗之近期市況及除去該等現時不存在但令致過往損失之因素。

1 Summary of significant accounting policies (Continued)

1.7 Impairment of financial assets (Continued)

(a) Financial assets carried at amortised cost (Continued)

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes that asset in a group of financial assets with similar credit characteristics and collectively assesses them for impairment. 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.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost 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 consolidated income statement. If the financial asset 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, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets that have not been individually assessed as impaired are grouped on the basis of similar credit risk characteristics. Those characteristics relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtor's ability to pay all amounts due according to the contractual terms of the assets are considered.

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 on economic and credit environment 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.

1 主要會計政策 (續)

1.7 金融資產減值 (續)

(a) 以攤銷成本列賬之金融資產 (續)

估計某些資產之未來現金流量的改變，需反映並應與期間相關可觀察數據（如失業率、物業價格、付款情況，或其他可顯示該組別損失機會及損失程度的改變）的改變趨勢一致。本集團會定期檢討用作估計未來現金流量的方法及假設，以減少預計損失及實際損失的差異。

當貸款無法收回時，將與其相關之貸款減值準備撇除。該等貸款會在完成所有必須程序及能在確定損失金額後才撇除。如日後收回過往已撇除之款項，將會用作減低綜合收益表內的貸款減值撥備。

如日後減值損失金額減少，而該減少可客觀地與減值獲確認後發生的事項相關（例如債務人信貸評級改善），以往確認的減值損失透過調整撥備賬目撥回，撥回的金額於綜合收益表中確認。減值損失的回撥只限於假設該金融資產於過往從來未有確認減值損失的賬面值。

(b) 以公平價值列賬之資產

本集團會於各結算日評估是否存在客觀證據證明某項金融資產或某一組合金融資產出現減值情況。對被歸類為可供出售之股權投資，本集團會考慮其公平價值是否重大或持續下跌至低於其成本值來釐定該資產有否出現減值。倘存在證據顯示可供出售金融資產出現減值，其累計損失（購入成本與現時公平價值之差額）減除該金融資產以往於綜合收益表內確認之任何減值會於其他全面收益內撇除，並於綜合收益表內確認。於綜合收益表內確認的股權工具減值損失不會透過綜合收益表撥回。如日後被分類為可供出售的債務工具的公平價值增加，而該增值可客觀地與減值損失於綜合收益表確認後出現的事件有關，則減值損失將於綜合收益表中撥回。

1 Summary of significant accounting policies (Continued)

1.7 Impairment of financial assets (Continued)

(a) Financial assets carried at amortised cost (Continued)

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example, change in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related allowances for loan impairment. 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 the allowances for loan impairment in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the consolidated income statement. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that would have been determined had no impairment loss be recognised in prior years.

(b) Financial assets carried at fair value

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. 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 any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated income statement is removed from the other comprehensive income and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. 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 consolidated income statement, the impairment loss is reversed through the consolidated income statement.

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.8 金融負債及權益工具

本集團之金融負債分為以下類別：交易賬項下之負債、以公平價值誌入損益賬之金融負債、存款、發行之存款證、發行之後償債項及其他負債。所有金融負債均於開始時歸類，並初步以公平價值確認。

(a) 交易賬項下之負債

若金融負債主要為短期持有作購回用途，則歸類為交易賬項下之負債。此分類之負債按公平價值列示，而任何因公平價值變動而產生之收益或虧損均於綜合收益表內確認。

(b) 以公平價值誌入損益賬之金融負債

金融負債可於交易時被指定歸類為以公平價值誌入損益賬之金融負債。以公平價值誌入損益賬之金融負債，包括若干已發行之存款證及包含衍生工具的客戶存款。符合下列條件之金融負債一般在產生時歸類為以公平價值誌入損益賬之類別入賬：

- 該指定能消除或主要地減低以不同基礎上計量金融負債或確認其損益而出現不一致之計量或確認之情況（或稱為「會計錯配」）；
- 根據列明之風險管理或投資策略管理一組金融負債，並以公平價值為基礎評估其表現，及按相同基準向管理層提供有關負債的內部資訊；或
- 一些包含固有衍生工具之金融工具，因其衍生工具可重大調整由金融工具於合約上產生之現金流量及將包含之衍生工具從金融工具內分開是不被禁止的。

此等金融負債以公平價值列賬。任何因公平價值變動而產生之收益或虧損會列入綜合收益表作為「以公平價值誌入損益賬之金融工具淨收益／虧損」。

1 Summary of significant accounting policies (Continued)

1.8 Financial liabilities and equity instruments

The Group classifies its financial liabilities under the following categories: trading liabilities, financial liabilities designated at fair value through profit or loss, deposits, certificates of deposit issued, subordinated debts issued and other liabilities. All financial liabilities are classified at inception and recognised initially at fair value.

(a) Trading liabilities

A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing in the short term. It is carried at fair value and any gains and losses arising from changes in fair value are recognised in the consolidated income statement.

(b) Financial liabilities designated at fair value through profit or loss

A financial liability is designated as fair value through profit or loss if it is so designated at inception. Financial liabilities so designated include certain certificates of deposit issued and certain deposits received from customers that are embedded with derivatives. A financial liability is typically so designated if it meets the following criteria:

- The designation eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring the financial liabilities or recognising the gains and losses on them on different bases;
- A group of financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and this is the basis on which information about these liabilities is provided internally to the management; or
- It relates to those financial instruments embedded with derivatives which significantly modify the cash flows that would otherwise be required under the contract and the separation of the embedded derivative(s) from the financial instrument is not prohibited.

Financial liabilities designated at fair value through profit or loss are carried at fair value and any gains and losses arising from changes in fair value are recognised as “Net gain/loss arising from financial instruments designated at fair value through profit or loss” in the consolidated income statement.

1 主要會計政策 (續)

1.8 金融負債及權益工具 (續)

(c) 存款、發行之存款證、發行之後償債項及其他負債

除該等交易賬項下之負債或指定為以公平價值列賬之負債外，存款、發行之存款證及發行之後償債項，及其他負債均以經攤銷成本列賬。扣除交易費用後所得款項與贖回價值兩者之差額，均按實際利息方法於其他負債年內於綜合收益表確認。

權益工具為以合約訂明於扣除機構所有負債後之剩餘資產權益。本集團所發行的權益工具是以發行所得款項扣除直接發行成本予以確認。

1.9 衍生金融工具及對沖會計處理方法

衍生工具先按其合約生效日期之公平價值確認，其後以公平價值重新計算。隱含於其他金融工具內之固有衍生工具，如其經濟特質及風險與主合約工具之特質及風險並非密切連繫，而主合約工具亦非以公平價值認入損益賬，此等衍生工具則會與主合約分開列賬。若衍生工具之公平價值為正數值，均以資產列賬，若為負數值，則確認為負債。其後公平價值之變動，將視乎該衍生工具之目的而確認。

所產生的公平價值收益或虧損之確認方法，將視乎該衍生工具是否被指定為對沖工具及所要對沖之項目的性質。本集團指定若干衍生工具為(i)以對沖資產、負債或確實承擔之公平價值(公平價值對沖)；或(ii)以對沖確認資產、負債或預測交易相關之現金流量(現金流量對沖)。若符合某些特定條件，將應用對沖會計處理方法入賬。

於交易開始時，本集團記錄對沖工具及被對沖之項目兩者間之關係，其風險管理目的及進行各項對沖交易之策略。本集團同時於對沖交易開始及往後持續地記錄其對用於對沖交易之衍生工具是否能有效地抵銷被對沖項目所產生之公平價值或現金流量變動而作出之評估。

1 Summary of significant accounting policies (Continued)

1.8 Financial liabilities and equity instruments (Continued)

(c) Deposits, certificates of deposit issued, subordinated debts issued and other liabilities

Deposits, certificates of deposit issued and subordinated debts issued, other than those classified as trading liabilities or designated at fair value through profit or loss, together with other financial liabilities are carried at amortised cost. Any difference between proceeds net of transaction costs and the redemption value is recognised in the consolidated income statement over the period of the other financial liabilities using the effective interest method.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received from issuance, net of direct issue costs.

1.9 Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. 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. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Subsequent changes in fair value are recognised depending on the purpose of the derivatives.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (i) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge); or, (ii) hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction (cash flow hedge). Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

The Group documents, at the inception of the transaction, 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 hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.9 衍生金融工具及對沖會計處理方法 (續)

(a) 公平價值對沖

被指定及符合條件作為公平價值對沖的衍生工具之公平價值變動，將連同對沖風險相關之對沖資產或負債之公平價值變動一起列入綜合收益表內。

若對沖交易一旦未能符合對沖會計處理方法之要求，按實際利息方法入賬之所對沖項目的賬面值須作出調整，其改變乃按照計算至到期日之年期，於綜合收益表內攤銷。就被對沖股權證券之賬面值而作出之調整將保留於保留溢利內，直至出售該股權證券。

(b) 現金流量對沖

當衍生金融工具被指定及符合條件作為現金流量對沖，其有對沖果效部份之公平價值變動在其他全面收益確認並獨立地累計於權益內的對沖儲備。而其無對沖果效部份之收益及虧損將直接於綜合收益表內確認。

累計於權益內之公平價值變動，將於相關之對沖項目對損益產生影響時撥入綜合收益表內。

若對沖工具到期或已出售，或對沖交易一旦未能符合對沖會計處理方法之要求，於屆時累計於權益賬內收益或虧損將仍保留於權益內的對沖儲備，直至所預期之交易最終於綜合收益表確認時予以確認。若所預期之交易不再發生，已列入權益賬內之累計收益或虧損將即時轉撥於綜合收益表內。

本集團現時並沒有採用對沖會計處理方法。

持作買賣用途之衍生金融工具及該等不符合對沖會計處理方法之對沖工具，以公平價值誌賬及其公平價值變動在綜合收益表內列示。

若本集團擁有具法律約束力之行使權去抵銷已確認之金額，及有意向就該等交易作淨額結算，或本集團能同時變現資產及償付負債，衍生工具交易將互相抵銷並以淨額列於綜合財務狀況表內。

1 Summary of significant accounting policies (Continued)

1.9 Derivative financial instruments and hedge accounting (Continued)

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated income statement, together with any changes in the fair value of the hedged assets or liabilities that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the consolidated income statement over the period to maturity. The adjustment to the carrying amount of a hedged equity security remains in retained earnings until the disposal of the equity security.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The gain and loss relating to the ineffective portion is recognised immediately in the consolidated income statement.

Amounts accumulated in equity are recycled to the consolidated income statement in the periods in which the hedged item will affect profit or loss.

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

The Group currently does not use hedge accounting.

Derivative financial instruments held for trading and those that do not qualify for hedge accounting will be accounted for with changes in fair value reported through the consolidated income statement.

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

1 主要會計政策 (續)

1.10 證券及衍生工具之估值

金融工具之公平價值乃根據於估值日之市場價格並未計及扣除將來估計之銷售成本計算。金融資產以當時之買盤價釐定，而金融負債則以當時之賣盤價釐定。若是非上市證券或金融工具於市場內不活躍，本集團會以估值方法釐定公平價值，包括運用當時之公平市場交易、參考其他類似之金融工具當時之公平價值、折算現金流量分析及期權定價模式並作適當調整以反映發行者之特定情況。

1.11 投資物業

投資物業乃指在租賃權益下擁有及／或持有作長期租金收益及／或作資本升值用途之土地及／或房屋，而該等土地及／或房屋並非由本集團之公司所佔用。本集團以營業租約形式而持有用作租金收益及／或資本增值的物業權益乃按個別物業基準分類為投資物業。此等投資物業以融資租賃方式列賬，相同之會計政策亦適用於融資租賃下之其他投資物業。

投資物業最先以成本價包括交易費用列賬。經初步確認後，投資物業以公平價值列賬。任何因公平價值之變更或出售投資物業而產生之收益或虧損會於綜合收益表內確認。

當物業因其用途改變而須轉作投資物業時，該物業於轉賬日前的賬面值與公平價值之差額會根據香港會計準則第16條《物業、廠房及設備》在其他全面收益確認並獨立地累計於權益內之重估房產儲備。若重估增值用作抵銷同一資產因過去重估減值而被確認為支出的數額，則會被列作收入。減值則由先前同一資產的估值盈餘首先抵銷，尚餘部份則於綜合收益表內扣除。在出售房產時，有關物業之重估儲備會由重估房產儲備撥入保留溢利內。

若投資物業被轉作自用，該物業須重新歸類為房產，以重新歸類日的公平價值作為成本值。

1 Summary of significant accounting policies (Continued)

1.10 Valuation of securities and derivatives

The fair value of financial instruments is based on their quoted market prices at the valuation date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices while financial liabilities are priced at current ask prices. For unlisted securities and where the market for a financial instrument is not active, the Group estimates fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

1.11 Investment properties

Land and/or buildings which are owned and/or held under a leasehold interest for long-term rental yields and/or for capital appreciation, and that are not occupied by the companies in the Group, are classified as investment property. When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the consolidated income statement.

When a property is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the property immediately prior to the transfer and its fair value is recognised in other comprehensive income and accumulated separately in equity in the bank premises revaluation reserve in accordance with HKAS 16 "Property, plant and equipment". However, a revaluation increase is recognised as income only to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense. Decreases are first set off against increases on previous valuations of the same asset and thereafter are debited to the consolidated income statement. Upon disposal of the property, the relevant portion of the bank premises revaluation reserve is released and transferred from the bank premises revaluation reserve to retained earnings.

When an investment property becomes owner-occupied, it is reclassified as premises and its fair value at the date of reclassification becomes its cost.

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1 主要會計政策 (續)

1.12 其他物業及設備

(a) 房產

房產乃指持有之自用物業，按成本值減除累積折舊及減值虧損後列示。以租賃持有之自用物業，若能可靠地以其租約開始當日分攤土地及房屋之價值，而該租賃向承租人轉讓等同擁有權的絕大部份風險及回報，則土地部份視作融資租約，所攤分之租賃地價或其他租賃費用，將按其租約年期以直線法從綜合收益表內扣除。若物業出現減值，此減值亦會在綜合收益表內扣除。任何位於此租賃土地上之房屋均被視為房產的一部份。若未能可靠地以其租約開始當日分攤土地及房屋之價值，則整體將繼續視為融資租賃並以房產列賬。

房產折舊乃按照資產之估計可用年期以直線折舊法計算如下：

- 租約土地按租約尚餘年期予以折舊。
- 樓宇及其改良部份乃按40年或估計尚餘可用年期之較短者予以折舊。

(b) 傢俬及設備

傢俬及設備均按照成本值減除折舊及減值虧損後列示，計算方法乃按照其估計可用年期，以餘額遞減法用年率10%至30%計算。

資產之剩餘價值及使用年期均會在每年結算日被評估，並在合適之情況下作出調整。

如資產之賬面值超過其估計可收回價值時，其賬面值將即時被減值至其可收回價值。

1 Summary of significant accounting policies (Continued)

1.12 Other properties and equipment

(a) Premises

Premises represent those properties held for own use and are stated at cost less accumulated depreciation and impairment losses. Where the land and building elements of the leasehold properties held for own use can be allocated reliably at the inception of the lease, the land element is accounted for as finance lease if the lease transfers substantially all the risks and rewards incidental to ownership to the lessee. As such, any leasehold land premiums for acquiring the land leases, or other lease payments, are charged to the consolidated income statement on a straight line basis over the period of the lease or where there is impairment, the impairment is charged to the consolidated income statement. Any buildings which are situated on such land leases are presented as part of premises. Where the land and building elements of the leasehold properties cannot be allocated reliably at the inception of the lease, the land and building elements are treated as a finance lease and classified as premises.

Depreciation of premises is calculated on a straight line basis to write off the assets over their estimated useful lives as follows:

- Leasehold land is depreciated over the unexpired terms of the leases.
- Building and improvements thereto are depreciated over the lesser of 40 years or the remaining estimated useful life.

(b) Furniture and equipment

Furniture and equipment is stated at cost less depreciation and impairment losses. Depreciation is calculated on a reducing balance basis to write off the assets over their estimated useful lives, at annual rates ranging from 10% to 30%.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1 主要會計政策 (續)

1.13 其他資產的減值

未能確定可使用年期的資產將不會予以攤銷，而於每年檢視其減值，如因某些事故或情況改變而顯示該等資產之賬面值未能收回，須評估其減值。如因某些事故或情況改變而顯示賬面值未能收回，予以攤銷之資產亦須評估其減值。若資產之賬面值超過其可收回價值，其部份將被確認為減值損失。可收回價值指該資產之公平價值減去變賣成本及其使用價值之較高者。

1.14 收回資產

收回抵押品之資產被列於「貸款及其他賬項」內之「其他賬項」，而相關之貸款已被終止確認。已收回抵押資產按賬面值及可變現淨值較低者列賬。

1.15 外幣換算

本集團旗下各機構之財務報表中所載項目乃採用該機構營運之主要經濟環境所使用之貨幣（「運作貨幣」）計量。綜合財務報表乃以港幣呈列。港幣乃本行之運作及呈列貨幣。

外幣交易按交易日現行之匯率換算為運作貨幣。該等交易結算及以外幣結算之貨幣性資產或負債按年結日之匯率換算所產生之匯兌收益及虧損，乃於綜合收益表內確認。

以原值成本值列賬但以外幣為單位的非貨幣性資產及負債按交易日的匯率折算為港幣。以公平價值列賬的非貨幣性資產及負債按釐定其公平價值日的匯率折算。

非貨幣性項目，如歸類為買賣用途之股權證券，其換算差額將作為公平價值收益或虧損之一部分於綜合收益表內確認。非貨幣性項目，如歸類為可供出售之權益證券，其換算差額則於其他全面收益確認並獨立地累計於權益內。

海外業務之業績按交易日相約的匯率折算為港幣。資產及負債按報告期末的匯率折算為港幣。收入和支出按期內平均匯率折算。產生的匯兌差額於其他全面收益內確認，並在股東權益之匯兌儲備內分開累計。

1 Summary of significant accounting policies (Continued)

1.13 Impairment of other assets

Assets that have an indefinite useful life are not subject to amortisation, but are tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.

1.14 Repossessed assets

Reposessed collateral assets are reported as "Other accounts" under "Advances and other accounts" and the relevant loans are derecognised. The reposessed collateral assets are measured at the lower of the carrying amount and net realisable value.

1.15 Foreign currency translation

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

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

Translation differences on non-monetary items such as equities held for trading are recognised in the consolidated income statement as part of the fair value gain or loss. Translation differences on non-monetary items such as equities classified as available-for-sale securities are included in other comprehensive income and accumulated separately in equity.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Assets and liabilities are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. Income and expenses are translated at the average exchange rates for the period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.16 所得稅

本年度所得稅包括本期及遞延稅項資產和負債的變動。除該等應在其他全面收益或直接於權益中確認入賬而分別列入其他全面收益或直接為權益的數額外，本期稅項及遞延稅項資產和負債的變動於綜合收益表內確認。

本期稅項為是年度對應課稅收入按結算日已生效或基本上已生效的稅率計算的預計應付稅項，並已包括以往年度的應付稅項的任何調整。

遞延稅項資產及負債是因財務報表之資產及負債之賬面值與其納稅基礎值之間的差異而分別產生的可扣稅及應課稅的暫時性差異。遞延稅項資產也包括未使用的稅項虧損及稅項抵免。

所有遞延稅項負債及未來可能有應課稅溢利予以抵銷的遞延稅項資產均予確認。可支持由可扣稅之暫時性差異引致遞延稅項資產之確認的未來應課稅溢利，包括現存之應課稅暫時性差異的轉回，但該等差異須屬於同一稅務機關及應課稅實體，以及預計在該可扣稅之暫時性差異之同期內轉回或在由該遞延稅項資產產生的稅項虧損可以收回或留存之期限內轉回。相同標準應用在判斷現時可扣稅暫時性差異能否支持由未使用的稅項虧損或稅項抵免所產生的遞延稅項資產之確認，即如果是屬於同一稅務機關及應課稅實體，以及預計在某期間內因該稅項虧損或稅項抵免可使用而轉回時，會計入該等差異。

確認遞延稅項的金額是根據該資產及負債的賬面值之預期收回及結算的方式，按在結算日已生效或基本上已生效的稅率計算。遞延稅項資產及負債不作折讓。

於結算日，本行須重新檢視有關的遞延稅項資產的賬面金額，對預期不再有足夠的應課稅溢利以實現相關稅務利益予以扣減。被扣減的遞延稅項資產若於預期將來出現足夠的應課稅溢利時，應予轉回。

由派發股息引起的額外所得稅在有關股息的支付責任獲確立時確認。

1 Summary of significant accounting policies (Continued)

1.16 Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the consolidated income statement except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

All deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing deductible temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

1 主要會計政策 (續)

1.16 所得稅 (續)

本期稅項與遞延稅項結餘及其變動之數額會分別列示而不會相互抵銷。本集團只有在有合法權利對本期稅項資產及負債抵銷及符合以下附帶條件的情況下，才對本期及遞延稅項資產及負債作出抵銷：

- 就本期稅項資產及負債而言，本集團計劃支付淨額或同時收回資產及償還負債；或
- 有關的遞延稅項資產及負債為同一稅務機關對以下機構徵收所得稅所產生：
- 同一個應課稅實體；或
- 不同的應課稅實體：在未來每一個預計實現重大遞延稅項的期間，該實體計劃以淨額形式結算本期稅項資產及負債或兩者同時收回及償還。

1.17 保險合約

本集團發行轉移保險風險之合約。保險合約乃指轉移重大保險風險之合約。作為一般指引，本集團界定重大保險風險為有可能須於受保事件發生時支付的賠償，較並無發生受保事件時須支付的賠償高最少10%。

(a) 認算及量度

本集團發行不同種類之保險合約，包括意外及健康、汽車、輪船、貨物交收、樓宇損毀、僱員賠償、一般責任及金錢損失等。此等保險單之風險覆蓋一般為一年。

此等合約之保費（期滿保費）根據其承保期間按比例確認為收入。於結算日已收到的有效保單保費，其未到期風險相關的保費收入部分則被列為遞延保費負債。保費以扣除佣金前及徵收稅項後之保費列示。

1 Summary of significant accounting policies (Continued)

1.16 Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
- the same taxable entity; or
- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

1.17 Insurance contracts

The Group issues contracts that transfer insurance risk. Insurance contracts are those contracts that transfer significant insurance risk. As a general guideline, the Group defines significant insurance risk as the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

(a) Recognition and measurement

The Group issues various classes of insurance contract including accident and health, motor vehicles, ships, goods in transit, property damage, employees' compensation, general liability and pecuniary loss. Risks under these insurance policies usually cover one year duration.

For all these contracts, premiums are recognised as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the end of the reporting period is reported as the unearned premium liability. Premiums are shown before deduction of commission and are net of duties levied on premiums.

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.17 保險合約 (續)

(a) 認算及量度 (續)

當索償及損失支出調整產生時將直接支取綜合收益賬。此支出包括截至結算日已發生但未呈報之直接及非直接索償。未索償之負債以業務種類分開分析。該負債以已呈報本集團之個別事件評估及以統計技巧估計已發生但未呈報之索償。

(b) 未決索償

未決索償是根據個別索償審查及包括於報告期末已發生但未呈報的索償預計而評估。雖然此索償準備不可以精確地評估，但此索償準備已考慮現有資料及同時考慮直接索償處理支出及從其他人士之收回。有關索償的一般行政間接支出並不包括在未決索償內。

於報告期末已發生但未呈報的索償準備是根據過往經驗而作出準備。

收回再投保之索償於報告期末時作為資產反映。

(c) 遞延收購成本

有關保障新合約及為現有合約續期而產生及變更的佣金及折扣資本化作為遞延收購成本。其他所有成本於產生時以支出入賬。遞延收購成本其後隨著保險單的年期當保費賺取時予以攤銷。

(d) 負債充足性測試

於各結算日，本集團均會進行負債充足性測試，以確保具備充足的能力以履行保險合約負債（除去遞延收購成本資產）。在進行此測試時，會採用對未來合約現金流量、索償的處理及行政費用，以及支持該等負債的相關資產所產生投資收益的最佳預測來進行。任何不足之金額須即時計入綜合收益表，並將負債充足性測試中產生之損失提撥準備金（未到期風險準備）。

1 Summary of significant accounting policies (Continued)

1.17 Insurance contracts (Continued)

(a) Recognition and measurement (Continued)

Claims and loss adjustment expenses are charged to the consolidated income statement as incurred. They include direct and indirect claims settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. Liabilities for unpaid claims are separately analysed by class of business. They are estimated using the input of assessments for individual cases reported to the Group and statistical techniques for the claims incurred but not reported.

(b) Outstanding claims

Outstanding claims are assessed by reviewing individual claims and include an estimate for claims incurred but not reported at the end of reporting date. This provision, although not capable of precise assessment, has been made in the light of available information and after taking into account direct claims handling expenses and possible recoveries from other parties. Indirect expenses relating to the general administration of claims are not included as part of outstanding claims.

The provision for claims incurred but not reported at the end of reporting date is made based on historical experience.

Claims recoverable from reinsurers are included as an asset at the end of reporting date.

(c) Deferred acquisition costs ("DAC")

Commissions and discounts that vary with and are related to securing new contracts and renewing existing contracts are capitalised as DAC. All other costs are recognised as expenses when insured. The DAC is subsequently amortised over the terms of the insurance policies as premium is earned.

(d) Liability adequacy test

At the end of each reporting period, liability adequacy test is performed to ensure the unearned premium reserves net of related DAC assets are sufficient to cover the contract liabilities. In performing this test, current best estimates of future contractual cash flows and claims handling and maintenance (administration) expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to the consolidated income statement and a provision for losses arising from liability adequacy tests (the unexpired risk provision) is established.

1 主要會計政策 (續)

1.17 保險合約 (續)

(e) 持有再投保合約

持有再投保合約乃指本集團與再投保人訂下之合約，而本集團所發行之符合分類要求的保險合約之損失將會得到補償。本集團與另一投保人訂下之保險合約（向內再投保）會包括在保險合約內。

本集團持有再投保合約之得益被列為再投保人應佔保險合約。該資產包括與再投保人之短期結存，以及再投保合約所產生的較長期應收預期申索及得益。與再投保人之結存金額，會與再投保合約相關之金額一致地衡量以及按照再投保合約之條款量度。轉予再投保人之保費及由再投保人收回之索償以總額形式列示。

本集團每年評估再投保人應佔保險合約之減值。如有客觀證據證明再投保人應佔保險合約已減值，本集團會減低保險合約的賬面值至其可收回金額，並將減值損失列入綜合收益表內。

(f) 保險合約相關之應收及應付款

應收及應付款於到期時確認，包括對代理、經紀及保險合約持有人之應收及應付金額。

若出現保險合約已減值的客觀證據，本集團相應扣除保險合約之賬面值，並於綜合收益表內確認減值損失。

1 Summary of significant accounting policies (Continued)

1.17 Insurance contracts (Continued)

(e) Reinsurance contracts held

Contracts held by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held. Insurance contracts entered into by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

The benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurers' share of insurance contracts. These assets consist of short-term balances due from reinsurers, as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Premiums ceded and claims reimbursed are presented on a gross basis.

The Group assesses the reinsurers' share of insurance contracts for impairment on an annual basis. If there is objective evidence that the reinsurers' share of insurance contracts is impaired, the Group reduces the carrying amount of the insurance contracts to its recoverable amount and recognises that impairment loss in the consolidated income statement.

(f) Receivables and payables related insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders.

If there is objective evidence that the insurance receivable is impaired, the Group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the consolidated income statement.

財務報表註釋 Notes to the Financial Statements

1 主要會計政策 (續)

1.18 撥備

倘本集團因過往事件而產生現時法律或推定責任，可能須就解除責任而導致經濟資源流失之可能性高於不會導致資源流失之可能性；及可就責任之款額作出可靠估計時，則須確認責任索償之撥備。對於將來的營運損失，則不會確認為撥備。

如有多項同類責任時，其需要在償付中流出資源的可能性，乃根據責任的類別作整體釐定。即使在同一責任類別內所包含的任何一個項目相關的資源流出的可能性很低，仍須就此確認撥備。

撥備乃按履行責任所需開支之現值計算，該現值是以能反映市場對時間價值之評估及該責任之特定風險之稅前利率折算。因時間推移而增加之撥備，則確認為利息支出。

1.19 金融擔保合約

金融擔保合約是指擔保合約受益人（合約持有人）可因某特定債務人未能根據債務工具條款在到期日作出支付產生損失而可向合約發行人要求作出補償之合約。

擔保之公平價值（即擔保費用收入）於最初在擔保給予當日在綜合財務報表內確認為遞延收入。其後，本集團對此等擔保之負債是根據註釋1.18所確定之價值及已確認之擔保額減除已確認之累計攤銷，兩者較高者計算。金融擔保負債之變動於綜合收益表內確認。

1.20 僱員福利

僱員福利包括以下短期僱員應享假期及長期僱員退休福利：

(a) 僱員應享假期

僱員在年假和長期服務休假之權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

1 Summary of significant accounting policies (Continued)

1.18 Provisions

Provisions for restructuring costs and legal claims 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. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

1.19 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the beneficiary of the guarantee (“the holder”) for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

The fair value of the guarantee (being the guarantee fees received) is initially recognised as deferred income in the consolidated financial statements on the date that the guarantee was given. Subsequent to initial recognition, the Group’s liabilities under such guarantees are measured at the higher of the amount determined in accordance with note 1.18 and the amount initially recognised less cumulative amortisation recognised. Any changes in the liability relating to financial guarantees are recognised in the consolidated income statement.

1.20 Employee benefits

Employee benefits include short-term leave entitlements and long-term staff retirement benefits as follows:

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are recognised when the absences occur.

1 主要會計政策 (續)

1.20 僱員福利 (續)

(b) 退休福利

本集團設有六項職員退休福利計劃，其資產均與本集團之資產分開，由獨立信託基金管理。

本集團含有界定供款安排之退休福利計劃及強制性公積金（簡稱「強積金」）計劃之供款作為費用支銷。

含有界定福利安排之退休福利計劃每年之供款，是由精算師定期評估該等計劃之資產負債而釐定。含有界定福利安排之退休福利計劃是採用預計單位貸記法評估。根據精算師的建議，將有關退休福利成本在綜合收益表扣除，令定期成本分攤至僱員服務年期。退休界定福利責任為估計未來現金流出量之現值，利用到期日與相關條款類似之政府債券之息率計算。

界定福利計劃的精算盈虧於其他綜合收益內確認，並立即在保留溢利中反映。

1.21 營業租約

任何租約，如因其擁有權之絕大部份風險及回報仍保留在出租人內，該等租約以營業租約列賬。該等營業租約租金（扣除從出租人所收取之優惠），按租約年期以直線法從綜合收益表內扣除。

若本集團為營業租約之出租人，有關出租資產主要包括物業及設備，除投資物業外，其他資產乃根據本集團之折舊政策予以折舊。租金收入（扣除向承租人支付之任何優惠）以直線法在租期內入賬。或有租金以該收入產生的會計期間列作收入。

1 Summary of significant accounting policies (Continued)

1.20 Employee benefits (Continued)

(b) Retirement benefits

The Group operates six staff retirement schemes. The assets of these schemes are all held separately from those of the Group in independently administered funds.

The Group's contributions to schemes with defined contribution arrangements and the mandatory provident fund ("MPF") schemes are expensed as incurred.

Annual contributions to the retirement benefit schemes with defined benefit arrangements are determined based on periodic valuations of the assets and liabilities of such schemes by qualified actuaries using the projected unit credit method. Under this method, the cost of providing retirement benefits is charged to the consolidated income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries. The defined benefit obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liabilities.

Actuarial gains and losses on defined benefit schemes are recognised in other comprehensive income and reflected immediately in retained earnings.

1.21 Operating leases

Leases where substantially all of the risks and rewards of ownership of the asset remain with the lessor are accounted for as operating leases. Rentals applicable to such operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight line basis over the lease term.

Where the Group is a lessor under operating leases, assets leased out mainly include properties and equipment and are depreciated in accordance with the Group's depreciation policies except where the asset is classified as investment property. Rental income (net of any incentives given to lessees) is recognised on a straight line basis over the lease term. Contingent rentals receivable are recognised as income in the accounting period in which they are earned.

財務報表註釋 Notes to the Financial Statements

1 主要會計政策 (續)

1.22 租購合約及融資租賃

任何租約，如將其擁有權之絕大部份風險及回報轉移至承租人，該等租約均列為融資租約。

凡本集團根據融資租約為出租人時，相當於租約中投資淨額之款項列入綜合財務狀況表內之「貸款及其他賬項」內。該投資淨額包括租購合約及融資租賃之應收租金總額減去未賺取之財務收入。減值虧損根據註釋1.7所載之會計政策列賬。應收租金隱含之財務收入於租賃期間列入綜合收益表內，使每個會計期間為投資結欠淨額取得近乎穩定之收益率。

1.23 分部報告

營運分部（以及在綜合財務報表內所列報的每一分部項目金額），是從財務資料中辨識出來的，並定期地提供予本集團的最高行政管理層用作對本集團各業務條線和區域所在地的資源分配以及評核其表現。有關提供予本集團之最高行政管理層用作決定營運分部內的資源分配及評核其表現的資料，乃根據香港財務報告準則的基礎計量。

除非分部有類似經濟特性及在產品和服務之性質、生產程序之性質、客戶類別或等級、用作銷售產品和提供服務之方法、及監管環境之性質是類似的，個別重大的營運分部不會在財務報表內合計。如分部擁有以上大部份的標準，而且並非個別重大的營運分部可作合計。

1.24 現金及等同現金項目

就編製現金流量表而言，現金及等同現金項目包括由購入日起計，其原到期日在三個月內的結餘包括庫存現金、存放同業及其他受較低風險影響及隨時可轉換成預知金額的國庫券及存款證。同業存款作為本集團現金管理一部份亦包括於現金及等同現金項目。

1 Summary of significant accounting policies (Continued)

1.22 Hire purchase contracts and finance leases

Leases which transfer substantially all the risks and rewards of ownership to the lessee are classified as finance leases.

Where the Group is a lessor under finance leases, an amount representing the net investment in the lease is included in the consolidated statement of financial position as "Advances and other accounts". The net investment represents the total rentals receivable under hire purchase contracts and finance leases less unearned finance income. Impairment losses are accounted for in accordance with the accounting policy as set out in note 1.7. Finance income implicit in the rental receivable is credited to the consolidated income statement over the lease period or hire period so as to produce an approximately constant periodic rate of return on the net investment outstanding for each accounting period.

1.23 Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations. Information provided to the Group's most senior executive management to make decisions about allocating resources and assessing performance of operating segments is measured in accordance with HKFRSs.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

1.24 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with original maturity within three months from the date of acquisition including cash, balances with banks, treasury bills and certificates of deposit that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Balances from banks, which form an integral part of the Group's cash management, are also included as a component of cash and cash equivalents.

1 主要會計政策 (續)

1.25 關連人士

就本綜合財務報表而言，關連人士為與本集團有關連之人士或實體。

- (a) 該人士或其近親家庭成員與本集團有關連，如該人士：
- (i) 能控制或共同控制本集團；
 - (ii) 能發揮重大影響力影響本集團；或
 - (iii) 屬本集團或本集團之母公司之主要行政人員的成員。
- (b) 該實體為與本集團有關連，倘符合下列任何條件：
- (i) 該實體及本集團為同一集團之成員（即母公司，子公司及同一集團的子公司是彼此關連）。
 - (ii) 其一實體屬另一實體的聯營公司或共同控制實體（或另一實體的集團成員的聯營公司或共同控制實體）。
 - (iii) 該實體及本集團均為同一第三者的共同控制實體。
 - (iv) 其一實體為第三者實體的共同控制實體，而另一實體為該第三者實體的聯營公司。
 - (v) 該實體屬提供福利予本集團或與本集團關連的實體的僱員的離職後福利計劃。
 - (vi) 該實體由(a)所指人士控制或共同控制。
 - (vii) 於(a)(i)所指人士可對該實體發揮重大影響力或是該實體（或該實體之母公司）之主要行政人員的成員。
 - (viii) 該實體或其歸屬集團內任何成員，向本集團或本集團之母公司提供主要行政人員服務。

個人的近親家庭成員指可影響，或受該個人影響，他們與該實體交易的家庭成員。

1 Summary of significant accounting policies (Continued)

1.25 Related parties

For the purposes of these consolidated financial statements, a related party is a person or entity that is related to the Group.

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

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

財務報表註釋

Notes to the Financial Statements

1 主要會計政策 (續)

1.26 列作出售資產及負債

如果一項非流動資產(或處置組合)的賬面值很可能通過出售交易而不是持續使用下收回,並且可以在現狀下出售,該非流動資產(或處置組合)便會分類為列作出售。處置組合是指在一項單一交易中一併處置的一組資產,以及直接與將在交易中轉移的該等資產相關的負債。

當本集團承諾出售附屬公司控股權,在達到出售資產標準情況下,無論本集團出售附屬公司控股權後是否仍然保留其所有附屬公司的非控股權益,所有資產及負債會分類為列作出售。

在緊接其分類為列作出售類別前,非流動資產(和處置組合中所有個別資產與負債)的計量按照分類前的會計政策作出更新。其後,由初始分類為列作出售至處置為止,非流動資產(下文所述的若干資產除外)或處置組合按其賬面值及其公平價值減去出售成本後所得數額兩者中的較低者予以確認。該計量政策原則上並非適用於本集團的綜合財務報表中的遞延稅項資產、僱員福利所產生的資產、金融資產(除了於附屬公司、聯營公司及共同控制實體的權益)及投資物業。該資產(雖然列作出售資產)仍按照註釋1所列明的政策計量。

初始分類為列作出售和其後在列作出售時重新計量而產生的減值虧損均在綜合收益表內確認。只要非流動資產一直分類為列作出售或包括在已分類為列作出售的處置組合中,該非流動資產便不會計提折舊或攤銷。

1 Summary of significant accounting policies (Continued)

1.26 Assets and liabilities classified as held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the consolidated financial statements of the Group are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than interests in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in the consolidated income statement. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

2 財務狀況表

2 Statement of Financial Position

| | 註釋 Note | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|---|----------------------------------|----------------------------------|
| 資產 | Assets | | |
| 庫存現金及短期資金 | Cash and short-term funds | 35,205,887 | 41,981,061 |
| 同業定期存放及貸款 | Placements with and loans and advances to banks | 25,995,125 | 26,590,805 |
| 持作買賣用途之證券 | Trading securities | 534,347 | 77,777 |
| 衍生金融工具 | Derivative financial instruments | 697,578 | 837,171 |
| 以公平價值誌入損益賬之 金融資產 | Financial assets designated at fair value through profit or loss | 4,865,980 | 3,924,327 |
| 可供出售之證券 | Available-for-sale securities | 44,291,434 | 24,869,253 |
| 持至到期證券 | Held-to-maturity securities | 883,823 | 1,112,025 |
| 貸款及其他賬項 | Advances and other accounts | 146,433,360 | 148,344,083 |
| 附屬公司權益 | Interests in subsidiaries | 579,203 | 567,294 |
| 共同控制實體權益 | Interests in jointly controlled entities | 1,261,218 | 1,267,435 |
| 投資物業 | Investment properties | 3,191,053 | 3,118,767 |
| 租賃土地權益 | Interests in leasehold land | 140,369 | 148,938 |
| 其他物業及設備 | Other properties and equipment | 1,303,559 | 1,236,924 |
| 可回收稅項 | Tax recoverable | 3,204 | 6,527 |
| 遞延稅項資產 | Deferred tax assets | 49,304 | 39,241 |
| 列作出售資產 | Assets classified as held for sale | - | 15,000 |
| 總資產 | Total assets | 265,435,444 | 254,136,628 |
| 負債 | Liabilities | | |
| 同業存款 | Deposits and balances from banks | 39,307,661 | 29,248,997 |
| 衍生金融工具 | Derivative financial instruments | 901,847 | 733,155 |
| 以公平價值誌入損益賬之 金融負債 | Financial liabilities designated at fair value through profit or loss | - | 503,961 |
| 客戶存款 | Deposits from customers | 185,264,394 | 181,485,179 |
| 發行之存款證 | Certificates of deposit issued | 3,589,223 | 7,271,309 |
| 發行之後償債項 | Subordinated debt issued | 1,541,841 | 3,039,595 |
| 當期稅項 | Current taxation | 178,344 | 151,323 |
| 遞延稅項負債 | Deferred tax liabilities | 35,168 | 47,027 |
| 其他賬項及預提 | Other accounts and accruals | 3,490,914 | 3,286,390 |
| 總負債 | Total liabilities | 234,309,392 | 225,766,936 |
| 權益 | Equity | | |
| 股本 | Share capital | 1,160,951 | 1,160,951 |
| 儲備 | Reserves | 26,713,111 | 23,956,751 |
| 歸屬於本行股東權益合計 | Total equity attributable to shareholders of the Bank | 27,874,062 | 25,117,702 |
| 額外權益工具 | Additional equity instruments | 3,251,990 | 3,251,990 |
| 權益總額 | Total equity | 31,126,052 | 28,369,692 |
| 權益及負債總額 | Total equity and liabilities | 265,435,444 | 254,136,628 |

經已於二〇一七年三月十七日由董事會
通過及授權發佈。

Approved and authorised for issue by the Board of Directors on 17
March 2017.

田惠宇
朱琦

董事長
董事兼行政總裁

TIAN Huiyu
ZHU Qi

Chairman
Director and Chief Executive Officer

財務報表註釋

Notes to the Financial Statements

3 金融風險管理

本集團的經營活動面對着各類金融風險，這些活動亦包括分析、評估、採納及管理各類風險的部份或風險之組合。本集團了解承擔風險乃金融業務的核心部份，而營運風險乃從事業務不可避免的後果。因此本集團之目標是將風險與回報達至適當的平衡及將其對本集團財務表現的可能影響減至最低。

本集團已制定政策及程序，用以識別、量度、控制及監管營運的內在風險。這些風險主要包括信貸風險、市場風險、流動資金風險及營運風險。市場風險包括外匯、利率及其他價格風險。管理委員會就此等風險管理政策及程序之充分性及果效而作定期檢視；而稽核部門亦會進行定期稽核及檢查，以確保該等政策及程序得以落實及被遵從。

3.1 信貸風險

本集團承擔著信貸風險，該風險乃指債務人（包括擔保人）或交易對手未能履行責任而引致本集團財務上之損失。信貸風險主要從本集團資產組合內之貸款、債務證券、衍生金融工具、國庫券及資產負債表內給予交易對手的信貸金額而產生。此外，資產負債表外的財務安排（如貸款承諾）亦會帶來信貸風險。經濟上有重大轉變或個別行業呈現衰退，可導致損失與結算日已提之減值準備產生偏差。

本集團已制定信貸政策確定授出信貸之標準、信貸批核、審閱及監控程序，以及內部信貸評級系統及減值準備之評估程序。本集團信貸風險管理及控制集中於信貸管理部，並定時向授信審核委員會及管理委員會匯報。董事會對信貸風險管理程序的有效性負有最終責任。

3 Financial risk management

The Group's activities expose it to a variety of financial risks and those activities involve analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Group recognises that taking risk is core to its financial business and the operational risks are an inevitable consequence of being in business. The Group's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group has established policies and procedures for the identification, measurement, control and monitoring of the inherent risk of the operations. The most important risks are credit risk, market risk, liquidity risk and operational risk. Market risk includes currency risk, interest rate risk and other price risks. The adequacy and effectiveness of risk management policies and procedures are regularly reviewed by the Management Committee of the Board of Directors (the "Management Committee"). The Internal Audit Department also performs regular audits to ensure compliance with policies and procedures.

3.1 Credit risk

The Group takes on exposure to credit risk, which is the risk that an obligor (including guarantor) or a counterparty will cause a financial loss for the Group by failing to discharge an obligation. Credit exposures arise principally from loans and advances, debt securities, derivative financial instruments, treasury bills, and other on-balance sheet exposures to counterparties in the Group's asset portfolio. There is also credit risk in off-balance sheet financial arrangements such as loan commitments. Significant changes in the economy, or in the health of a particular industry segment, could result in losses that are different from those provided for at the end of the reporting period.

The Group has established credit policies that govern credit extension criteria, credit approval, review and monitoring processes, the internal credit rating system and impairment assessment processes. The Group's credit risk management and control are centralised in Credit Management Department which reports to the Credit Committee and Management Committee regularly. The Board of Directors has ultimate responsibility for the effectiveness of credit risk management processes.

3 金融風險管理 (續)

3.1 信貸風險 (續)

(a) 信貸風險量度

(i) 貸款

在評估客戶、同業及其他交易對手貸款之信貸風險時，會採用有效之系統來量度及監控信貸風險作為信貸評估程序的一部份。本集團之信貸評級系統會考慮交易對手之信譽，包括保證人(如適用)之財政能力，抵押品及特別交易的風險，並就相關業務單位的資產組合之信貸風險作出區分及管理。

(ii) 債務證券及國庫券

於評估債務證券之風險時，主要採用認可的外部信貸評級機構之評級來評估及管理信貸風險。投資於此等證券使本集團於相關的風險下達到合理回報水平，並同時保持有效的資金來源。

(b) 信貸限額控制及緩和政策

當本集團發現信貸風險，特別是過分集中於個別交易對手、集團、行業或國家時，便會作出管理及控制。

為避免過於集中而引致風險，各個客戶、交易對手及行業之信貸風險均按規定限額小心管理及監控。所有信貸風險之限額由管理委員會核准，該會同時負責檢討及批核最大額度之授信及管理較高之集中風險。信貸批核授權授信審核委員會及其他信貸業務管理人員負責。信貸管理部存有以每一相關集團的中央負債記錄，對實際信貸風險(包括資產負債表以內及以外之風險)、限額及資產質素均作出定期監管及控制，並受內部稽核之審查。

任何單一借款人(包括銀行)之信貸風險，已制定分級限額以限制資產負債表以內及以外之風險，及制定每日交易風險限額以限制持作買賣用途之項目如遠期外匯合約。而每日會將實際授信與限額對照，藉以監察風險水平。

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(a) Credit risk measurement

(i) Loans and advances

In assessing credit risk of loans and advances to customers and to banks and other counterparties, effective systems are adopted for measurement and monitoring of the credit risk as part of the credit assessment process. The Group's credit grading system, which in general, takes into account the underlying credit-worthiness of the counterparties, including the financial strengths of the guarantors (as the case may be), collateral pledged and the risk of specific transactions, allows differentiation and management of credit risk for asset portfolios of respective business units.

(ii) Debt securities and treasury bills

For debt securities, external ratings from recognised external credit assessment institutions are used for assessing and managing credit risk exposures. The investments in these securities allow the Group to achieve an appropriate level of returns commensurate with the risks and to maintain a readily available source of funding at the same time.

(b) Risk limit control and mitigation policies

The Group manages and controls concentrations of credit risk wherever they are identified, in particular, to individual counterparties and groups, and to industries and countries.

To avoid concentration risk, credit exposures to individual customers, counterparties and industry sectors are carefully managed and monitored by the use of limits. All credit risk limits are approved by the Management Committee. The Management Committee is also responsible for the review and approval of the largest credit exposures and portfolio management of risk concentrations. Approval authorities are delegated to the Group's Credit Committee and other lending officers. Actual credit exposures, including on- and off-balance sheet exposures, limits and asset quality are regularly monitored and controlled by the Credit Management Department by keeping a central liability record for each group of related counterparties and are subject to checks by the internal audit function.

The exposure to any one borrower including banks is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.1 信貸風險 (續)

(b) 信貸限額控制及緩和政策 (續)

一些特定控制及風險緩和措施概述如下：

(i) 抵押品

本集團會嘗試取得抵押品以將信貸風險減低至可接受水平。對於所有信貸的批核，無論是否有抵押保證，均基於交易對手之償還能力而決定。本集團履行既有之指引以區分不同類別抵押品之可接受性及信貸風險轉移能力。主要抵押品分類為：

- 住宅物業及其他物業之按揭；
- 商業資產之抵押，如現金存款、物業、機器、存貨及應收賬款；及
- 金融工具之抵押，如股權證券及債務證券。

於二〇一六年十二月三十一日，貸款總額與就金融資產而持有的抵押品及其他改善信貸條件的估計公允價值兩者較低金額為港幣63,166,003,000元（二〇一五年：港幣68,225,858,000元）

本集團訂有政策以管理確定合格資產作為抵押品以減低信貸風險。資產的市場價值須要能夠確定或合理地建立，才能考慮為有效的風險轉移。該資產還須要有市場銷路並有既存的二手市場作出售。此外，於有需要時，本集團能取得該資產的控制權。根據抵押品的類別，其價值將會作每日至每年不等的定時重估。已逾期貸款所持抵押品主要類別為現金存款及物業。

(ii) 總淨額結算安排

本集團會與進行大量交易的對手訂立總淨額結算安排，藉以進一步限制信貸風險。總淨額結算安排不一定會導致財務狀況表上資產及債務的對銷，原因是交易通常按總額結算。然而，關於有利合約之信貸風險會在出現不能償還情況時藉著總淨額結算安排而減少，所有與該交易對手之款項會終止及以淨額結算。

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(b) Risk limit control and mitigation policies (Continued)

Some specific control and risk mitigation measures are outlined below:

(i) Collateral

The Group seeks to obtain collateral to mitigate credit risk to an acceptable level. All credit decisions, whether or not secured by collateral, are based on counterparties' repayment capacity. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal types of collateral in credit risk mitigation include:

- Mortgages over residential properties and other properties;
- Charges over business assets such as cash deposits, premises, machineries, inventory and accounts receivable; and
- Charges over financial instruments such as equities and debt securities.

At 31 December 2016, the lower of gross loan amount and the estimated fair value of the collateral and other credit enhancements held against financial assets amounted to HK\$63,166,003,000 (2015: HK\$68,225,858,000).

The Group has established policies to govern the determination of eligibility of assets taken as collateral for credit risk mitigation. In order for an asset to be considered as effective risk mitigation, the market value of the asset should be readily determinable or can be reasonably established. The asset is marketable and there exists a readily available secondary market for disposal of the asset. In addition, the Group is able to secure control over the asset if necessary. The collateral is revalued periodically ranging from daily to annually, depending on the type of collateral. As for those past due exposures, the main types of collateral held are cash deposits and properties.

(ii) Master netting agreements

The Group further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of the assets and liabilities in the statement of financial position, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis.

3 金融風險管理 (續)

3.1 信貸風險 (續)

(b) 信貸限額控制及緩和政策 (續)

(iii) 衍生工具

本集團所採用的衍生工具主要為利率及外幣匯率相關之合約，大部份為通過櫃檯交易之衍生工具。而本集團之衍生工具持倉盤，大部份是為應客戶需求並作為對沖該等客戶盤及其他買賣持倉盤而持有。管理委員會制定交易限額包括隔夜及即日市場限額。除指定對沖安排外，有關外匯及利率風險之衍生工具乃用作日常業務上對沖持倉盤，藉此控制流動資金水平以應付市場需求。基於此等衍生工具交易的性質，除本集團要求交易對手繳付保證金存款外，抵押品及其他抵押品並不常用於此等信貸風險。

根據衍生工具合約下現有抵押品債務的條款，估計按照二〇一六年十二月三十一日的持倉，倘本集團的信貸評級被下調一級或兩級，本集團不需要提供額外的抵押品 (二〇一五年：無)

(iv) 與信貸相關的承諾

本集團提供信貸承諾，包括發出擔保書及信用證。該等工具之主要目的是確保在有需要時有資金供應給客戶。該等工具乃不可撤銷的保證，表示本集團將會在客戶未能向第三者履行責任時作出償付。該等工具帶有與貸款相同之信貸風險。

作出信貸承諾乃代表以放款、擔保書及信用證等形式授權未使用部份的信貸額度。有關作出信貸承諾之信貸風險，本集團等同擁有一項與未使用承擔相同的潛在損失。由於大部份作出信貸承諾乃客戶擬維持其特定信貸水平，是或然的，因此，此等可能出現的虧損應少於未使用之承擔總額。本集團會控制信貸承擔之期限，因長期承擔一般會比短期承擔存在較大程度的信貸風險。

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(b) Risk limit control and mitigation policies (Continued)

(iii) Derivatives

The principal derivatives used by the Group are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives. Most of the Group's derivative positions have been entered into to meet customer demand and to hedge these and other trading positions. The Management Committee places trading limits on the level of exposure that can be taken in relation to both overnight and intra-day market positions. With the exception of specific hedging arrangements, foreign exchange and interest rate exposures associated with these derivatives are normally offset by entering into counterbalancing positions, thereby controlling the variability in the net cash amounts required to liquidate market positions. Given the purpose for entering into such derivative transaction, collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Group requires margin deposits from counterparties.

Under the terms of the Group's current collateral obligations under derivative contracts, it is estimated the Group would not be required to post additional collateral in the event of one or two notch downgrade in the Group's credit rating based on the positions as at 31 December 2016. (2015: Nil).

(iv) Credit related commitments

The Group has issued credit related commitments including guarantees and letters of credit. The primary purpose of these instruments is to ensure that funds are available to a customer as required. These instruments represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties. These instruments carry similar level of the same credit risk as loans.

Commitments to extend credit represent unused portions of authorised facility limits in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

財務報表註釋 Notes to the Financial Statements

3 金融風險管理 (續)

3.1 信貸風險 (續)

(c) 減值準備政策

本集團會持續地進行信貸組合之信用分析及監控，以及最少每年對個別超過已定金額之金融資產進行評估，或對於個別情況增加定期審核的次數。減值準備於結算日被確認為損失乃基於如註釋1.7所述之減值客觀證據而作出。本集團之內部信貸評級系統幫助管理層判定該等減值客觀證據之存在性。

對個別評估賬戶之減值準備乃根據於結算日就個別戶口是否出現損失之評估而判定，並應用於所有重大賬戶。個別評估通常會考慮所持有之抵押品及該賬戶預期將來可能收回之現金流，按照相關的折現率折現。

綜合評估減值準備乃對(i)個別低於已定金額而又性質相似的資產；及(ii)已產生損失而未被個別確認而提供，會依據過往損失經驗之數據，經濟狀況，統計分析並以經驗判斷作補充。

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(c) Impairment allowance policies

The Group undertakes ongoing credit analysis and monitoring of its credit portfolios, and requires the review of individual financial assets that are above preset thresholds at least annually or more regularly when individual circumstances require. Impairment allowances are recognised for losses that have been incurred at the end of the reporting period based on objective evidence of impairment as described in note 1.7. The Group's internal credit rating system assists management to determine whether objective evidence of impairment exists.

Impairment allowances on individually assessed accounts are determined by an evaluation of the incurred loss at the end of the reporting period on a case-by-case basis, and are applied to all individually significant accounts. The assessment normally encompasses commitment of collateral held and the anticipated cash flows for that individual account adjusted at the relevant discount rates.

Collectively assessed impairment allowances are provided for (i) portfolios of homogenous assets that are individually below preset thresholds; and (ii) losses that have been incurred but have not yet been individually identified, using available data on historical loss experience, and economic conditions, statistical analysis and supplemented by experienced judgment.

3 金融風險管理 (續)**3 Financial risk management (Continued)****3.1 信貸風險 (續)****3.1 Credit risk (Continued)**(d) 考慮抵押品及其他信貸風險管理前
之最高信貸風險(d) *Maximum exposure to credit risk before collateral held or other
credit enhancements*

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|---|----------------------------------|----------------------------------|
| 短期資金 | Short term funds | 34,440,206 | 41,554,916 |
| 同業定期存放及貸款 | Placements with and loans and advances to banks | 26,070,918 | 26,962,735 |
| 持作買賣用途之證券 | Trading securities | 611,581 | 77,777 |
| 衍生金融工具 | Derivative financial instruments | 697,578 | 837,171 |
| 以公平價值誌入損益賬之 金融資產 | Financial assets designated at fair value through profit or loss | 4,865,980 | 3,924,327 |
| 可供出售之證券 | Available-for-sale securities | 44,041,485 | 24,253,769 |
| 持至到期證券 | Held-to-maturity securities | 883,823 | 1,708,475 |
| 貸款及其他賬項 | Advances and other accounts | 146,445,745 | 148,511,479 |
| 共同控制實體貸款 | Loan to jointly controlled entities | - | 5,835 |
| 信貸承擔 | Credit commitments | 54,396,336 | 48,715,078 |
| | | 312,453,652 | 296,551,562 |

(e) 客戶貸款總額

(e) *Gross loans and advances to customers*

(i) 客戶貸款總額信貸質素

(i) *Gross loans and advances to customers by credit quality*

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------|-------------------------------|----------------------------------|----------------------------------|
| 未逾期及無減值 | Neither past due nor impaired | 136,738,687 | 120,068,995 |
| 逾期但無減值 | Past due but not impaired | 709,069 | 1,307,018 |
| 已減值 | Impaired | 147,258 | 85,045 |
| | | 137,595,014 | 121,461,058 |

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.1 信貸風險 (續)

(e) 客戶貸款總額 (續)

(ii) 未逾期及無減值之客戶貸款總額

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(e) Gross loans and advances to customers (Continued)

(ii) Gross loans and advances to customers that are neither past due nor impaired

| | | 物業抵押 Real estate mortgage 港幣千元 HK\$'000 | 其他 Others | | 合計 Total 港幣千元 HK\$'000 |
|-------------------|----------------------------|---|-------------------------------------|--------------------------------------|---------------------------------|
| | | | 企業 Corporate 港幣千元 HK\$'000 | 個人 Individual 港幣千元 HK\$'000 | |
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | |
| 級別一 | Grade 1 | 18,334,067 | 106,543,078 | 11,302,740 | 136,179,885 |
| 級別二 | Grade 2 | 56,319 | 280,938 | 216,529 | 553,786 |
| 級別三 | Grade 3 | – | – | 5,016 | 5,016 |
| | | 18,390,386 | 106,824,016 | 11,524,285 | 136,738,687 |

| | | 物業抵押 Real estate mortgage 港幣千元 HK\$'000 | 其他 Others | | 合計 Total 港幣千元 HK\$'000 |
|-------------------|----------------------------|---|-------------------------------------|--------------------------------------|---------------------------------|
| | | | 企業 Corporate 港幣千元 HK\$'000 | 個人 Individual 港幣千元 HK\$'000 | |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | |
| 級別一 | Grade 1 | 19,516,171 | 88,992,249 | 8,472,972 | 116,981,392 |
| 級別二 | Grade 2 | 45,323 | 2,984,008 | 41,155 | 3,070,486 |
| 級別三 | Grade 3 | 12,703 | – | 4,414 | 17,117 |
| | | 19,574,197 | 91,976,257 | 8,518,541 | 120,068,995 |

3 金融風險管理 (續)

3.1 信貸風險 (續)

(e) 客戶貸款總額 (續)

(ii) 未逾期及無減值之客戶貸款總額 (續)

下列為上述級別分析之界定：

級別一為「滿意」，代表借款人能承擔債務，本金及利息能全數償還。

級別二為「特別監控」，代表借款人經歷困難，可能影響本集團的利益。

級別三為「未達標準」，代表借款人表露出疲態而很可能危及其還款能力；或如不將抵押品變賣，則不能將貸款全數收回。

如貸款具足夠抵押品，當該等貸款出現虧損事件時，不一定引致該貸款出現減值虧損。雖該等貸款被列作為「未達標準」之級別，但該等貸款並不屬於已減值貸款而包括於上述表格內。

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(e) *Gross loans and advances to customers (Continued)*

(ii) Gross loans and advances to customers that are neither past due nor impaired (Continued)

The following definitions have been adopted for the purpose of the above analysis:

Grade 1 “satisfactory” represents loans for which borrowers are currently meeting commitments and for which full repayment of interest and principal is not in doubt.

Grade 2 “special monitoring” represents loans with which borrowers are experiencing difficulties and which may threaten the Group’s position.

Grade 3 “substandard” represents loans in which borrowers are displaying a definable weakness that is likely to jeopardise repayment; or collection in full is improbable without realisation of available collateral.

The occurrence of loss event(s) may not necessarily result in impairment loss where the loans are fully collateralised. While such loans are of “substandard” grades, they are regarded as not being impaired and have been included in the above table.

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.1 信貸風險 (續)

(e) 客戶貸款總額 (續)

(iii) 逾期但無減值之客戶貸款總額

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(e) Gross loans and advances to customers (Continued)

(iii) Gross loans and advances to customers which were past due but not impaired

| | | 物業抵押 Real estate mortgage 港幣千元 HK\$'000 | 其他 Others | | 合計 Total 港幣千元 HK\$'000 |
|-------------------|---|---|-------------------------------------|--------------------------------------|---------------------------------|
| | | | 企業 Corporate 港幣千元 HK\$'000 | 個人 Individual 港幣千元 HK\$'000 | |
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | |
| 三個月或以下 | Three months or less | 344,921 | 121,952 | 226,497 | 693,370 |
| 三個月以上 至六個月 | Six months or less but over three months | 2,937 | – | 2,542 | 5,479 |
| 六個月以上 | Over six months | 6,790 | 1,152 | 2,278 | 10,220 |
| | | 354,648 | 123,104 | 231,317 | 709,069 |

| | | 物業抵押 Real estate mortgage 港幣千元 HK\$'000 | 其他 Others | | 合計 Total 港幣千元 HK\$'000 |
|-------------------|---|---|-------------------------------------|--------------------------------------|---------------------------------|
| | | | 企業 Corporate 港幣千元 HK\$'000 | 個人 Individual 港幣千元 HK\$'000 | |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | |
| 三個月或以下 | Three months or less | 392,692 | 590,010 | 310,237 | 1,292,939 |
| 三個月以上 至六個月 | Six months or less but over three months | 1,602 | 3,354 | 5,709 | 10,665 |
| 六個月以上 | Over six months | 2,208 | – | 1,206 | 3,414 |
| | | 396,502 | 593,364 | 317,152 | 1,307,018 |

3 金融風險管理 (續)**3.1 信貸風險 (續)**

(e) 客戶貸款總額 (續)

(iv) 個別已減值之客戶貸款總額

已減值之客戶貸款總額是該等個別貸款於首次入賬後，因發生損失事項並存在減值之客觀證據，而該損失事項對貸款的預計未來現金流量造成影響。其分析如下：

3 Financial risk management (Continued)**3.1 Credit risk (Continued)**(e) *Gross loans and advances to customers (Continued)*

(iv) Gross loans and advances to customers individually impaired

The gross amount of impaired loans, which represents those individual advances where there is objective evidence of impairment resulting from loss events occurring after the initial recognition of the advances and where these loss events have an impact on the estimated future cash flows of the advances, is analysed as follows:

| | | 物業抵押 Real estate mortgage 港幣千元 HK\$'000 | 其他 Others | | 合計 Total 港幣千元 HK\$'000 |
|--------------------------|---|---|-------------------------------------|--------------------------------------|----------------------------------|
| | | | 企業 Corporate 港幣千元 HK\$'000 | 個人 Individual 港幣千元 HK\$'000 | |
| 二〇一六年 | 2016 | 1,883 | 140,745 | 4,630 | 147,258 |
| 二〇一五年 | 2015 | 32,224 | 48,331 | 4,490 | 85,045 |
| | | | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 已減值貸款 | Impaired loans | | | 147,258 | 85,045 |
| 佔客戶貸款總額之百分比 | Percentage of total advances to customers | | | 0.11% | 0.07% |
| 對上述貸款提撥之個別減值準備 (註釋24(a)) | Individual impairment allowances made in respect of such advances (note 24(a)) | | | 99,599 | 16,854 |
| 評估上述個別減值準備已考慮之抵押品之總額 | Total value of collateral taken into account in respect of the assessment of individual impairment allowances | | | 80,421 | 73,262 |

上述個別減值準備已考慮有關貸款之抵押品價值。

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

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3 Financial risk management (Continued)

3.1 信貸風險 (續)

3.1 Credit risk (Continued)

(e) 客戶貸款總額 (續)

(e) Gross loans and advances to customers (Continued)

(v) 重議貸款

(v) Renegotiated loans

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------------|--|----------------------------------|----------------------------------|
| 假如未重訂條款而可能 已逾期或已減值之重議貸款 | Renegotiated loans that would otherwise be past due or impaired | 28,198 | 14,187 |

(f) 同業貸款信貸質素

(f) Gross balance with banks by credit quality

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------------|---|----------------------------------|----------------------------------|
| 同業貸款總額 – 未逾期及無減值 (級別一) | Gross balance with banks – Neither past due nor impaired (Grade 1) | 60,511,124 | 68,517,651 |

級別一為「滿意」，代表借款人能承擔債務，本金及利息能全數償還。

Grade 1 “satisfactory” represents loans for which borrowers are currently meeting commitments and for which full repayment of interest and principal is not in doubt.

於二〇一六年十二月三十一日，同業貸款總額中並無逾期或已減值貸款 (二〇一五年：無)。

At 31 December 2016, there were no overdue or impaired balances with banks (2015: Nil).

3 金融風險管理 (續)**3.1 信貸風險 (續)***(g) 收回資產*

是年度本集團收回屬擔保之抵押品如下：

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|------|--------------------------------------|----------------------------------|----------------------------------|
| 住宅物業 | Residential properties | – | 23,922 |
| 工商物業 | Commercial and industrial properties | 6,740 | – |
| 其他 | Others | 186 | 903 |
| | | 6,926 | 24,825 |

於二〇一六年十二月三十一日，本集團並無收回資產（二〇一五年：港幣682,000元）。

收回物業會在可行的情況下盡快出售，所收款項將用以減低債務結欠。

(h) 債務證券

(i) 未逾期及無減值之債務證券及國庫券

債務證券及國庫券
– 未逾期及無減值

3 Financial risk management (Continued)**3.1 Credit risk (Continued)***(g) Repossessed assets*

During the year, the Group obtained assets by taking possession of collateral held as security, as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--|--|----------------------------------|----------------------------------|
| | | – | 23,922 |
| | | 6,740 | – |
| | | 186 | 903 |
| | | 6,926 | 24,825 |

There were no repossessed assets of the Group as at 31 December 2016 (2015: HK682,000).

Repossessed properties are sold as soon as practicable with the proceeds used to reduce the outstanding indebtedness.

(h) Debt securities

(i) Debt securities and treasury bills that are neither past due nor impaired

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--|--|----------------------------------|----------------------------------|
| | | 50,402,869 | 29,964,348 |

於二〇一六年十二月三十一日，本集團並無已減值之可供出售之債務證券（二〇一五年：無）。

There were no impaired available-for-sale debt securities of the Group as at 31 December 2016 (2015: Nil).

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.1 信貸風險 (續)

(h) 債務證券 (續)

(ii) 債務證券及國庫券之信貸質素

下列表格乃根據外在信貸評級機構之評級分析本集團債務證券及國庫券之信貸風險：

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(h) Debt securities (Continued)

(ii) Debt securities and treasury bills by credit quality

The tables below present an analysis of debt securities and treasury bills by rating agency designation based on the external credit assessment institutions' ratings that the Group has used in relation to credit risk exposures:

| | | 國庫券 Treasury bills 港幣千元 HK\$'000 | 債務證券 Debt securities 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-----------------------|---|--|--|---------------------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | |
| AA-至AAA | AA- to AAA | 8,152,868 | 17,423,601 | 25,576,469 |
| A-至A+ | A- to A+ | – | 15,788,742 | 15,788,742 |
| BBB-至BBB+ | BBB- to BBB+ | – | 4,000,903 | 4,000,903 |
| 低於BBB- | Lower than BBB- | – | 698,127 | 698,127 |
| 無評級 | Unrated | – | 4,338,628 | 4,338,628 |
| | | 8,152,868 | 42,250,001 | 50,402,869 |
| 其發行人為： | of which issued by: | | | |
| – 中央政府及中央銀行 | – central governments and central banks | 8,152,868 | 3,827,615 | 11,980,483 |
| – 銀行及其他金融機構 | – banks and other financial institutions | – | 25,726,026 | 25,726,026 |
| – 企業 | – corporate entities | – | 12,696,360 | 12,696,360 |
| | | 8,152,868 | 42,250,001 | 50,402,869 |
| 其分類為： | of which classified by: | | | |
| – 持作買賣用途之證券 | – trading securities | – | 611,581 | 611,581 |
| – 以公平價值誌入損益賬 之金融資產 | – financial assets designated at fair value through profit or loss | – | 4,865,980 | 4,865,980 |
| – 可供出售之證券 | – available-for-sale securities | 8,152,868 | 35,888,617 | 44,041,485 |
| – 持至到期證券 | – held-to-maturity securities | – | 883,823 | 883,823 |
| | | 8,152,868 | 42,250,001 | 50,402,869 |

3 金融風險管理 (續)**3.1 信貸風險 (續)**

(h) 債務證券 (續)

(ii) 債務證券及國庫券之信貸質素 (續)

3 Financial risk management (Continued)**3.1 Credit risk (Continued)**

(h) Debt securities (Continued)

(ii) Debt securities and treasury bills by credit quality (Continued)

| | | 國庫券 Treasury bills 港幣千元 HK\$'000 | 債務證券 Debt securities 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-----------------------|---|--|--|---------------------------------|
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | |
| AA-至AAA | AA- to AAA | 4,103,711 | 11,024,473 | 15,128,184 |
| A-至A+ | A- to A+ | – | 7,177,004 | 7,177,004 |
| BBB-至BBB+ | BBB- to BBB+ | – | 2,983,554 | 2,983,554 |
| 低於BBB- 無評級 | Lower than BBB- Unrated | – | 733,768 | 733,768 |
| | | – | 3,941,838 | 3,941,838 |
| | | 4,103,711 | 25,860,637 | 29,964,348 |
| 其發行人為： | of which issued by: | | | |
| – 中央政府及中央銀行 | – central governments and central banks | 4,103,711 | 2,284,011 | 6,387,722 |
| – 銀行及其他金融機構 | – banks and other financial institutions | – | 12,784,389 | 12,784,389 |
| – 企業 | – corporate entities | – | 10,792,237 | 10,792,237 |
| | | 4,103,711 | 25,860,637 | 29,964,348 |
| 其分類為： | of which classified by: | | | |
| – 持作買賣用途之證券 | – trading securities | – | 77,777 | 77,777 |
| – 以公平價值誌入損益賬 之金融資產 | – financial assets designated at fair value through profit or loss | – | 3,924,327 | 3,924,327 |
| – 可供出售之證券 | – available-for-sale securities | 4,103,711 | 20,150,058 | 24,253,769 |
| – 持至到期證券 | – held-to-maturity securities | – | 1,708,475 | 1,708,475 |
| | | 4,103,711 | 25,860,637 | 29,964,348 |

財務報表註釋 Notes to the Financial Statements

3 金融風險管理 (續)

3.1 信貸風險 (續)

(i) 資產、負債及資產負債表外項目的
地區分佈

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(i) *Geographical concentrations of assets, liabilities and off-balance
sheet items*

| | | 總資產 Total assets 港幣千元 HK\$'000 | 總負債 Total liabilities 港幣千元 HK\$'000 | 信貸承擔 Credit commitments 港幣千元 HK\$'000 |
|---------------------------|----------------------------|--|---|---|
| 於二〇一六年 十二月三十一日 | | At 31 December 2016 | | |
| 香港 | Hong Kong | 237,977,950 | 210,854,300 | 45,093,633 |
| 美國 | United States of America | 6,787,433 | 6,130,481 | 1,466,988 |
| 中華人民共和國 | People's Republic of China | 44,616,289 | 40,282,988 | 5,995,444 |
| 澳門 | Macau | 13,586,076 | 13,102,306 | 1,840,271 |
| 開曼群島 | Cayman Islands | 19,772 | – | – |
| 分部互相抵銷 | Inter-segment elimination | (35,329,194) | (35,329,194) | – |
| | | 267,658,326 | 235,040,881 | 54,396,336 |
| | | 總資產 Total assets 港幣千元 HK\$'000 | 總負債 Total liabilities 港幣千元 HK\$'000 | 信貸承擔 Credit commitments 港幣千元 HK\$'000 |
| 於二〇一五年 十二月三十一日 | | At 31 December 2015 | | |
| 香港 | Hong Kong | 234,453,274 | 209,860,062 | 42,662,806 |
| 美國 | United States of America | 3,899,152 | 3,357,479 | 1,300,554 |
| 中華人民共和國 | People's Republic of China | 44,749,224 | 40,330,443 | 2,451,162 |
| 澳門 | Macau | 16,844,040 | 16,485,329 | 2,300,556 |
| 開曼群島 | Cayman Islands | 20,457 | – | – |
| 分部互相抵銷 | Inter-segment elimination | (42,989,738) | (42,989,738) | – |
| | | 256,976,409 | 227,043,575 | 48,715,078 |

3 金融風險管理 (續)

3.1 信貸風險 (續)

(i) 資產、負債及資產負債表外項目的地區分佈 (續)

風險集中之客戶貸款按地區分佈如下：

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一六 2016 % | 二〇一五 2015 港幣千元 HK\$'000 | 二〇一五 2015 % |
|---------|----------------------------|----------------------------------|-------------------|----------------------------------|-------------------|
| 香港 | Hong Kong | 111,544,849 | 81.1 | 101,301,696 | 83.4 |
| 美國 | United States of America | 6,515,965 | 4.7 | 3,646,583 | 3.0 |
| 中華人民共和國 | People's Republic of China | 14,830,071 | 10.8 | 10,519,953 | 8.7 |
| 澳門 | Macau | 4,704,129 | 3.4 | 5,992,826 | 4.9 |
| | | 137,595,014 | 100.0 | 121,461,058 | 100.0 |

3.2 市場風險

本集團所承擔之市場風險，乃指由於市場價格變動而引致金融工具之公平價值或未來現金流量改變的風險。市場風險主要源自其對息率、外幣及股權產品等的持倉淨盤，全部都面對一般及特定之市場變更及市場息率或價格如利率、匯率及股票價格等波幅的改變而影響。本集團之市場風險主要源自其持作買賣用途及在銀行賬內之外匯持倉證券及衍生工具。

(a) 市場風險量度

管理委員會透過制定各項交易限額以管理本集團從不同活動而面對之市場風險。風險乃以合約或名義數值及未償還結餘之基準衡量及監察。該等限額由組合、產品及風險種類，以綜合風險衡量法，包括持倉限額、敏感度限額、風險價值限額及止蝕限額而製定。財資部監察及管理所有與市場風險有關之交易持倉。獨立監察、檢查、每日按市價估值及確認交易均由其他獨立部門進行。而本集團之稽核部門亦會定時進行審核及檢查，以確保能遵照既定之風險限額進行交易。所有超越限額之項目須由相關之管理階層及管理委員會審核及批准。定期報告由風險管理委員會審核。

本集團亦運用廣泛之壓力測試以極端化之事件來評估市場風險對本集團財務狀況之影響。壓力測試之結果由風險管理委員會審核。

3 Financial risk management (Continued)

3.1 Credit risk (Continued)

(i) Geographical concentrations of assets, liabilities and off-balance sheet items (Continued)

Geographical sector risk concentrations within the customer loan portfolio are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一六 2016 % | 二〇一五 2015 港幣千元 HK\$'000 | 二〇一五 2015 % |
|----------------------------|--|----------------------------------|-------------------|----------------------------------|-------------------|
| Hong Kong | | 111,544,849 | 81.1 | 101,301,696 | 83.4 |
| United States of America | | 6,515,965 | 4.7 | 3,646,583 | 3.0 |
| People's Republic of China | | 14,830,071 | 10.8 | 10,519,953 | 8.7 |
| Macau | | 4,704,129 | 3.4 | 5,992,826 | 4.9 |
| | | 137,595,014 | 100.0 | 121,461,058 | 100.0 |

3.2 Market risk

The Group takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, foreign exchange rates and equity prices. The Group's market risk primarily arises from its positions in foreign exchange, securities and derivatives in its trading and banking books.

(a) Market risk measurement

The Group's market risk exposures in different activities are managed by way of limits established by the Management Committee. Exposures are measured and monitored on the basis of contractual or notional amount and outstanding balances. Limits are set by portfolio, product and risk type, using a combination of risk measurement techniques, including position limits, sensitivity limits, VaR limits as well as stop loss limits. All market risk trading positions are monitored and managed by the Treasury Department. Independent monitoring, checking, daily mark-to-market valuation and trade confirmation are undertaken by departments independent of the Treasury Department. Regular checking and reviews are also conducted by the Group's internal audit function to ensure compliance with risk limits. All exceptions are reviewed and approved by the appropriate level of management and the Management Committee. Regular reports are reviewed by the Risk Management Committee.

The Group also applies a wide range of stress testing to assess the financial impact of more extreme events on the market risk exposure of the Group. The results of the stress testing are reviewed by the Risk Management Committee.

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.2 市場風險 (續)

(b) 市場風險敏感度分析

(i) 貨幣風險

本集團之貨幣風險主要源自外匯買賣、商業銀行運作及結構性外匯持倉。

於二〇一六年十二月三十一日，如港元兌美元在固定聯繫匯率範圍內下跌／上升0.64% (二〇一五年：0.64%)，在其他因素不變下，本集團之除稅後溢利將相對地增加／減少港幣26,118,000元 (二〇一五年：港幣30,294,000元)。與二〇一五年比較，對本集團之二〇一六年除稅後溢利影響有所減少，主要原因是美元持倉淨額有所減少。

如港元兌美元以外的其他貨幣下跌／上升1% (二〇一五年：1%)，在其他因素不變下，本集團之除稅後溢利將相對地增加／減少港幣44,120,000元 (二〇一五年：港幣45,113,000元)。與二〇一五年比較，對本集團之二〇一六年除稅後溢利影響有所減少，主要原因是外幣 (除美元外) 持倉淨額有所減少。

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(b) Market risk sensitivity analysis

(i) Currency risk

The Group's currency risk positions mainly arise from foreign exchange dealing, commercial banking operations and structural foreign currency exposures.

At 31 December 2016, if HKD had weakened/strengthened within the pegged range of 0.64% (2015: 0.64%) against USD with all other variables held constant, the Group's profit after taxation for the year would have been HK\$26,118,000 (2015: HK\$30,294,000) higher/lower. The impact on the Group's profit after taxation in 2016 was lower than in 2015 due to the decrease of net USD positions.

If HKD had weakened/strengthened 1% (2015: 1%) against other currencies except USD with all other variables held constant, the Group's profit after taxation for the year would have been HK\$44,120,000 (2015: HK\$45,113,000) higher/lower. The impact on the Group's profit after taxation in 2016 was lower than in 2015 due to the decrease of net foreign currencies (exclude USD) positions.

3 金融風險管理 (續)

3.2 市場風險 (續)

(b) 市場風險敏感度分析 (續)

(ii) 利率風險

本集團之利率風險主要源自因持有附息資產、負債及資產負債表以外項目在重訂息率時有時間差異而引起。任何利率改變會影響以公平價值誌入損益賬之金融資產及金融負債之價值。本集團使用利率掉期合約以減低定息金融資產及金融負債之利率風險。

於二〇一六年十二月三十一日，如利率於當日上升100點子（二〇一五年：上升100點子），在其他因素不變下，本集團之除稅後溢利將相對地減少港幣9,136,000元（二〇一五年：增加港幣7,914,000元），主要由持作買賣用途之證券，以公平價值誌入損益賬之金融資產及利率合約之公平價值重估所引致。本集團於其他全面收益將相對地減少港幣397,681,000元（二〇一五年：減少港幣317,981,000元），主要由重估可供出售之證券引致。

於二〇一六年十二月三十一日，如利率於當日下跌100點子（二〇一五年：下跌100點子），在其他因素不變下，本集團之除稅後溢利將相對地增加港幣8,604,000元（二〇一五年：減少港幣10,243,000元），主要由持作買賣用途之證券，以公平價值誌入損益賬之金融資產及利率合約之公平價值重估所引致。本集團於其他全面收益將相對地增加港幣401,715,000元（二〇一五年：增加港幣298,963,000元），主要由重估可供出售之證券引致。

本集團就浮息金融資產及金融負債之現金流量利率風險承擔並不重大。

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(b) Market risk sensitivity analysis (Continued)

(ii) Interest rate risk

The Group's interest rate risk mainly arises from the timing differences in the repricing of interest bearing assets, liabilities and off-balance sheet positions. Any changes in interest rates would affect the value of those financial assets and liabilities carried at fair value. The Group enters into interest rate swaps to mitigate the interest rate risk associated with the fixed-rate financial assets and financial liabilities.

At 31 December 2016, if interest rates at that date had been 100 basis points higher (2015: 100 basis points higher) with all other variables held constant, the Group's profit after taxation for the year would have been HK\$9,136,000 lower (2015: HK\$7,914,000 higher), mainly as a result of revaluation of trading securities, financial assets designated at fair value through profit or loss and interest rate contracts. The Group's other comprehensive income would have been HK\$397,681,000 lower (2015: HK\$317,981,000 lower) due to the revaluation of those available-for-sale securities.

At 31 December 2016, if interest rates at that date had been 100 basis points lower (2015: 100 basis points lower) with all other variables held constant, the Group's profit after taxation for the year would have been HK\$8,604,000 higher (2015: HK\$10,243,000 lower), mainly as a result of revaluation of trading securities, financial assets designated at fair value through profit or loss and interest rate contracts. The Group's other comprehensive income would have been HK\$401,715,000 higher (2015: HK\$298,963,000 higher) due to the revaluation of those available-for-sale securities.

The Group's exposures to cash flow interest rate risk arising from variable-rate financial assets and liabilities is insignificant.

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.2 市場風險 (續)

(b) 市場風險敏感度分析 (續)

(iii) 股權風險

本集團之股權風險主要源自持有若干本港上市之股權證券。其主要部份乃持作長期投資用途。

於二〇一六年十二月三十一日，如環球股票指數於當日下跌／上升10%（二〇一五年：10%），在其他因素不變及所有股本工具根據與指數之歷史掛鉤關係變動下，本集團之除稅後溢利將減少／增加港幣0元（二〇一五年：港幣1,000元）。本集團之其他全面收益將減少／增加港幣19,120,000元（二〇一五年：港幣33,320,000元）。與二〇一五年比較，上述變動對本集團二〇一六年除稅後溢利及其他全面收益的影響有所減少，主要由於分別所持作買賣用途之證券股權及可供出售之證券股權減少。

(iv) 市場風險收入每日分佈情況

本集團及圍內數間附屬公司於二〇一六年內，從事與市場風險有關活動所賺取之每日平均收入（包括與買賣有關之淨利息收入或其他收入）為港幣1,720,000元（二〇一五年：港幣2,001,000元）。該等每日平均收入之標準差為港幣14,687,000元（二〇一五年：港幣6,624,000元）。

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(b) Market risk sensitivity analysis (Continued)

(iii) Equity risk

The Group's equity risk position mainly arises from the holdings of certain equity securities listed in Hong Kong. The majority of this position is held for long term investment purposes.

At 31 December 2016, if the Global equity index at that date had been 10% (2015:10%) lower/higher with all other variables held constant and all the equity instruments had moved according to their historical correlation with the index, the Group's profit after taxation for the year would have been HK\$0 (2015: HK\$1,000) lower/higher, and the Group's other comprehensive income would have been HK\$19,120,000 (2015: HK\$ 33,320,000) lower/higher. The lower impact on the Group's profit after tax and other comprehensive income in 2016 compared with 2015 was mainly attributable to the decrease in holdings of the Group's trading portfolios and available-for-sale portfolios respectively.

(iv) Daily distribution of market risk revenue

The average daily revenue in 2016 earned from market risk-related activities by the Bank and certain subsidiaries, including trading-related net interest income and other revenue was HK\$1,720,000 (2015: HK\$2,001,000). The standard deviation of this daily revenue was HK\$14,687,000 (2015: HK\$6,624,000).

3 金融風險管理 (續)

3 Financial risk management (Continued)

3.2 市場風險 (續)

3.2 Market risk (Continued)

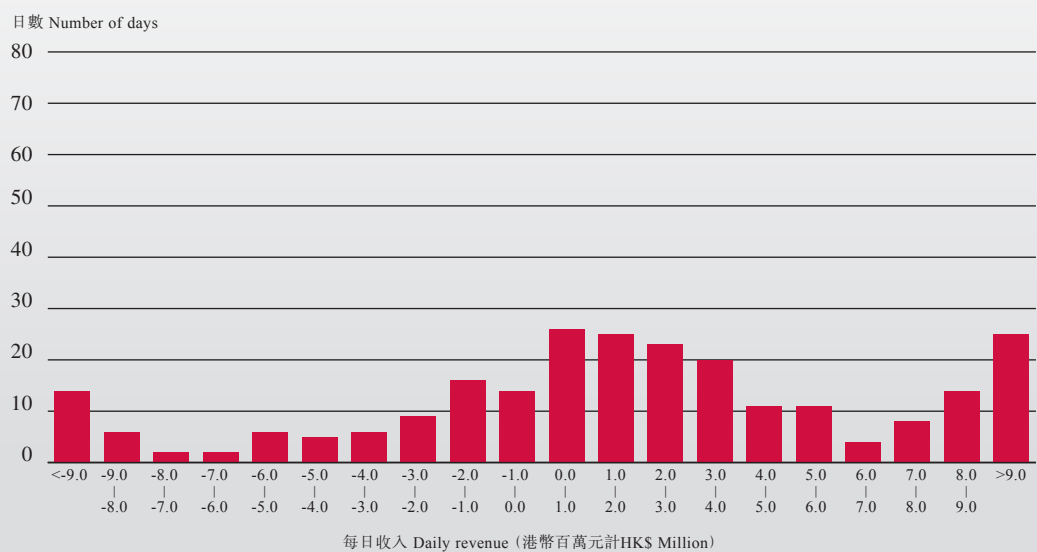
(b) 市場風險敏感度分析 (續)

(b) Market risk sensitivity analysis (Continued)

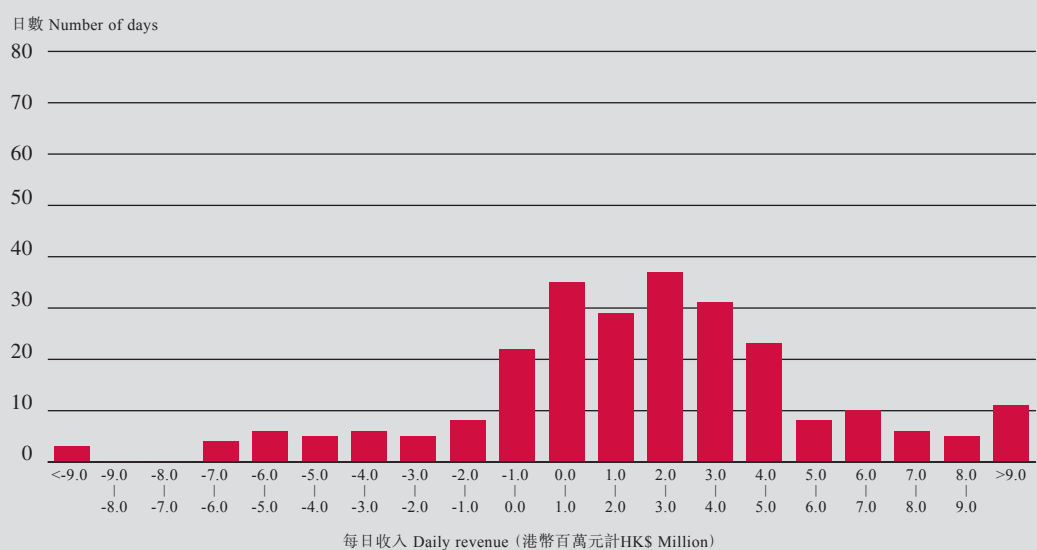
(iv) 市場風險收入每日分佈情況 (續)

(iv) Daily distribution of market risk revenue (Continued)

二〇一六年
市場風險收入
每日分佈情況
Daily
distribution
of market risk
revenue for 2016



二〇一五年
市場風險收入
每日分佈情況
Daily
distribution
of market risk
revenue for 2015



財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.2 市場風險 (續)

(c) 貨幣風險

現行市場外幣匯率的波動會影響本集團的財務狀況和現金流量。本集團之外匯風險主要包括財資部之外匯買賣及源自商業銀行業務之外幣持倉風險。

管理委員會以貨幣及總額為基礎，制定隔夜及即日之持倉限額。此等風險每日均由財資部按管理委員會核定之外匯持倉限額集中管理，並由另一部門獨立監察。

由客戶交易而產生之外匯風險（包括附設在某些客戶存款內之貨幣期權），一般會與其他客戶交易或市場交易對銷。用以購買港元資產之外匯資金均會採用掉期或遠期貨幣兌換合約對沖外匯風險。

下頁表格概述本集團於十二月三十一日之外幣匯率風險。本集團的資產及負債以貨幣作分類並按其賬面值呈列。資產負債表外之差距乃主要用作管理本集團因市場變動的貨幣風險之外幣衍生金融工具的名義金額淨額。

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(c) Currency risk

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Group's exposures mainly comprise foreign exchange dealing by the Treasury Department and currency exposures originated by its commercial banking businesses.

The Management Committee sets limits on the level of exposure by currency and in total for both overnight and intra-day positions. All exposures are centrally managed by the Treasury Department and independently monitored by a separate department on a daily basis.

Foreign currency exposures arising from customer transactions, including currency options embedded in certain customer deposits, are normally offset against other customer transactions or transactions with the market. Foreign currency funding used to fund Hong Kong dollar assets is hedged using currency swaps or forward exchange contracts to mitigate the foreign exchange risk.

The tables on the following pages summarise the Group's exposure to foreign currency exchange rate risk at 31 December. Included in the tables are the Group's assets and liabilities at carrying amounts, categorised by currency. The off-balance sheet gap represents the net notional amounts of foreign currency derivative financial instruments, which are principally used to manage the Group's exposure to currency movements.

3 金融風險管理 (續)**3 Financial risk management (Continued)****3.2 市場風險 (續)****3.2 Market risk (Continued)***(c) 貨幣風險 (續)**(c) Currency risk (Continued)*

資產、負債及資產負債表外項目的分佈

Concentration of assets, liabilities and off-balance sheet items

| | | 港元 HKD 港幣千元 HK\$'000 | 美元 USD 港幣千元 HK\$'000 | 澳元 AUD 港幣千元 HK\$'000 | 人民幣 RMB 港幣千元 HK\$'000 | 其他 Others 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|---------------------|---|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------------------------|---------------------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | | | |
| 資產 | Assets | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 21,110,908 | 3,896,208 | 1,003,389 | 8,266,513 | 1,038,226 | 35,315,244 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | 923,441 | 16,781,232 | – | 8,347,182 | 19,063 | 26,070,918 |
| 持作買賣用途之證券 | Trading securities | 10 | 1,328,520 | – | – | – | 1,328,530 |
| 衍生金融工具 | Derivative financial instruments | 697,578 | – | – | – | – | 697,578 |
| 以公平價值誌入損益賬之 金融資產 | Financial assets designated at fair value through profit or loss | – | 4,589,219 | 110,658 | – | 166,103 | 4,865,980 |
| 可供出售之證券 | Available-for-sale securities | 19,194,970 | 20,051,637 | 3,668,022 | 1,750,522 | 896,561 | 45,561,712 |
| 持至到期證券 | Held-to-maturity securities | – | 250,062 | – | 633,761 | – | 883,823 |
| 貸款及其他賬項 | Advances and other accounts | 78,778,258 | 42,968,080 | 383,817 | 23,394,976 | 920,614 | 146,445,745 |
| 其他資產 | Other assets | 5,004,736 | 77,460 | – | 1,406,251 | 349 | 6,488,796 |
| 總資產 | Total assets | 125,709,901 | 89,942,418 | 5,165,886 | 43,799,205 | 3,040,916 | 267,658,326 |
| 負債 | Liabilities | | | | | | |
| 同業存款 | Deposits and balances from banks | 8,938,259 | 6,684,583 | – | 23,587,741 | 97,078 | 39,307,661 |
| 衍生金融工具 | Derivative financial instruments | 901,847 | – | – | – | – | 901,847 |
| 客戶存款 | Deposits from customers | 98,353,860 | 48,990,849 | 8,161,089 | 22,381,233 | 6,364,123 | 184,251,154 |
| 發行之存款證 | Certificates of deposit issued | 2,009,144 | 1,246,671 | – | 333,408 | – | 3,589,223 |
| 發行之後償債項 | Subordinated debts issued | – | 1,541,841 | – | – | – | 1,541,841 |
| 其他負債 | Other liabilities | 4,370,976 | 453,230 | 42,480 | 402,738 | 179,731 | 5,449,155 |
| 總負債 | Total liabilities | 114,574,086 | 58,917,174 | 8,203,569 | 46,705,120 | 6,640,932 | 235,040,881 |
| 資產負債表內持倉淨額 | Net on-balance sheet position | 11,135,815 | 31,025,244 | (3,037,683) | (2,905,915) | (3,600,016) | 32,617,445 |
| 資產負債表外名義持倉 淨額 | Off-balance sheet net notional position | 11,170,770 | (26,137,954) | 3,084,344 | 8,043,400 | 3,699,673 | (139,767) |
| 信貸承擔 | Credit commitments | 36,346,216 | 9,693,764 | 279,780 | 7,973,087 | 103,489 | 54,396,336 |

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.2 市場風險 (續)

(c) 貨幣風險 (續)

資產、負債及資產負債表外項目的分佈
(續)

| | 港元 HKD 港幣千元 HK\$'000 | 美元 USD 港幣千元 HK\$'000 | 澳元 AUD 港幣千元 HK\$'000 | 人民幣 RMB 港幣千元 HK\$'000 | 其他 Others 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 | |
|---------------------------|--|-------------------------------|-------------------------------|--------------------------------|----------------------------------|---------------------------------|-------------------|
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | | | |
| 資產 | Assets | | | | | | |
| 庫存現金及短期資金 | 30,671,713 | 1,222,381 | 2,357,902 | 7,007,411 | 1,007,614 | 42,267,021 | |
| 同業定期存放 及貸款 | 554,848 | 8,462,349 | – | 17,802,595 | 142,943 | 26,962,735 | |
| 持作買賣用途之證券 | – | 952,873 | – | 70 | – | 952,943 | |
| 衍生金融工具 | 837,171 | – | – | – | – | 837,171 | |
| 以公平價值計入損益賬之 金融資產 | – | 3,646,990 | 111,011 | – | 166,326 | 3,924,327 | |
| 可供出售之證券 | 10,678,755 | 5,286,907 | 3,438,826 | 4,600,836 | 1,119,960 | 25,125,284 | |
| 持至到期證券 | 100,907 | 766,022 | – | 841,546 | – | 1,708,475 | |
| 貸款及其他賬項 | 79,244,941 | 32,137,769 | 140,492 | 35,253,338 | 1,734,939 | 148,511,479 | |
| 其他資產 | 4,884,392 | 69,453 | – | 1,220,386 | 330 | 6,174,561 | |
| 列作出售資產 | 511,738 | – | – | 675 | – | 512,413 | |
| 總資產 | 127,484,465 | 52,544,744 | 6,048,231 | 66,726,857 | 4,172,112 | 256,976,409 | |
| 負債 | Liabilities | | | | | | |
| 同業存款 | 4,309,049 | 6,902,392 | – | 17,674,287 | 363,269 | 29,248,997 | |
| 衍生金融工具 | 733,155 | – | – | – | – | 733,155 | |
| 以公平價值計入損益賬之 金融負債 | 503,961 | – | – | – | – | 503,961 | |
| 客戶存款 | 86,549,373 | 37,749,807 | 9,712,230 | 39,572,243 | 6,629,205 | 180,212,858 | |
| 發行之存款證 | 1,599,689 | 813,158 | – | 4,858,462 | – | 7,271,309 | |
| 發行之後償債項 | 1,500,000 | 1,539,595 | – | – | – | 3,039,595 | |
| 其他負債 | 3,226,985 | 372,047 | 77,376 | 1,986,449 | 66,572 | 5,729,429 | |
| 列作出售負債 | 303,832 | – | – | 439 | – | 304,271 | |
| 總負債 | 98,726,044 | 47,376,999 | 9,789,606 | 64,091,880 | 7,059,046 | 227,043,575 | |
| 資產負債表內持倉淨額 | Net on-balance sheet position | 28,758,421 | 5,167,745 | (3,741,375) | 2,634,977 | (2,886,934) | 29,932,834 |
| 資產負債表外名義 持倉淨額 | Off-balance sheet net notional position | (9,711,613) | 501,134 | 3,751,519 | 2,610,190 | 3,034,336 | 185,566 |
| 信貸承擔 | Credit commitments | 39,529,896 | 4,088,335 | – | 4,961,492 | 135,355 | 48,715,078 |

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(c) Currency risk (Continued)

Concentration of assets, liabilities and off-balance sheet items
(Continued)

3 金融風險管理 (續)

3.2 市場風險 (續)

(d) 利率風險

現行市場利率的波動會影響本集團的公平價值利率風險及現金流量利率風險。公平價值利率風險乃指金融工具之價值將隨著市場利率改變而波動的風險。現金流量利率風險乃指金融工具之將來現金流量將隨著市場利率改變而波動的風險。

由於利率變動，息差可能會增加，但若利率出現不可預計的波動，則息差可能會減少或引致虧損。本集團已制定政策及制度以監察其較易受利率影響之倉盤及重定息率淨差距，以確保其在管理委員會所核定之限額以內獲妥善管理。實際持倉額會按月與核定限額作比較並由另一風險管理部門獨立監察。

儘管利率風險管理之主要目的在於限制利率變動對淨利息收入之潛在不利影響，亦可在風險限額內增持利率倉盤以提高收益。

下頁表格概述了本集團的利率風險，並按賬面值列示了本集團的資產及負債，而資產及負債則按重定息日或到期日(以較早者為準)分類。

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(d) Interest rate risk

The Group is exposed to the effects of fluctuations in the prevailing levels of market interest rates in respect of its fair value and cash flow interest rate risks. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest margin may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. The Group has established policies and systems to monitor its interest-sensitive positions and net repricing gap to ensure that they are all properly managed under the limits approved by the Management Committee. Actual positions are compared with the approved limits and independently monitored by a risk management department.

While the primary objective of interest rate risk management is to limit potential adverse effects of interest rate movements on net interest income, interest rate positions may be taken for yield enhancement within the risk limits.

The tables on the following pages summarise the Group's exposure to interest rate risks. Included in the tables are the Group's assets and liabilities at carrying amount categorised by the earlier of contractual repricing or maturity dates.

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3.2 市場風險 (續)

(d) 利率風險 (續)

資產及負債之利率敏感度 – 重定息率分析

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(d) Interest rate risk (Continued)

Interest sensitivity of assets and liabilities – repricing analysis

| | | 一個月 或以下 Up to 1 month 港幣千元 HK\$'000 | 一個月以上 至三個月 1-3 months 港幣千元 HK\$'000 | 三個月以上 至一年 3-12 months 港幣千元 HK\$'000 | 一年以上 至五年 1-5 years 港幣千元 HK\$'000 | 五年以上 Over 5 years 港幣千元 HK\$'000 | 不計息 Non-interest bearing 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|---------------------|---|--|---|---|--|---|--|---------------------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | | | | |
| 資產 | Assets | | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 13,361,300 | - | - | - | - | 21,953,944 | 35,315,244 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | 2,085,084 | 7,685,599 | 16,067,600 | 232,635 | - | - | 26,070,918 |
| 持作買賣用途之證券 | Trading securities | - | 10 | - | 611,571 | - | 716,949 | 1,328,530 |
| 衍生金融工具 | Derivative financial instruments | - | - | - | - | - | 697,578 | 697,578 |
| 以公平價值誌入損益賬 之金融資產 | Financial assets designated at fair value through profit or loss | - | - | 365,625 | 4,500,355 | - | - | 4,865,980 |
| 可供出售之證券 | Available-for-sale securities | 6,126,324 | 14,631,290 | 14,163,218 | 9,120,653 | - | 1,520,227 | 45,561,712 |
| 持至到期證券 | Held-to-maturity securities | 19,386 | 7,729 | 554,840 | 301,868 | - | - | 883,823 |
| 貸款及其他賬項 | Advances and other accounts | 88,034,656 | 42,884,623 | 9,588,550 | 2,803,428 | 456,526 | 2,677,962 | 146,445,745 |
| 其他資產 | Other assets | - | - | - | - | - | 6,488,796 | 6,488,796 |
| 總資產 | Total assets | 109,626,750 | 65,209,251 | 40,739,833 | 17,570,510 | 456,526 | 34,055,456 | 267,658,326 |
| 負債 | Liabilities | | | | | | | |
| 同業存款 | Deposits and balances from banks | 6,159,266 | 16,723,942 | 13,237,809 | - | - | 3,186,644 | 39,307,661 |
| 衍生金融工具 | Derivative financial instruments | - | - | - | - | - | 901,847 | 901,847 |
| 客戶存款 | Deposits from customers | 94,706,500 | 37,654,640 | 36,784,808 | 3,053,145 | - | 12,052,061 | 184,251,154 |
| 發行之存款證 | Certificates of deposit issued | 1,339,318 | 1,657,622 | 592,283 | - | - | - | 3,589,223 |
| 發行之後償債項 | Subordinated debts issued | - | - | 1,541,841 | - | - | - | 1,541,841 |
| 其他負債 | Other liabilities | 13,031 | - | - | - | - | 5,436,124 | 5,449,155 |
| 總負債 | Total liabilities | 102,218,115 | 56,036,204 | 52,156,741 | 3,053,145 | - | 21,576,676 | 235,040,881 |
| 利息敏感度差距總額 (未經調整) | Total interest sensitivity gap (unadjusted) | 7,408,635 | 9,173,047 | (11,416,908) | 14,517,365 | 456,526 | | |
| 利率衍生工具合約之 影響 | Effect of interest rate derivatives | 752,123 | 3,915,708 | (339,435) | (5,103,027) | 88,651 | | |
| 利息敏感度差距總額 (經調整) | Total interest sensitivity gap (adjusted) | 8,160,758 | 13,088,755 | (11,756,343) | 9,414,338 | 545,177 | | |

3 金融風險管理 (續)

3 Financial risk management (Continued)

3.2 市場風險 (續)

3.2 Market risk (Continued)

(d) 利率風險 (續)

(d) Interest rate risk (Continued)

資產及負債之利率敏感度 – 重定息率分析 (續)

Interest sensitivity of assets and liabilities – repricing analysis (Continued)

| | | 一個月 或以下 Up to 1 month 港幣千元 HK\$'000 | 一個月以上 至三個月 1-3 months 港幣千元 HK\$'000 | 三個月以上 至一年 3-12 months 港幣千元 HK\$'000 | 一年以上 至五年 1-5 years 港幣千元 HK\$'000 | 五年以上 Over 5 years 港幣千元 HK\$'000 | 不計息 Non-interest bearing 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|---------------------|--|--|---|---|--|---|--|---------------------------------|
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | | | | |
| 資產 | Assets | | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 10,712,330 | – | – | – | – | 31,554,691 | 42,267,021 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | 2,400,529 | 10,756,592 | 13,805,614 | – | – | – | 26,962,735 |
| 持作買賣用途之證券 | Trading securities | – | – | 70 | 77,707 | – | 875,166 | 952,943 |
| 衍生金融工具 | Derivative financial instruments | – | – | – | – | – | 837,171 | 837,171 |
| 以公平價值誌入損益賬 之金融資產 | Financial assets designated at fair value through profit or loss | – | 580,491 | 77,361 | 3,266,475 | – | – | 3,924,327 |
| 可供出售之證券 | Available-for-sale securities | 2,156,825 | 7,099,282 | 6,943,505 | 8,054,157 | – | 871,515 | 25,125,284 |
| 持至到期證券 | Held-to-maturity securities | 19,375 | 29,663 | 530,962 | 1,128,475 | – | – | 1,708,475 |
| 貸款及其他賬項 | Advances and other accounts | 79,465,488 | 38,795,321 | 23,674,284 | 3,235,942 | 787,501 | 2,552,943 | 148,511,479 |
| 其他資產 | Other assets | 5,835 | – | – | – | – | 6,168,726 | 6,174,561 |
| 列作出售資產 | Assets classified as held for sale | – | – | – | – | – | 512,413 | 512,413 |
| 總資產 | Total assets | 94,760,382 | 57,261,349 | 45,031,796 | 15,762,756 | 787,501 | 43,372,625 | 256,976,409 |
| 負債 | Liabilities | | | | | | | |
| 同業存款 | Deposits and balances from banks | 11,167,964 | 9,496,623 | 3,606,838 | – | – | 4,977,572 | 29,248,997 |
| 衍生金融工具 | Derivative financial instruments | – | – | – | – | – | 733,155 | 733,155 |
| 以公平價值誌入損益賬 之金融負債 | Financial liabilities designated at fair value through profit or loss | – | – | 503,961 | – | – | – | 503,961 |
| 客戶存款 | Deposits from customers | 93,551,661 | 42,804,294 | 31,618,202 | 2,669,201 | – | 9,569,500 | 180,212,858 |
| 發行之存款證 | Certificates of deposit issued | 860,035 | 5,093,343 | 1,082,094 | 235,837 | – | – | 7,271,309 |
| 發行之後償債項 | Subordinated debts issued | – | – | – | 1,539,595 | 1,500,000 | – | 3,039,595 |
| 其他負債 | Other liabilities | 80,833 | – | – | – | – | 5,648,596 | 5,729,429 |
| 列作出售負債 | Liabilities classified as held for sale | – | – | – | – | – | 304,271 | 304,271 |
| 總負債 | Total liabilities | 105,660,493 | 57,394,260 | 36,811,095 | 4,444,633 | 1,500,000 | 21,233,094 | 227,043,575 |
| 利息敏感度差距總額 (未經調整) | Total interest sensitivity gap (unadjusted) | (10,900,111) | (132,911) | 8,220,701 | 11,318,123 | (712,499) | | |
| 利率衍生工具合約 之影響 | Effect of interest rate derivatives | 681,714 | 2,878,256 | 249,562 | (3,808,838) | – | | |
| 利息敏感度差距總額 (經調整) | Total interest sensitivity gap (adjusted) | (10,218,397) | 2,745,345 | 8,470,263 | 7,509,285 | (712,499) | | |

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3 金融風險管理 (續)

3.2 市場風險 (續)

(d) 利率風險 (續)

下表概述貨幣金融工具中(不以公平價值誌入損益賬內)幾種主要貨幣的實際利率:

| | | 港元 HKD % | 美元 USD % | 澳元 AUD % | 人民幣 RMB % | 其他 Others % | 合計 Total % |
|-------------------|--|----------------|----------------|----------------|-----------------|-------------------|------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | | | |
| 資產 | Assets | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 0.03 | 1.03 | 2.15 | 3.46 | 0.01 | 0.99 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | 0.76 | 1.04 | – | 3.81 | 0.27 | 1.91 |
| 可供出售之證券 | Available-for-sale securities | 0.88 | 1.98 | 2.77 | 3.16 | 3.03 | 1.65 |
| 持至到期證券 | Held-to-maturity securities | – | 4.88 | – | 3.91 | – | 4.18 |
| 客戶貸款 | Advances to customers | 2.60 | 2.82 | 3.75 | 4.34 | 2.58 | 2.95 |
| 負債 | Liabilities | | | | | | |
| 同業存款 | Deposits and balances from banks | 0.88 | 0.93 | – | 1.03 | 0.25 | 0.98 |
| 客戶存款 | Deposits from customers | 0.59 | 0.78 | 1.46 | 3.07 | 0.50 | 0.97 |
| 發行之存款證 | Certificates of deposit issued | 1.09 | 1.55 | – | 4.05 | – | 1.53 |
| 發行之後償債項 | Subordinated debts issued | – | 3.61 | – | – | – | 3.61 |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | | | |
| 資產 | Assets | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | – | 0.14 | 2.17 | 2.74 | 0.03 | 0.58 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | 0.97 | 0.99 | – | 4.17 | 0.66 | 3.09 |
| 可供出售之證券 | Available-for-sale securities | 0.67 | 3.00 | 3.22 | 3.55 | 2.71 | 2.12 |
| 持至到期證券 | Held-to-maturity securities | 0.60 | 4.83 | – | 3.72 | – | 4.03 |
| 客戶貸款 | Advances to customers | 2.54 | 2.66 | 4.87 | 4.87 | 2.14 | 2.92 |
| 負債 | Liabilities | | | | | | |
| 同業存款 | Deposits and balances from banks | 0.17 | 0.31 | – | 3.51 | 0.01 | 2.22 |
| 客戶存款 | Deposits from customers | 0.43 | 0.40 | 2.12 | 3.55 | 1.04 | 1.22 |
| 發行之存款證 | Certificates of deposit issued | 1.22 | 1.23 | – | 4.28 | – | 3.27 |
| 發行之後償債項 | Subordinated debts issued | 5.70 | 3.59 | – | – | – | 4.63 |

3 Financial risk management (Continued)

3.2 Market risk (Continued)

(d) Interest rate risk (Continued)

The table below summarises the effective interest rate by major currencies of monetary financial instruments not carried at fair value through profit or loss:

3 金融風險管理 (續)

3.3 流動資金風險

流動資金風險乃指本集團未能於金融負債到期日履行其償還責任，或是客戶提取資金後未能補充資金。此可能會引致資金未能應付存戶提取的需求或貸款未能按承諾發放。本集團每天運用可動用的現金資源，以應付來自隔夜存款、活期賬戶、到期存款、貸款支付、與保證書的需求，以及來自保證金及其他現金結算衍生工具的需求。

(a) 流動資金風險管理程序

本集團的流動資金風險管理受經董事會批准的流動資金風險管理政策及原則監管。資產負債管理委員會獲代表董事會的管理委員會授權，負責監察本集團整體的流動資金風險管理。資產負債管理委員會制訂管理流動資金風險的策略、政策及限額予董事會或管理委員會審批，以及確保有效執行有關策略與政策的措施。資產負債管理委員會定期舉行會議，檢討各方面是否符合所設立的監管架構，以及是否有需要改變策略及政策。財資部負責日常流動資金管理。財務會計部及財務管理部定期監察限額或警報及定期向資產負債管理委員會報告。稽核部會定期作出檢查，確保流動資金風險管理功能得以有效執行。

國內及海外分行在集團的流動資金風險管理原則及風險承受能力範圍內，負責管理當地的流動資金風險，並由集團的資產負債管理委員會監察。至於內部，集團內公司間的融資交易乃按一般正常交易原則進行，處理方式與其他第三方交易一致，並接受定期監督及適當控制。

流動資金管理之目標為履行於正常及緊急情況下到期之債務，提供資金以應付資產增長與及符合法定之流動性維持比率。為此，本集團有以下之流動資金管理程序：

3 Financial risk management (Continued)

3.3 Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend. The Group is exposed to daily calls on its available cash resources from overnight deposits, current accounts, matured deposits, loan drawdowns and guarantees, and from margin and other calls on cash-settled derivatives.

(a) Liquidity risk management process

The management of the Group's liquidity risk is governed by the liquidity risk management policies and principles as approved by the Board of Directors. The Asset and Liability Management Committee, which is delegated by the Management Committee on behalf of the Board of Directors, is responsible to monitor the Group's overall liquidity management. The Asset and Liability Management Committee sets the strategy, policy and limits for managing liquidity risk for approval by the Board of Directors or the Management Committee, and the means for ensuring that such strategy and policy are implemented effectively. Regular meeting is held to review the compliance status of the monitoring matrix established and the needs of change in strategy and policy. Daily liquidity management is managed by the Treasury Department. The limits, triggers or alerts are monitored by the Financial Accounting Department and Financial Management Department and reported to the Asset and Liability Management Committee on a regular basis. The Internal Audit Department performs periodic reviews to make sure that the liquidity risk management functions are carried out effectively.

The primary responsibility for managing liquidity and funding within the Group's framework and risk appetite resides with the mainland and overseas branches, which is monitored by the Asset and Liability Management Committee. Internally, intra-group funding transactions are transacted at arm's length and treated in a manner in line with other third party transactions, with regular monitoring and appropriate control.

The objective of liquidity management is to meet the obligations payable under normal and emergency circumstances, to fund asset growth and to comply with the statutory liquidity maintenance ratio. To achieve this, the following liquidity management processes are in place:

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3 金融風險管理 (續)

3.3 流動資金風險 (續)

(a) 流動資金風險管理程序 (續)

- (i) 定期在正常及壓力情景下估算現金流，利用資產負債錯配淨缺口評估資金需求及作出相應措施。

監控及呈報按不同時限之現金流計量及推測方式實行，時限按流動性管理之主要區間包括翌日、七日及一個月來區分。此等推測首先分析該等金融資產及負債和資產負債表外項目之合約到期日，並且依據過往觀察和利用現金流模型推測預計該等項目預期到期日。

流動性壓力測試是一種風險管理工具，用以評估當市場或宏觀經濟因素急劇但合理的變化所產生的流動性壓力情況下，銀行可能出現風險暴露的情況。

本行定期計算進行的壓力測試情景(包括個別銀行危機、整體市場危機及綜合危機)均按照監管政策手冊「穩健的流動資金風險管理系統及管控措施」(LM-2)內的原則建構。

流動性壓力測試結果亦是應變融資計劃其中一個重要的預早警報指標，本集團會參照流動性壓力測試結果，確認其流動資金狀況在受壓之市場情況下的潛在影響，如觸發計劃的預警機制，將按制定計劃詳列處理流動資金問題的補救行動；

- (ii) 按照內部及／或監管機構的規定，監控流動性維持比率，貸存比率及期限錯配；
- (iii) 藉監控存款組合之結構，穩定性及核心水平，以確保穩健及多元化之資金來源；
- (iv) 於每年預算過程中，預測資金需求及資金結構，以確保充足資金及適當資金組合；

3 Financial risk management (Continued)

3.3 Liquidity risk (Continued)

(a) Liquidity risk management process (Continued)

- (i) Projecting cash flows under normal and various stress scenarios regularly, using the net mismatch gap between assets and liabilities to estimate the prospective net funding requirement and formulate the corresponding actions.

The monitoring and reporting take the forms of cash flow measurements and projections for different time horizons, including next day, seven days and one month, which are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial assets and liabilities and off-balance sheet items as well as the expected maturity of these items based on historical observations and cash flow models.

Liquidity stress testing is a risk management tool for estimating risk exposure under stressed conditions arising from extreme but plausible market or macroeconomic movements.

Different stress testing scenarios, namely an institution specific crisis, a general market crisis and combined crisis, are performed on a regular basis in accordance with the principles stated in Supervisory Policy Manual “Sound Systems and Controls for Liquidity Risk Management” (LM-2).

The stress testing result is also one of the most important early warning indicators under contingency funding plan. With reference to the stress testing results, the Group identifies potential vulnerabilities on its liquidity position under stressed market conditions. If the impact is severe enough and triggers the plan, the Bank will deal with such liquidity problems in accordance with the formulated contingency funding plan that sets out remedial actions;

- (ii) Monitoring the liquidity maintenance ratio, loan to deposit ratio and maturity mismatch ratio against internal and/or regulatory requirements;
- (iii) Ensuring a sound and diversified range of funding sources, through monitoring the structure, the stability and the core level of the deposit portfolio;
- (iv) Projecting a high-level funding requirement and funding structure during the annual budget process to ensure sufficient funding and an appropriate funding mix;

3 金融風險管理 (續)

3.3 流動資金風險 (續)

(a) 流動資金風險管理程序 (續)

- (v) 在新產品業務推出前，須先進行潛在的流動資金風險評估程序；
- (vi) 為應付無法預測之資金需求，本集團持有即使在受壓期間仍可以隨時出售或作抵押的優質流動資產。該等投資信貸質素良好，具備足夠市場深度及高流動性，以確保能在經審慎釐定的限額內符合短期資金需要。第一級優質流動資產包括現金、存放於中央銀行及高質素中央政府及中央銀行之債務證券，第二級優質流動資產則包括其他具投資評級之公司債務證券。

下表列出本集團的優質流動資產 (未經扣減前) 金額：

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----|---------|----------------------------------|----------------------------------|
| 第一級 | Level 1 | 32,629,272 | 38,974,062 |
| 第二級 | Level 2 | 5,403,775 | 3,093,633 |
| | | 38,033,047 | 42,067,695 |

優質流動資產組合中所持有的全部資產均無產權負擔；

- (vii) 持續使用同業拆借市場；

- (viii) 維持應變融資計劃。集團運用預早警報指標 (包括內部及市場指標)，配合壓力測試的情景和假設的結果，以監督內部及外部因素。假如有任何跡象顯示本集團流動資金狀況出現重大影響，由集團行政總裁主持的危機管理委員會將負責處理危機。按政策描述採取相應行動，盡量將業務受到的不利影響減至最低。本集團亦會定期檢討及更新該計劃內容。

3 Financial risk management (Continued)

3.3 Liquidity risk (Continued)

(a) Liquidity risk management process (Continued)

- (v) Conducting liquidity risk assessment before launching a new product;
- (vi) Maintaining high-quality liquid assets (“HQLA”) which can be sold or pledged as collateral to provide liquidity even under periods of stress. The Group invests in good credit quality investments with deep and liquid market to ensure short term funding requirements are covered within prudent limits. Level 1 assets comprise cash, balances with central bank and high quality central government and central bank securities, while level 2 assets comprise corporate securities of investment grade.

The table below shows the balances (before assumed haircuts) of HQLA of the Group:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---|--|----------------------------------|----------------------------------|
| All assets held as HQLA are unencumbered; | | | |

- (vii) Maintaining access to the interbank money market to activate facilities;

- (viii) Maintaining a contingency funding plan. The Group will utilise early warning indicators (including both internal and market indicators), and integrate with the results of the scenarios and assumptions used in the stress test to monitor both internal and external factors. Should there be any signs of significant impact on the Group’s liquidity position, the Crisis Management Team, which is chaired by the Group’s Chief Executive Officer, will take charge to handle the crisis. Corresponding actions as laid down in the policy will be taken in the event of a stress crisis, so as to minimise adverse long-term implications for business. The plan is also subject to review and update on a regular basis.

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.3 流動資金風險 (續)

(b) 到期分析

下頁表格按結算日至合約到期日餘下期間分析本集團之資產與負債。分析內之保險負債乃根據於結算日已確認之保險負債估計淨現金流出日分類。

3 Financial risk management (Continued)

3.3 Liquidity risk (Continued)

(b) Maturity analysis

The tables on the following pages analyse the Group's assets and liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The analysis in respect of insurance liabilities is based on the estimated timing of net cash outflows resulting from recognised insurance liabilities at the end of the reporting period.

| | | 即時償還 | 一個月 | 一個月以上 | 三個月以上 | 一年以上 | 五年以上 | 無註明日期 | 合計 |
|---------------------|---|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| | | Repayable | Up to | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Undated | Total |
| | | on demand | 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Undated | 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 |
| | | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 |
| 於二〇一六年 | At 31 December 2016 | | | | | | | | |
| 十二月三十一日 | | | | | | | | | |
| 資產 | Assets | | | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 23,171,232 | 10,937,924 | - | - | - | - | 1,206,088 | 35,315,244 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | - | 1,255,352 | 7,522,755 | 16,067,600 | 1,225,211 | - | - | 26,070,918 |
| 持作買賣用途之證券 | Trading securities | - | - | - | - | 534,347 | - | 794,183 | 1,328,530 |
| 衍生金融工具 | Derivative financial instruments | - | - | - | - | - | - | 697,578 | 697,578 |
| 以公平價值誌入損益賬 之金融資產 | Financial assets designated at fair value through profit or loss | - | - | - | 365,625 | 4,500,355 | - | - | 4,865,980 |
| 可供出售之證券 | Available-for-sale securities | - | 3,809,254 | 10,625,035 | 14,358,284 | 15,248,912 | - | 1,520,227 | 45,561,712 |
| 持至到期證券 | Held-to-maturity securities | - | 19,386 | 7,729 | 554,841 | 301,867 | - | - | 883,823 |
| 貸款及其他賬項 | Advances and other accounts | 1,909,070 | 7,693,802 | 12,775,490 | 36,311,830 | 70,861,592 | 16,471,271 | 422,690 | 146,445,745 |
| 其他資產 | Other assets | - | - | - | 3,204 | - | 49,415 | 6,436,177 | 6,488,796 |
| 總資產 | Total assets | 25,080,302 | 23,715,718 | 30,931,009 | 67,661,384 | 92,672,284 | 16,520,686 | 11,076,943 | 267,658,326 |
| 負債 | Liabilities | | | | | | | | |
| 同業存款 | Deposits and balances from banks | 3,585,022 | 5,062,155 | 17,576,109 | 13,084,375 | - | - | - | 39,307,661 |
| 衍生金融工具 | Derivative financial instruments | - | - | - | - | - | - | 901,847 | 901,847 |
| 客戶存款 | Deposits from customers | 74,179,982 | 32,577,106 | 37,656,114 | 36,784,808 | 3,053,144 | - | - | 184,251,154 |
| 發行之存款證 | Certificates of deposit issued | - | 1,339,318 | 1,657,622 | 592,283 | - | - | - | 3,589,223 |
| 發行之後償債項 | Subordinated debts issued | - | - | - | - | - | 1,541,841 | - | 1,541,841 |
| 其他負債 | Other liabilities | 1,160,157 | 513,044 | 466,281 | 1,737,775 | 1,159,783 | 38,698 | 373,417 | 5,449,155 |
| 總負債 | Total liabilities | 78,925,161 | 39,491,623 | 57,356,126 | 52,199,241 | 4,212,927 | 1,580,539 | 1,275,264 | 235,040,881 |
| 流動資金差距淨額 | Net liquidity gap | (53,844,859) | (15,775,905) | (26,425,117) | 15,462,143 | 88,459,357 | 14,940,147 | 9,801,679 | 32,617,445 |

3 金融風險管理 (續)**3 Financial risk management (Continued)****3.3 流動資金風險 (續)****3.3 Liquidity risk (Continued)***(b) 到期分析 (續)**(b) Maturity analysis (Continued)*

| | | 即時償還 | 一個月 或以下 | 一個月以上 至三個月 | 三個月以上 至一年 | 一年以上 至五年 | 五年以上 | 無註明日期 | 合計 |
|---------------------|--|------------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| | | Repayable on demand | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Undated | Total |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | | | | | |
| 資產 | Assets | | | | | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 32,499,724 | 8,564,700 | - | - | - | - | 1,202,597 | 42,267,021 |
| 同業定期存放 及貸款 | Placements with and loans and advances to banks | - | 2,390,529 | 10,369,089 | 13,815,614 | 387,503 | - | - | 26,962,735 |
| 持作買賣用途之證券 | Trading securities | - | - | - | 70 | 77,707 | - | 875,166 | 952,943 |
| 衍生金融工具 | Derivative financial instruments | - | - | - | - | - | - | 837,171 | 837,171 |
| 以公平價值誌入損益賬 之金融資產 | Financial assets designated at fair value through profit or loss | - | - | 580,491 | 77,361 | 3,266,475 | - | - | 3,924,327 |
| 可供出售之證券 | Available-for-sale securities | - | 333,400 | 2,517,428 | 9,581,716 | 11,821,225 | - | 871,515 | 25,125,284 |
| 持至到期證券 | Held-to-maturity securities | - | 19,375 | 29,663 | 530,962 | 1,128,475 | - | - | 1,708,475 |
| 貸款及其他賬項 | Advances and other accounts | 2,033,475 | 11,988,932 | 10,445,101 | 51,749,961 | 52,397,143 | 19,266,738 | 630,129 | 148,511,479 |
| 其他資產 | Other assets | - | - | - | 6,527 | 5,835 | 44,250 | 6,117,949 | 6,174,561 |
| 列作出售資產 | Assets classified as held for sale | - | - | - | - | - | - | 512,413 | 512,413 |
| 總資產 | Total assets | 34,533,199 | 23,296,936 | 23,941,772 | 75,762,211 | 69,084,363 | 19,310,988 | 11,046,940 | 256,976,409 |
| 負債 | Liabilities | | | | | | | | |
| 同業存款 | Deposits and balances from banks | 5,104,119 | 11,041,417 | 9,496,623 | 3,606,838 | - | - | - | 29,248,997 |
| 衍生金融工具 | Derivative financial instruments | - | - | - | - | - | - | 733,155 | 733,155 |
| 以公平價值誌入損益賬 之金融負債 | Financial liabilities designated at fair value through profit or loss | - | - | - | 503,961 | - | - | - | 503,961 |
| 客戶存款 | Deposits from customers | 63,715,281 | 39,405,880 | 42,804,294 | 31,618,202 | 2,669,201 | - | - | 180,212,858 |
| 發行之存款證 | Certificates of deposit issued | - | 860,035 | 5,093,343 | 1,082,094 | 235,837 | - | - | 7,271,309 |
| 發行之後償債項 | Subordinated debts issued | - | - | - | - | - | 3,039,595 | - | 3,039,595 |
| 其他負債 | Other liabilities | 1,069,353 | 514,103 | 715,088 | 1,717,627 | 1,171,531 | 48,370 | 493,357 | 5,729,429 |
| 列作出售負債 | Liabilities classified as held for sale | - | - | - | - | - | - | 304,271 | 304,271 |
| 總負債 | Total liabilities | 69,888,753 | 51,821,435 | 58,109,348 | 38,528,722 | 4,076,569 | 3,087,965 | 1,530,783 | 227,043,575 |
| 流動資金差距淨額 | Net liquidity gap | (35,355,554) | (28,524,499) | (34,167,576) | 37,233,489 | 65,007,794 | 16,223,023 | 9,516,157 | 29,932,834 |

財務報表註釋 Notes to the Financial Statements

3 金融風險管理 (續)

3.3 流動資金風險 (續)

(b) 到期分析 (續)

資產與負債的到期日和利率的相配和受控下的錯配對本集團的管理層至關重要。由於所紮做的業務期限經常不確定，且類型也不盡相同，因此要做到完全相配情況並不普遍。不相配的情況既可能提高盈利能力，也可能增加虧損風險。

資產與負債的到期日相配和以可接受的成本取代到期計息負債的能力，是評估本集團流動資金狀況及其利率和外匯變動風險的重要因素。

應付保證書和信用證項下所需款項的流動資金需求遠少於承諾的金額，因為本集團一般不預期第三者會根據該等協議動用有關資金。由於很多信貸承諾在毋須動用資金下已告屆滿或終止，因此提供信貸承擔的尚未償付合同總金額未必等同日後的現金需求。

(c) 合約到期日之未折現現金流量

下頁表格分析本集團於結算日至合約到期日的非衍生金融負債和衍生金融負債按剩餘到期日的現金流出金額，而保險負債則按淨現金流出的估計日期分類。鑑於本集團乃根據預測的未經折現現金流量來管理內在流動資金風險，在表格內所披露之數據為協定之未經折現的現金流量。

3 Financial risk management (Continued)

3.3 Liquidity risk (Continued)

(b) Maturity analysis (Continued)

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and currency risks.

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment because the Group does not generally expect the third party to draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

(c) Undiscounted cash flows by contractual maturities

The tables on the following pages analyse the cash flow payable by the Group in respect of non-derivative financial liabilities and derivative financial instruments by remaining contractual maturities, and by estimated timing of net cash outflow for insurance liabilities at the end of the reporting period. The amounts disclosed in the tables are the contractual undiscounted cash flows, whereas the Group manages the inherent liquidity risk based on expected undiscounted cash flows.

3 金融風險管理 (續)

3 Financial risk management (Continued)

3.3 流動資金風險 (續)

3.3 Liquidity risk (Continued)

(c) 合約到期日之未折現現金流量 (續)

(c) Undiscounted cash flows by contractual maturities (Continued)

| | | 即時償還 | 一個月 或以下 | 一個月以上 至三個月 | 三個月以上 至一年 | 一年以上 至五年 | 五年以上 | 無註明日期 | 合計 |
|---------------------|--|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Repayable on demand | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Undated | Total |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | | | | | |
| 非衍生現金流量負債 | Non-derivative cash flow liabilities | | | | | | | | |
| 客戶存款 | Deposits from customers | 74,180,849 | 32,684,984 | 37,875,949 | 37,355,067 | 3,300,652 | - | - | 185,397,501 |
| 同業存款 | Deposits and balances from banks | 3,585,098 | 5,155,318 | 17,708,065 | 13,408,071 | - | - | - | 39,856,552 |
| 發行之存款證 | Certificates of deposit issued | - | 1,340,000 | 1,667,023 | 605,294 | - | - | - | 3,612,317 |
| 發行之後償債項 | Subordinated debts issued | - | - | - | 54,282 | 217,126 | 1,605,181 | - | 1,876,589 |
| 其他負債 | Other liabilities | 1,160,157 | 513,044 | 466,281 | 1,480,261 | 1,159,783 | 28,444 | 373,417 | 5,181,387 |
| 衍生現金流量 | Derivative cash flow | | | | | | | | |
| 衍生金融工具 | Derivative financial instruments | - | 54,042,270 | 28,978,605 | 37,473,761 | 3,538,727 | 5,545 | - | 124,038,908 |
| | | 78,926,104 | 93,735,616 | 86,695,923 | 90,376,736 | 8,216,288 | 1,639,170 | 373,417 | 359,963,254 |
| | | | | | | | | | |
| | | 即時償還 | 一個月 或以下 | 一個月以上 至三個月 | 三個月以上 至一年 | 一年以上 至五年 | 五年以上 | 無註明日期 | 合計 |
| | | Repayable on demand | Up to 1 month | 1-3 months | 3-12 months | 1-5 years | Over 5 years | Undated | Total |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | | | | | |
| 非衍生現金流量負債 | Non-derivative cash flow liabilities | | | | | | | | |
| 客戶存款 | Deposits from customers | 63,716,153 | 39,635,483 | 43,265,066 | 32,347,383 | 2,893,167 | - | - | 181,857,252 |
| 同業存款 | Deposits and balances from banks | 5,104,122 | 11,068,917 | 9,592,051 | 3,697,027 | - | - | - | 29,462,117 |
| 以公平價值誌入損益賬 之金融負債 | Financial liabilities designated at fair value through profit or loss | - | - | 3,466 | 503,437 | - | - | - | 506,903 |
| 發行之存款證 | Certificates of deposit issued | - | 887,599 | 5,213,648 | 1,137,052 | 246,415 | - | - | 7,484,714 |
| 發行之後償債項 | Subordinated debts issued | - | - | 21,551 | 118,375 | 559,002 | 3,244,011 | - | 3,942,939 |
| 其他負債 | Other liabilities | 1,042,742 | 254,334 | 225,695 | 1,250,080 | 1,098,766 | 48,369 | 493,172 | 4,413,158 |
| 衍生現金流量 | Derivative cash flow | | | | | | | | |
| 衍生金融工具 | Derivative financial instruments | - | 44,386,350 | 22,525,854 | 43,082,942 | 651,391 | - | - | 110,646,537 |
| | | 69,863,017 | 96,232,683 | 80,847,331 | 82,136,296 | 5,448,741 | 3,292,380 | 493,172 | 338,313,620 |

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.3 流動資金風險 (續)

(d) 資產負債表以外項目

| | | 一年或以下 Not later than 1 year 港幣千元 HK\$'000 | 一年以上 至五年 1-5 years 港幣千元 HK\$'000 | 五年以上 Over 5 years 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-------------------|---|---|--|--|---------------------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | |
| 放款承擔 | Loan commitments | 50,266,818 | – | – | 50,266,818 |
| 遠期預約放款 | Forward forward deposit placed | 279,780 | – | – | 279,780 |
| 擔保書及 其他金融額度 | Guarantees and other financial facilities | | | | |
| – 擔保書及備用 信用狀 | – Guarantees and standby letters of credit | 3,276,751 | – | – | 3,276,751 |
| – 跟單及商業 信用狀 | – Documentary and commercial letters of credit | 572,987 | – | – | 572,987 |
| 營業租約承擔 | Operating lease commitments | 81,232 | 164,847 | – | 246,079 |
| 資本承擔 | Capital commitments | 118,069 | – | – | 118,069 |
| | | 54,595,637 | 164,847 | – | 54,760,484 |

| | | 一年或以下 Not later than 1 year 港幣千元 HK\$'000 | 一年以上 至五年 1-5 years 港幣千元 HK\$'000 | 五年以上 Over 5 years 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-------------------|---|---|--|--|---------------------------------|
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | |
| 放款承擔 | Loan commitments | 40,009,219 | – | – | 40,009,219 |
| 擔保書及其他金融 額度 | Guarantees and other financial facilities | | | | |
| – 擔保書及備用 信用狀 | – Guarantees and standby letters of credit | 5,705,319 | – | – | 5,705,319 |
| – 跟單及商業 信用狀 | – Documentary and commercial letters of credit | 3,000,540 | – | – | 3,000,540 |
| 營業租約承擔 | Operating lease commitments | 73,201 | 128,634 | – | 201,835 |
| 資本承擔 | Capital commitments | 107,599 | – | – | 107,599 |
| | | 48,895,878 | 128,634 | – | 49,024,512 |

3 Financial risk management (Continued)

3.3 Liquidity risk (Continued)

(d) Off-balance sheet items

| | | 一年或以下 Not later than 1 year 港幣千元 HK\$'000 | 一年以上 至五年 1-5 years 港幣千元 HK\$'000 | 五年以上 Over 5 years 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-------------------|---|---|--|--|---------------------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | |
| 放款承擔 | Loan commitments | 50,266,818 | – | – | 50,266,818 |
| 遠期預約放款 | Forward forward deposit placed | 279,780 | – | – | 279,780 |
| 擔保書及 其他金融額度 | Guarantees and other financial facilities | | | | |
| – 擔保書及備用 信用狀 | – Guarantees and standby letters of credit | 3,276,751 | – | – | 3,276,751 |
| – 跟單及商業 信用狀 | – Documentary and commercial letters of credit | 572,987 | – | – | 572,987 |
| 營業租約承擔 | Operating lease commitments | 81,232 | 164,847 | – | 246,079 |
| 資本承擔 | Capital commitments | 118,069 | – | – | 118,069 |
| | | 54,595,637 | 164,847 | – | 54,760,484 |

| | | 一年或以下 Not later than 1 year 港幣千元 HK\$'000 | 一年以上 至五年 1-5 years 港幣千元 HK\$'000 | 五年以上 Over 5 years 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-------------------|---|---|--|--|---------------------------------|
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | |
| 放款承擔 | Loan commitments | 40,009,219 | – | – | 40,009,219 |
| 擔保書及其他金融 額度 | Guarantees and other financial facilities | | | | |
| – 擔保書及備用 信用狀 | – Guarantees and standby letters of credit | 5,705,319 | – | – | 5,705,319 |
| – 跟單及商業 信用狀 | – Documentary and commercial letters of credit | 3,000,540 | – | – | 3,000,540 |
| 營業租約承擔 | Operating lease commitments | 73,201 | 128,634 | – | 201,835 |
| 資本承擔 | Capital commitments | 107,599 | – | – | 107,599 |
| | | 48,895,878 | 128,634 | – | 49,024,512 |

3 金融風險管理 (續)

3.4 營運風險管理

營運風險指因內部程序不完善或失效、人為過失、系統故障或由外來事故引致損失的風險。

本集團訂立營運風險管理架構以識別、量度、監控及控制營運風險。由管理委員會核准之營運風險管理政策，已界定各委員會、業務單位及支援部門的職責，以多樣工具包括自我控制評估、危機事項管理及以主要風險指標來促進對營運風險的量度及評估。本集團亦依靠各營業單位的內部監控機制，加上內部審核環節管理及控制營運風險。

本集團之內部監控系統乃由建立完善之組織架構、詳盡的政策及標準所組成。董事會所期望之職能、責任及誠信已清楚地列明於政策文件上。每個業務及操作單位的權限及責任亦清楚列明，確保有足夠之查核及平衡。內部監控機制程序包括風險評估、職能分工、使用權限、培訓及定期核實以及核對交易及賬戶之資料。

風險評估範圍亦包括外判、新產品及新系統之履行。持續業務計劃之訂立，減低系統故障或自然災害對業務運作之影響及干擾。此外，本集團已購有足夠的保險以覆蓋合理程度的營運風險。

風險管理委員會負責定期對營運風險情況進行檢討，本集團之內部稽核功能在營運風險架構裏亦十分重要。透過對所有業務及操作功能的定期及深入的審核，為董事會提供客觀證據，確保穩健內部監控系統的維持及操作已依從既定的程序及準則。

3 Financial risk management (Continued)

3.4 Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The Group has established an operational risk management framework to identify, measure, monitor and control operational risk. The Policy on Operational Risk Management, approved by the Management Committee, defines responsibilities of various committees, business units and supporting departments and encompasses various tools including control self-assessment, risk event management and key risk indicators to facilitate measurement and assessment of operational risk. The Group also relies on internal control mechanisms within the business lines, supplemented by the internal audit function to manage and control operational risk.

The internal control system of the Group comprises a well-established organisational structure and comprehensive policies and standards. The Board's expectations regarding duty, responsibility and integrity are clearly spelled out in formal policy statements. The lines of authority and responsibilities of each business and operational unit have been clearly defined to ensure adequate checks and balances. Procedures including risk assessments, segregation of duties, use of limits, training and regular verification and reconciliation of transactions and accounts are used in the internal control mechanism.

Risk assessment will be conducted on the outsourcing services, new products and new systems implementation. Business continuity plans are in place to mitigate the impact and interruptions to business activities caused by system failure or natural disaster. Adequate insurance is taken out to cover a reasonable extent of operational risk.

The Risk Management Committee is responsible for regular review of the operational risk profile and the Group's internal audit function plays an important role in the Group's operational risk framework. It provides an objective assurance to the Board that a sound internal control system is maintained and operated in compliance with the established processes and standards through regular and comprehensive audits on all business and operational functions.

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3 金融風險管理 (續)

3.5 資本管理

本集團對資本管理之目的如下：

- 遵從香港《銀行業條例》當中《銀行業 (資本) 規則》的資本要求；
- 保證本集團之持續營運能力可以持續提供股東之回報及其他外在關係者之利益；
- 維持本集團之穩定及發展；及
- 維持強大資本基礎以支持業務發展。

香港《銀行業條例》要求各銀行或銀行集團維持法定資本對風險比重資產的比率在一定的水平。本集團之附屬公司亦需符合其他法定機構包括證券及期貨事務監察委員會和保險業監理處之法定資本要求。

風險比重資產乃根據《銀行業 (資本) 規則》所規定的風險比重等級制度而計算，是根據每一資產及交易對手之性質及其聯繫着的估計信貸、市場及其他風險，並已考慮合格的抵押品及擔保在內。資產負債表以外之風險計算類同，再加上一些調整以反映其為或然之損失。

本集團之管理層須定期監控資本足夠與否及資本的用途。本集團引用內部定立的資本充足觸發比率作為資本充足管理之指標，該比率比最低法定資本充足比率為高。除此之外，本集團亦會對新產品、新投資及其他重要交易評估其對資本充足比率之影響。

於二〇一六年及二〇一五年十二月三十一日之年度內，本集團及其個別受其他法定機構監管之附屬公司已符合所有外界資本要求及比香港金融管理局所訂定之最低資本要求比率為高。

3 Financial risk management (Continued)

3.5 Capital management

The Group's objectives when managing capital are as follows:

- To comply with the capital requirements under the Banking (Capital) Rules of the Hong Kong Banking Ordinance;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To support the Group's stability and growth; and
- To maintain a strong capital base to support the development of its business.

The Hong Kong Banking Ordinance requires each bank or banking group to maintain a prescribed ratio of regulatory capital to total risk-weighted assets. Subsidiaries of the Group are also subject to statutory capital requirements from other regulatory authorities, including the Securities and Futures Commission and Office of the Commissioner of Insurance.

The risk-weighted assets are measured by means of a hierarchy of risk weights as defined in the Banking (Capital) Rules according to the nature of and reflecting an estimate of credit, market and other risks associated with each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposures, with some adjustments to reflect the more contingent nature of the potential losses.

Capital adequacy and the use of capital are monitored on a regular basis by the Group's management. The Group applies an internal trigger capital adequacy ratio which is well above the minimum statutory requirement as an indicator for managing the capital adequacy. In addition, the Group will assess the impact on its capital adequacy ratio when there are new products, new investments or any significant transactions.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the years ended 31 December 2016 and 2015 and are well above the minimum required ratio set by the Hong Kong Monetary Authority.

3 金融風險管理 (續)

3.6 金融資產及負債之公平價值

在市場上交易活躍的金融工具，其公平價值乃根據結算當日市場價格而計算。本集團持有之金融資產以市場買價為市值報價；而金融負債則以市場賣價作為合適之市值報價。

未有在活躍市場上交易的金融工具，其公平價值乃透過運用估值方法來決定。該等方法包括淨現值及折算現金流量模型、對比類似工具的市場價值、Black-Scholes期權定價模型及其他估值模型。估值方法運用的投入數據包括無風險及參照利率、信用利差及其他用以估算折現率的風險差價、外幣匯率、債券及股票價格、價格波幅及相互關係。

對缺乏活躍市場的債券及衍生工具進行估值時，本集團僅運用可觀察的市場數據。上市的債券、交易所買賣衍生工具及場外衍生工具的可觀察價格及投入數據通常可在市場獲取，但其可用程度受金融市場的特定事件及整體情況導致的變化所影響。

當未能獲取可觀察價格或投入數據，本集團運用未可觀察但以市場價格、利率或假設推導的數據進行估值。涉及以重大無法觀察數據估值的金融工具包括非上市的股權證券及股權投資基金。選用適當的估值模型、預期金融工具帶來的未來現金流量及決定適用的折現率均須管理層的判斷及估計。

3 Financial risk management (Continued)

3.6 Fair value of financial assets and liabilities

The fair value of financial instruments traded in an active market is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. They include net present value and discounted cash flow models, comparison to similar instruments for which market prices exist, Black-Scholes option pricing models and other valuation models. Inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other risk premiums used in estimating discount rates, foreign currency exchange rates, bond and equity prices, price volatilities and correlations.

The Group uses valuation models that use only observable market data for determining the fair value of debt securities and derivatives for which there is no active market. Observable prices and model inputs are usually available in the market for listed debt securities, exchange traded derivatives and over-the-counter derivatives. Availability of observable prices and model inputs is prone to changes as a result of specific events and general conditions in the financial markets.

When observable prices and model inputs are not available, the Group uses valuation models of which the inputs may not be observable in the market but are derived from market prices or rates or are estimated based on assumptions. Examples of instruments involving significant unobservable inputs include unlisted equity securities and investment fund for which there is no active market. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates.

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Notes to the Financial Statements

3 金融風險管理 (續)

3.6 金融資產及負債之公平價值 (續)

未於本集團財務狀況表內按公平價值呈列之金融資產及負債之公平價值估計如下：

(a) 同業存放及貸款

存放同業的浮息存款和隔夜錢存款的公平價值即其賬面值。固定利率存款(存款期通常少於一年)的估計公平價值,是基於貼現現金流量按具同類信貸風險和剩餘到期日債務的通行貨幣市場利率計算。因此,公平價值約等於其賬面值。

(b) 貸款及其他賬項

貸款及其他賬項在扣除減值撥備後列賬。除小部份外,絕大部份客戶貸款均以浮動利率計息。本集團計算客戶貸款及商業票據之公平價值時已考慮相關之市場利率,並注意到公平價值總額與賬面值總額並無重大差別。

(c) 同業存款及客戶存款

同業存款及客戶存款(未註明到期日,包括不帶利息之存款)的估計公平價值為即時償還的金額。該等浮息結餘的公平價值即其賬面值。

定息同業存款及客戶存款而無市場報價,其估計公平價值是基於貼現現金流量按具同類剩餘到期日的新債務利率計算。由於該等結餘期限通常少於一年,因此,其公平價值約等於其賬面值。

(d) 發行之存款證及資本工具

發行之存款證及資本工具公平價值乃根據市場上公開報價。若未能得到公開報價,以類似其尚餘年期之近期交易所用的息率以貼現現金模式計算其公平價值。本集團計算發行之存款證及資本工具之公平價值時已考慮相關之市場利率,並注意到公平價值總額與賬面值總額並無重大差別。

3 Financial risk management (Continued)

3.6 Fair value of financial assets and liabilities (Continued)

The fair values of financial assets and liabilities not presented at fair value in the Group's statement of financial position are estimated as follows:

(a) Balances, placement with and loans and advances to banks

The fair value of floating rate placements and overnight deposits is their carrying amounts. The estimated fair value of fixed interest bearing deposits, which is normally less than one year, is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity. Therefore the fair value is approximately equal to its carrying value.

(b) Advances and other accounts

Advances and other accounts are net of allowances for impairment. All except a very insignificant portion of loans and advances to customers bear interest at a floating rate. The Group has assessed the fair value of advances to customers and trade bills, after taking into account the relevant market interest rates and noted that the total fair value is not materially different from the total carrying value.

(c) Deposits and balances from banks and customers

The estimated fair value of deposits and balances with no stated maturity, which include non-interest bearing deposits, is the amount repayable on demand. The fair value of those balances bearing interest at a floating rate is their carrying value.

The estimated fair value of fixed interest-bearing deposits from banks and deposits from customers without quoted market price is based on discounted cash flows using interest rates for new debts with similar remaining maturity. As they are normally less than one year, their fair values are approximately equal to their carrying values.

(d) Certificates of deposit and capital instruments

The fair value of certificates of deposit and capital instruments issued is based on quoted market prices. For those where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity. The Group has assessed the fair value of certificates of deposit and capital instruments issued after taking into account the relevant yield curve and noted that the total fair value is not materially different from the total carrying value.

3 金融風險管理 (續)**3.6 金融資產及負債之公平價值 (續)***(e) 其他賬項及預提*

其他賬項及預提一般為不帶有利息之結餘，因此，其公平價值為其賬面值。

除上述綜合財務狀況表項目外，下表概述未於本集團綜合財務狀況表內按公平價值呈列的有關金融資產和負債的賬面值和概約公平價值。

3 Financial risk management (Continued)**3.6 Fair value of financial assets and liabilities (Continued)***(e) Other accounts and accruals*

The estimated fair value of other accounts and accruals, which are normally non-interest bearing balances, is their carrying value.

Except for the above consolidated statement of financial position items, the following table summarises the carrying amounts and fair values of other financial assets and liabilities not presented on the Group's consolidated statement of financial position at their fair value.

| | | 賬面值 | | 公平價值 | |
|-------------|-----------------------------|----------------|-----------|----------------|-----------|
| | | Carrying value | | Fair value | |
| | | 二〇一六 | 二〇一五 | 二〇一六 | 二〇一五 |
| | | 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 |
| 金融資產 | Financial assets | | | | |
| 持至到期證券 | Held-to-maturity securities | 883,823 | 1,708,475 | 875,217 | 1,695,008 |

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Notes to the Financial Statements

3 金融風險管理 (續)

3.6 金融資產及負債之公平價值 (續)

香港財務報告準則第13號規定了估值方法的層級制度是根據估價方法之投入數據是可觀察到或無法觀察到。可觀察的投入數據反映市場資訊從獨立的來源獲得；不可觀察的投入數據反映了本集團對市場的預期。這兩種投入數據產生了下列公平價值的層級：

- 第1層 – 參考同一工具於活躍市場取得的市場報價 (未經調整)。
- 第2層 – 根據可觀察的直接 (如報價) 或間接 (如由報價所推算) 投入數據之估值模式。此層次估值的工具包括以下方式：就相若工具在活躍市場所取得的市場報價；就同一或相若工具在非活躍市場取得的市場報價；或其他估值模式，而該等估值模式所用的投入數據，是可直接或間接從市場觀察所得的數據。
- 第3層 – 根據重要但非可觀察得到的投入數據之估值模式。此層次估值的工具，其估值模式所投入之數據並非根據可觀察的數據，惟該等非可觀察的數據可以對估值產生重大影響。此層次估值的工具，也包括在活躍市場所取得的相若金融工具之市場報價，惟當中需要作出重要的非可觀察之調整或假設，以反映不同金融工具之間的差別。

這層次制度須應用到可觀察的市場數據。本集團在許可的情況下考慮有關及可觀察的市場價格用於估值上。

截至二〇一六年十二月三十一日及二〇一五年十二月三十一日止之財政年度，並無第一層與第二層間之轉移，亦無轉入或從第三層轉出。本集團於公平價值層級間之轉移發生的報告期末予以確認。

3 Financial risk management (Continued)

3.6 Fair value of financial assets and liabilities (Continued)

HKFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2 – Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 – Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

During the years ended 31 December 2016 and 31 December 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group recognises transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

3 金融風險管理 (續)**3 Financial risk management (Continued)****3.6 金融資產及負債之公平價值 (續)****3.6 Fair value of financial assets and liabilities (Continued)**

下列表格對期末以公平價值進行經常性計量的金融工具，按其身處公平價值的層次作出分析：

The tables below analyse financial instruments, measured at fair value on a recurring basis at the end of the reporting period, by the level in the fair value hierarchy into which the fair value treatment is categorised:

| | | 第一層 Level 1 港幣千元 HK\$'000 | 第二層 Level 2 港幣千元 HK\$'000 | 第三層 Level 3 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|--------------------------|---|------------------------------------|------------------------------------|------------------------------------|---------------------------------|
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | |
| 資產 | Assets | | | | |
| 持作買賣用途之 證券： | Trading securities: | | | | |
| – 債務證券 | – Debt securities | 611,581 | – | – | 611,581 |
| – 股權證券及 投資基金 | – Equity securities and investment fund | 716,949 | – | – | 716,949 |
| 衍生金融工具 | Derivative financial instruments | – | 697,578 | – | 697,578 |
| 以公平價值誌入 損益賬之 金融資產： | Financial assets designated at fair value through profit or loss: | | | | |
| – 債務證券 | – Debt securities | 4,718,047 | 147,933 | – | 4,865,980 |
| 可供出售之證券： | Available-for-sale securities: | | | | |
| – 債務證券 | – Debt securities | 43,984,283 | 57,202 | – | 44,041,485 |
| – 股權證券及 投資基金 | – Equity securities and investment fund | 309,860 | 106,753 | 393,482 | 810,095 |
| | | 50,340,720 | 1,009,466 | 393,482 | 51,743,668 |
| 負債 | Liabilities | | | | |
| 衍生金融工具 | Derivative financial instruments | – | 901,847 | – | 901,847 |
| | | – | 901,847 | – | 901,847 |

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3 Financial risk management (Continued)

3.6 金融資產及負債之公平價值 (續)

3.6 Fair value of financial assets and liabilities (Continued)

| | | 第一層 Level 1 港幣千元 HK\$'000 | 第二層 Level 2 港幣千元 HK\$'000 | 第三層 Level 3 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|--------------------------|---|------------------------------------|------------------------------------|------------------------------------|---------------------------------|
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | |
| 資產 | Assets | | | | |
| 持作買賣用途之 證券： | Trading securities: | | | | |
| – 債務證券 | – Debt securities | 77,777 | – | – | 77,777 |
| – 股權證券及 投資基金 | – Equity securities and investment fund | 875,166 | – | – | 875,166 |
| 衍生金融工具 | Derivative financial instruments | – | 837,171 | – | 837,171 |
| 以公平價值誌入 損益賬之 金融資產： | Financial assets designated at fair value through profit or loss: | | | | |
| – 債務證券 | – Debt securities | 3,702,106 | 222,221 | – | 3,924,327 |
| 可供出售之證券： | Available-for-sale securities: | | | | |
| – 債務證券 | – Debt securities | 22,248,758 | 2,005,011 | – | 24,253,769 |
| – 股權證券及 投資基金 | – Equity securities and investment fund | 417,304 | 65,584 | 388,627 | 871,515 |
| | | 27,321,111 | 3,129,987 | 388,627 | 30,839,725 |
| 負債 | Liabilities | | | | |
| 衍生金融工具 | Derivative financial instruments | – | 733,155 | – | 733,155 |
| 以公平價值誌入 損益賬之 金融負債 | Financial liabilities designated at fair value through profit or loss | – | 503,961 | – | 503,961 |
| | | – | 1,237,116 | – | 1,237,116 |

3 金融風險管理 (續)**3.6 金融資產及負債之公平價值 (續)**

下列表格對期末非以公平價值列賬的金融工具，按其身處公平價值的層次作出分析：

| | | 資產 Assets | |
|-----|---------|--|------------------|
| | | 持至到期之證券 Held-to-maturity securities | |
| | | 二〇一六 2016 | 二〇一五 2015 |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 第一層 | Level 1 | 765,368 | 1,588,530 |
| 第二層 | Level 2 | 118,455 | 119,945 |
| | | 883,823 | 1,708,475 |

第三層公平價值計量的結餘於年內之變動如下：

3 Financial risk management (Continued)**3.6 Fair value of financial assets and liabilities (Continued)**

The tables below analyse financial instruments not carried at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value treatment is categorised:

| | | 資產 Assets | |
|--|---|---|------------------|
| | | 可供出售之證券 – 股權證券及投資基金 Available-for-sale securities – Equity securities and investment fund | |
| | | 二〇一六 2016 | 二〇一五 2015 |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 於一月一日 | At 1 January | 388,627 | 265,939 |
| 收益／(虧損) 總額確認於 | Total gains/(losses) recognized in | | |
| – 損益 | – Profit or loss | – | 14,696 |
| – 其他全面收益 | – Other comprehensive income | (9,149) | (19,972) |
| 購買 | Purchases | 14,004 | 173,670 |
| 償還 | Settlements | – | (45,706) |
| 於十二月三十一日 | At 31 December | 393,482 | 388,627 |
| 於十二月三十一日所持有的資產， 其包括在是年度其他全面收益內 之虧損總額 | Total losses for the year included in other comprehensive income for assets held at 31 December | (9,149) | (19,668) |

The movement during the year in the balance of Level 3 fair value measurements is as follows:

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Notes to the Financial Statements

3 金融風險管理 (續)

3 Financial risk management (Continued)

3.6 金融資產及負債之公平價值 (續)

3.6 Fair value of financial assets and liabilities (Continued)

以下表格列出於年末時用以計量被分類為公平價值層級第3層的財務工具之重大不可觀察的投入數據資料。

The table below sets out information about significant unobservable inputs used at year end in measuring financial instruments categorised as level 3 in the fair value hierarchy.

| | 估值技巧 Valuation techniques | 重大不可觀察的投入數據 Significant unobservable inputs | 範圍 Range | 加權平均 Weighted average | 不可觀察的投入數據對公平價值計量的敏感度 Fair value measurement sensitivity to unobservable inputs | |
|-----------------------|--|--|--|--------------------------------------|---|--|
| 可供出售之證券： 股權證券及投資基金 | Available-for-sale securities: Equity securities and investment fund | 折算現金流量 Discounted cash flow | 風險調整折現率 Risk-adjusted discount rate | 7.54%-12.04% (2015: 8.29%-14.78%) | 9.18% (2015: 11.45%) | 風險調整折現率的重大上升將引致公平價值的下跌 Significant increase in risk-adjusted discount rate would result in a lower fair value |
| | 資產淨值 Net asset value | 不適用 N/A | 不適用 N/A | 不適用 N/A | 不適用 N/A | |

重大不可觀察假設出現變動對合理可行替代假設的影響

Effect of changes in significant non-observable assumptions to reasonably possibly alternatives

金融工具的公平價值於若干情況下採用估值模型計量，該等模型依據的假設，並無相同工具的可觀察現行市場交易價格支持，亦不是以可觀察市場數據為基礎。下表列示在公平價值上下波幅10%下，公平價值對於合理可行替代假設的敏感度分析。

The fair value of financial instruments are, in certain circumstances, measured using valuation models that incorporate assumptions that are not supported by prices from observable current market transactions in the same instrument and are not based on observable market data. The following table shows the sensitivity of fair values to reasonable possible alternative assumptions due to parallel movement of plus or minus 10% of the fair value.

| | Assets | 其他全面收益的影響 Effect on other comprehensive income | | 其他全面收益的影響 Effect on other comprehensive income | |
|---------|-------------------------------|---|----------------------|---|----------------------|
| | | 有利變動 Favourable | 不利變動 Unfavourable | 有利變動 Favourable | 不利變動 Unfavourable |
| | | 二〇一六 2016 | 二〇一六 2016 | 二〇一五 2015 | 二〇一五 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 |
| 資產 | Assets | | | | |
| 可供出售之證券 | Available-for-sale securities | 39,348 | (39,348) | 38,863 | (38,863) |

3 金融風險管理 (續)**3.7 抵銷金融資產及金融負債**

下列金融資產受抵銷、可執行主淨額結算安排或類似協議的規限。

3 Financial risk management (Continued)**3.7 Offsetting financial assets and liabilities**

The following financial assets are subject to offsetting, enforceable master netting arrangements or similar agreements.

| | | 在財務狀況表 抵銷的已確認 金融負債總額 Gross amounts of recognised financial liabilities set off in the statement of financial position | | | 不在財務狀況表中抵銷的相關數額 Related amounts not set off in the statement of financial position | | |
|---|-----------------------------------|---|------------------|------------------|--|---|------------------|
| 已確認 金融資產總額 Gross amounts of recognised financial assets | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 金融工具 Financial instruments | 收取的 現金抵押品 Cash collateral received | 淨額 Net amount |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 二〇一六年 | 2016 | | | | | | |
| | Derivative financial assets | | | | | | |
| 衍生金融資產 | | 396,369 | - | 396,369 | (269,728) | (8,664) | 117,977 |
| | | | | | | | |
| | | 在財務狀況表 抵銷的已確認 金融負債總額 Gross amounts of recognised financial liabilities set off in the statement of financial position | | | 不在財務狀況表中抵銷的相關數額 Related amounts not set off in the statement of financial position | | |
| 已確認 金融資產總額 Gross amounts of recognised financial assets | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 金融工具 Financial instruments | 收取的 現金抵押品 Cash collateral received | 淨額 Net amount |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 二〇一五年 | 2015 | | | | | | |
| | Derivative financial assets | | | | | | |
| 衍生金融資產 | | 593,688 | - | 596,688 | (337,634) | (55,253) | 200,801 |

財務報表註釋

Notes to the Financial Statements

3 金融風險管理 (續)

3.7 抵銷金融資產及金融負債 (續)

下列金融負債受抵銷、可執行主淨額結算安排和類似協議的規限。

3 Financial risk management (Continued)

3.7 Offsetting financial assets and liabilities (Continued)

The following financial liabilities are subject to offsetting, enforceable master netting arrangements or similar agreements.

| | | 在財務狀況表 抵銷的已確認 金融負債總額 | | | 不在財務狀況表中抵銷的相關數額 | | |
|--------|--|---|---|---------|--|-----------|------------|
| | | Gross amounts of recognised financial liabilities | | | 在財務狀況表呈報 的金融負債淨額 | | |
| | | 已確認金融 負債總額 | | | Net amounts of financial liabilities | | |
| | | Gross amounts of recognised financial liabilities | | | presented in the statement of financial position | | |
| | | 港幣千元 | | | 港幣千元 | | |
| | | HK\$'000 | | | HK\$'000 | | |
| | | | | | 金融工具 | | |
| | | | | | Financial instruments | | |
| | | | | | 港幣千元 | | |
| | | | | | HK\$'000 | | |
| | | | | | 收取的 現金抵押品 | | |
| | | | | | Cash collateral pledged | | |
| | | | | | 港幣千元 | | |
| | | | | | HK\$'000 | | |
| | | | | | | | 淨額 |
| | | | | | | | Net amount |
| | | | | | | | 港幣千元 |
| | | | | | | | HK\$'000 |
| 二〇一六年 | 2016 | | | | | | |
| | Derivative financial liabilities | | | | | | |
| 衍生金融負債 | | 724,924 | - | 724,924 | (269,728) | (192,323) | 262,873 |
| | | | | | | | |
| | | 在財務狀況表 抵銷的已確認 金融負債總額 | | | 不在財務狀況表中抵銷的相關數額 | | |
| | | Gross amounts of recognised financial liabilities | | | 在財務狀況表呈報 的金融負債淨額 | | |
| | | 已確認金融 負債總額 | | | Net amounts of financial liabilities | | |
| | | Gross amounts of recognised financial liabilities | | | presented in the statement of financial position | | |
| | | 港幣千元 | | | 港幣千元 | | |
| | | HK\$'000 | | | HK\$'000 | | |
| | | | | | 金融工具 | | |
| | | | | | Financial instruments | | |
| | | | | | 港幣千元 | | |
| | | | | | HK\$'000 | | |
| | | | | | 收取的 現金抵押品 | | |
| | | | | | Cash collateral pledged | | |
| | | | | | 港幣千元 | | |
| | | | | | HK\$'000 | | |
| | | | | | | | 淨額 |
| | | | | | | | Net amount |
| | | | | | | | 港幣千元 |
| | | | | | | | HK\$'000 |
| 二〇一五年 | 2015 | | | | | | |
| | Derivative financial liabilities | | | | | | |
| 衍生金融負債 | | 643,004 | - | 643,004 | (337,634) | (188,999) | 116,371 |

4 主要會計估計及判斷

本集團作出估計及假設，會於下一財政年度內影響資產及負債已列報之金額。本集團會根據過往經驗及其他因素，包括在此等情況下，對未來事項作出相信是合理的預期，持續地評估所作出之估計及判斷。

(a) 貸款減值準備

本集團至少每季檢視其貸款組合以評估其減值。對於減值虧損應否記錄於收益表上，本集團需判斷有無顯著數據指出貸款組合之預計之現金流量，在能確認該減少到個別貸款前，有可量化之減少。這顯示可能包括有可觀察數據指示出於某組別內之借款人之還款能力有不良改變，或全國性或地區性經濟情況與集團之資產拖欠相關。當估計將來現金流量時，管理層會基於過往有相關貸款風險特性的資產損失經驗，及與類似貸款組合作客觀評估。這個用以預算未來現金流量的總額及時間的方法及假設將被定期重新檢視，以減少預計及實際損失之差別。改變所採用的假設會影響已列報的貸款減值準備。

(b) 金融工具之公平價值

在活躍市場沒有報價的金融工具以估值方法去評定其公平價值。當採用估值方法（例如模型）去評定公平價值時，該等方法須由獨立於交易部門並具有相關資格的人去確認及定期檢視，使能反映出真實數據及相對市場價格。在可行之範圍內，模型只會採用可觀察之數據，但某些範疇如信貸風險（包括自己及交易對手），波幅及相互關係，管理層必須作出一些估計。改變關於這些因素之假設會影響所列報的金融工具之公平價值。

4 Critical accounting estimates and judgments in applying accounting policy

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments 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.

(a) Impairment allowances on loans and advances

The Group reviews its loan portfolio 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 judgments 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 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, or national or local economic conditions that correlate with defaults on assets in the group. 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 scheduling its future cash flows. The methodology and assumptions used for estimating the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. Changes in the assumptions used would affect the reported impairment allowances on loans and advances.

(b) Fair value of financial instruments

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the department that created them to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors would affect the reported fair value of financial instruments.

財務報表註釋

Notes to the Financial Statements

4 主要會計估計及判斷 (續)

(c) 可供出售證券及持至到期證券之減值

本集團遵從香港會計準則第39號指引以決定可供出售證券及持至到期證券減值的發生，此決定須要判斷。在作出該等判斷時，本集團評估(但不限於)該投資的公平價值下降的持久性及幅度；以及被投資者或發行人的信貸質素及短期營業前景，包括其行業及區域表現，科技、營業活動及融資活動之現金流量的改變。

(d) 持至到期證券

本集團遵從香港會計準則第39號指引，將有固定或確定付款金額及有固定期限的非衍生金融資產分類為持至到期證券。此分類方法需要作出重大判斷。在作出該等判斷時，本集團評估其持有該等投資至到期日的意向及能力。除在特殊情況下(如出售快將到期而投資金額並不重大的投資)，如本集團不能將該等投資持至到期，則須將整項持至到期投資重新分類為可供出售證券，因此分類已被認為已受影響。因此，該等投資將按公平價值而非攤銷成本列賬。

(e) 投資物業公平價值之估計

投資物業之公平價值乃根據獨立專業估值師按公開市場情況作基準而估計。該估值已考慮一個市場參與者從使用該資產或將該資產售予另一市場參與者，而該市場參與者將以最高及最好地使用此資產而產生的經濟效益。此公平價值之估計乃採用投資估值方法，將物業之淨收入資本化而計算。合約租金及預計未來的市場租金收入，扣除開支及維修成本後，均以就觀察所得之市場回報率予以資本化。估計市值時所採用之主要假設包括：所收到的合約租金、對未來市值租金之預測、空置期、維修保養需要、及就觀察所得之市場回報率。

此外，估值師亦會以相關市場上相若地區之類似市場實際交易報告作參考，並就該等物業相關的因素，如地點的差別、樓齡、交易的時間、商舖的座向及人流等作出適當的調整。

任何用於估值上的假設如有所改變均會影響投資物業的公平價值。

4 Critical accounting estimates and judgments in applying accounting policy (Continued)

(c) Impairment of available-for-sale securities and held-to-maturity securities

The Group follows the guidance of HKAS 39 to determine when available-for-sale securities and held-to-maturity securities are impaired. This determination requires judgment. In making this judgment, the Group evaluates among other factors, the duration and extent to which the fair value of an investment has declined; and the credit quality of and near-term business outlook for the investee or issuer, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

(d) Held-to-maturity securities

The Group follows the guidance of HKAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgment. In making this judgment, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – it will be required to reclassify the entire class as available-for-sale as such class is deemed to have been tainted. The investments would therefore be measured at fair value instead of at amortised cost.

(e) Estimate of fair value of investment properties

The fair values of investment properties are estimated based on the valuation made by an independent professional valuer on an open market basis. The valuation has considered a market participant's ability to generate economic benefit by using the asset or by selling it to another market participant who will use the asset in its highest and best use. The fair values are assessed based on the capitalisation of the net income for the properties using Investment Method of Valuation. The contractual rental income and the expected future market rental income after allowing for outgoings and maintenance requirements are capitalised at observed market yields. The principal assumptions underlying the estimation of market value are those related to: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and observed market yields.

In addition, the valuations are also assessed by reference to comparable market transactions as reported in the relevant market at similar locations. Appropriate adjustments have been made on the values of the subject properties for relevant factors, such as location difference, building age, time of transaction, shop frontage and pedestrian flow, etc.

Changes in the assumptions used in the valuation would affect the fair value of investment properties.

4 主要會計估計及判斷 (續)

(f) 所得稅

日常業務過程中若干交易及業務的最終稅項釐定並不確定。倘有關事項的最終稅項結果有別於初始估計的金額，則該等差異會影響釐定期間的當期所得稅及遞延所得稅。

遞延稅項資產能否變現主要取決於未來是否有充足的利潤或應課稅暫時性差異。

倘預期產生充足利潤或應課稅暫時性差異，則期內於損益確認遞延稅項資產。反之，若預期不會產生充足利潤或應課稅暫時性差異，則期內於損益轉回遞延稅項資產。

(g) 保險合約申索之最終負債

就保險合約下索償所產生最終負債的估計，是本集團其中一項關鍵會計估計。估計和判斷是根據過往經驗和其他因素持續評估，包括對在結算日已發生但未向本集團呈報（「已發生但未呈報」）的虧損事件的預計。對已發生但未呈報索償的估計，在一般情況下比已向本集團呈報的索償賠付成本的估計（有關索償事項的資料可與取得）受較大不明朗因素所影響。受保人可能會不察覺已發生但未呈報的索償，直至多年後引致索償的事件發生後才得知。

對某些索償負債的最終成本進行估計，是一項十分複雜的過程。在估計本集團最終需要支付有關索償的負債時，須要考慮眾多的不確定因素。僱員賠償和其他負債保單所引起的索償或會比較漫長和難以估計。本集團已聘請獨立精算師，利用既定的精算方法估計索償負債。有關方法屬於統計性質，並可能會受多項不同因素所影響。可能會影響負債估計準確性的較重要因素包括法理上可擴寬本集團發出的保險合約所提供保障的意向和保障範圍，實際索償結果與過往經驗的分歧程度，以及事件的出現與向本集團呈報索償兩者的時差。

(h) 職員退休福利計劃

本集團於註釋14中所述之退休計劃之責任在估值時需作出精算假設。此等假設於未來是否適用是存在不確定性的，該等假設需要作定期審查，如有需要會作出更新。

4 Critical accounting estimates and judgments in applying accounting policy (Continued)

(f) Income tax

There are certain transactions and activities for which the ultimate tax destination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially estimated, such difference will impact the current income tax and deferred income tax in the period during which such a determination is made.

The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future.

In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

(g) Ultimate liability arising from claims made under insurance contracts

The estimation of the ultimate liability arising from claims made under insurance contracts is one of the Group's critical accounting estimates. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of loss events that have been incurred but not reported ("IBNR") to the Group at the end of the reporting period. The estimation of IBNR claims is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim events is available. IBNR claims may not be apparent to the insured until many years after the event that gives rise to the claim has happened.

Estimation of the ultimate cost of certain liability claims can be a complex process. There are several sources of uncertainty that need to be considered in the estimating of the liability that the Group will ultimately pay for such claims. In particular, the claims arising from the employees' compensation and other liability policies can be longer in tail and difficult to estimate. The Group has appointed an independent actuary to estimate the claim liabilities using established actuarial methodologies. The methodologies are statistical in nature and can be affected by various factors. The more significant factors that can affect the reliability of the liability estimation include jurisprudence that can broaden the intent and scope coverage of the protections offered in the insurance contracts issued by the Group, the extent to which actual claim results differ from historical experience and the time lag between the occurrence of the event and the report of such claim to the Group.

(h) Staff retirement scheme

Actuarial assumptions are made in valuing future pension obligations as set out in note 14. There is uncertainty that these assumptions will hold true in the future. They are reviewed periodically and are updated where necessary.

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5 利息收入

5 Interest income

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|------------------------------|----------------------------------|----------------------------------|
| 庫存現金及存放同業 | Cash and balances with banks | 1,122,193 | 1,491,874 |
| 證券投資 | Investments in securities | | |
| – 上市公司 | – listed | 525,095 | 530,461 |
| – 非上市公司 | – unlisted | 334,806 | 198,141 |
| 客戶貸款 | Advances to customers | 4,198,779 | 5,063,058 |
| 其他 | Others | 202,254 | 398,537 |
| | | 6,383,127 | 7,682,071 |

利息收入按金融資產類別分析如下：

Interest income is analysed by types of financial assets as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|---|----------------------------------|----------------------------------|
| 未以公平價值誌入 | Financial assets that are not at fair value | | |
| 損益賬之金融資產 | through profit or loss | 6,015,002 | 7,235,597 |
| 持作買賣用途之證券 | Trading securities | 54,112 | 2,076 |
| 以公平價值誌入 | Financial assets designated at fair value | | |
| 損益賬之金融資產 | through profit or loss | 142,717 | 114,780 |
| 利率掉期合約 | Interest rate swaps | 171,296 | 329,618 |
| | | 6,383,127 | 7,682,071 |

包括在利息收入內計有減值資產折扣轉回利息收入港幣2,780,000元(二〇一五年：港幣1,451,000元)。

Included in interest income is unwinding of discount on impaired assets of HK\$2,780,000 (2015: HK\$1,451,000).

6 利息支出

6 Interest expense

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 同業存款及客戶存款 | Deposits and balances from banks and deposits from customers | 2,424,719 | 2,951,775 |
| 發行之存款證 | Certificates of deposit issued | 87,112 | 369,534 |
| 發行之後償債項 | Subordinated debts issued | 140,482 | 141,068 |
| 其他 | Others | 282,188 | 349,741 |
| | | 2,934,501 | 3,812,118 |

利息支出按金融負債類別分析如下：

Interest expense is analysed by types of financial liabilities as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------|---|----------------------------------|----------------------------------|
| 未以公平價值誌入 損益賬之金融負債 | Financial liabilities that are not at fair value through profit or loss | 2,727,024 | 3,455,902 |
| 以公平價值誌入 損益賬之金融負債 | Financial liabilities designated at fair value through profit or loss | 5,237 | 13,750 |
| 利率掉期合約 | Interest rate swaps | 202,240 | 342,466 |
| | | 2,934,501 | 3,812,118 |

財務報表註釋

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7 服務費及佣金淨收入

7 Net fees and commission income

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--|--|----------------------------------|----------------------------------|
| 服務費及佣金收入 | Fees and commission income | | |
| 證券經紀及投資服務 | Securities brokerage and investment services | 366,917 | 465,951 |
| 信用卡業務 | Credit cards | 346,343 | 150,833 |
| 有關信貸業務之服務費及佣金 | Credit related fees and commission | 274,488 | 220,458 |
| 貿易融資 | Trade finance | 77,795 | 81,551 |
| 其他零售銀行業務 | Other retail banking services | 11,786 | 13,154 |
| 其他服務費收入 | Other fee income | 76,285 | 109,157 |
| | | 1,153,614 | 1,041,104 |
| 服務費及佣金支出 | Fees and commission expenses | | |
| 信用卡業務 | Credit cards | (264,455) | (117,558) |
| 證券經紀及投資服務 | Securities brokerage and investment services | (27,889) | (9,754) |
| 其他服務費支出 | Other fee expenses | (40,503) | (27,236) |
| | | (332,847) | (154,548) |
| 服務費及佣金淨收入 | Net fees and commission income | 820,767 | 886,556 |
| 其中： | Of which: | | |
| 由非持作買賣用途或指定以公平價值誌入損益賬之金融資產或負債所產生之服務費及佣金淨收入（不包括用作計算實際利率之金額） | Net fees and commission income, other than amounts included in determining the effective interest rate, arising from financial assets or financial liabilities that are not held for trading nor designated at fair value through profit or loss | | |
| — 服務費及佣金收入 | — fees and commission income | 378,110 | 331,823 |
| — 服務費及佣金支出 | — fees and commission expenses | (250,268) | (99,872) |
| 本集團代表客戶持有或投資之託管或其他受託業務所產生之服務費及佣金淨收入 | Net fees and commission income on trust and other fiduciary activities where the Group holds or invests on behalf of its customers | | |
| — 服務費及佣金收入 | — fees and commission income | 18,026 | 13,846 |
| — 服務費及佣金支出 | — fees and commission expenses | (1,871) | (1,926) |

8 保險營業收入及保險申索準備

8 Insurance operating income and charge for insurance claims

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------------------------|---|----------------------------------|----------------------------------|
| 保險營業收入 | Insurance operating income | | |
| 總額 | Gross | | |
| 承保費總額 | Gross insurance premium written | 542,612 | 687,423 |
| 未期滿保費準備之改變 | Change in unearned premium provision | 73,096 | 15,400 |
| 已發行之保險合約所產生之保費收入 | Premium revenue arising from insurance contracts issued | 615,708 | 702,823 |
| 再投保 | Reinsurance | | |
| 分出之再投保費 | Reinsurance premium outward | (91,043) | (105,258) |
| 未期滿保費準備之改變 | Change in unearned premium provision | (16,415) | (20,650) |
| 已發行之保險合約之保費收入轉予再投保人 | Premium revenue ceded to reinsurers arising from insurance contracts issued | (107,458) | (125,908) |
| 保險費淨收入 | Net earned premium income | 508,250 | 576,915 |
| 佣金收入 | Commission income | 542,009 | 120,899 |
| 其他收入 | Other income | 739 | 1,118 |
| 佣金支出 | Commission expenses | (85,376) | (91,652) |
| | | 965,622 | 607,280 |
| 保險申索準備 (註釋) | Charge for insurance claims (note) | | |
| 總額 | Gross | | |
| 已承付索償 | Gross claims paid | (324,508) | (335,728) |
| 已呈報之索償、已發生但未呈報之索償及其他保險準備之改變 | Change in reported claims, IBNR and other insurance provision | 25,480 | (72,748) |
| | | (299,028) | (408,476) |
| 再投保 | Reinsurance | | |
| 收回再投保之索償 | Claims recovered from reinsurers | 25,469 | 45,675 |
| 已呈報之索償、已發生但未呈報之索償及其他保險準備之改變 | Change in reported claims, IBNR and other insurance provision | (12,033) | 12,351 |
| | | 13,436 | 58,026 |
| 總索償金額 | Total claims incurred | (285,592) | (350,450) |
| 保險營業淨收入 | Net insurance operating income | 680,030 | 256,830 |

註釋：保險申索準備乃本集團之保險業務所承擔之賠償淨額及其有關之了結申索的開支。

Note: Charge for insurance claims represents net claims incurred on the Group's insurance business and the related claims settlement expenses.

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Notes to the Financial Statements

9 淨交易收益

9 Net trading gain

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|------------------------|--|----------------------------------|----------------------------------|
| 持作買賣用途之證券 淨(虧損)/收益 | Net (loss)/gain from trading securities | (10,609) | 85,922 |
| 以公平價值誌入損益賬之 金融工具淨虧損 | Net loss arising from financial instruments designated at fair value through profit or loss | (341) | (2,087) |
| 衍生金融工具買賣淨 收益/(虧損) | Net gain/(loss) arising from derivative financial instruments | 69,122 | (8,452) |
| 外匯買賣淨收益 | Net gain from foreign exchange trading | 539,656 | 390,272 |
| | | 597,828 | 465,655 |

10 其他營業收入

10 Other operating income

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|---|----------------------------------|----------------------------------|
| 股息收入 | Dividend income | | |
| – 上市股權證券 | – Listed equity securities | 13,214 | 24,123 |
| – 非上市股權證券 | – Unlisted equity securities | 7,875 | 16,105 |
| 投資物業之租金收入 減除直接開支 | Rental income from investment properties less direct outgoings of HK\$26,729,000 (二〇一五年： 港幣32,443,000元) | 179,482 | 175,674 |
| 保管箱租金淨收益 | Net rental income on safe deposit boxes | 31,280 | 31,981 |
| 出售其他金融工具之淨收益 | Net gain on disposal of other financial instruments | 37,065 | 99,537 |
| 其他 | Others | 27,901 | 26,688 |
| | | 296,817 | 374,108 |

11 營業支出

11 Operating expenses

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|--|----------------------------------|----------------------------------|
| 人事費用 | Staff costs | | |
| – 薪金及其他人事費用 | – Salaries and other costs | 1,077,181 | 989,543 |
| – 退休福利支出 | – Retirement benefit costs | 65,640 | 59,340 |
| 房產及設備支出， 不包括折舊 | Premises and equipment expenses, excluding depreciation | | |
| – 物業租金 | – Rental of premises | 93,248 | 93,712 |
| – 其他 | – Others | 80,547 | 87,264 |
| 折舊 | Depreciation | | |
| – 其他物業及設備 (註釋31) | – Other properties and equipment (note 31) | 160,333 | 138,760 |
| – 租賃土地(註釋30) | – Leasehold land (note 30) | 4,059 | 4,449 |
| 廣告及業務推廣 | Advertising and business promotion | 26,201 | 34,535 |
| 電子數據處理 | Electronic data processing | 95,884 | 96,686 |
| 郵遞及通訊 | Postage and communications | 59,967 | 64,900 |
| 文具及印刷 | Printing and stationery | 15,778 | 18,938 |
| 核數師酬金 | Auditors' remuneration | 4,143 | 5,799 |
| 水電費 | Water and electricity | 20,742 | 21,410 |
| 法律及專業費用 | Legal and professional fee | 124,677 | 108,602 |
| 營業、代繳稅金及附加費 | Business, withholding tax and surcharges | 28,686 | 128,396 |
| 保險費 | Insurance | 21,063 | 19,524 |
| 證券相關費用 | Securities related expenses | 8,685 | 12,040 |
| 其他 | Others | 90,215 | 98,514 |
| | | 1,977,049 | 1,982,412 |

財務報表註釋

Notes to the Financial Statements

12 金融資產之減值損失

12 Impairment losses on financial assets

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|---|----------------------------------|----------------------------------|
| 減值損失／(回撥) | Impairment losses/(written back) on | | |
| – 貸款及應計利息 | – loans and advances and accrued interest | 250,358 | 29,464 |
| – 可供出售之證券 | – available-for-sale securities | 4,761 | - |
| – 持至到期證券 | – held-to-maturity securities | (3,281) | - |
| | | 251,838 | 29,464 |

(a) 貸款及應計利息減值損失

(a) Impairment losses on loans and advances and accrued interest

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------|------------------------------------|----------------------------------|----------------------------------|
| 個別評估 | Individually assessed | | |
| – 新增 | – new allowances | 250,818 | 51,790 |
| – 撥回 | – releases | (14,898) | (38,673) |
| – 收回 | – recoveries | (2,534) | (4,036) |
| | | 233,386 | 9,081 |
| 綜合評估 | Collectively assessed | | |
| – 新增 | – new allowances | 71,054 | 62,231 |
| – 撥回 | – releases | (52,832) | (40,065) |
| – 收回 | – recoveries | (1,250) | (1,783) |
| | | 16,972 | 20,383 |
| 在收益表淨扣除 | Net charge to the income statement | 250,358 | 29,464 |

12 金融資產之減值損失 (續)**(b) 可供出售證券之減值損失**

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------|---|----------------------------------|----------------------------------|
| 個別評估 – 新增 | Individually assessed – new allowances | 4,761 | – |

(c) 持至到期證券之減值回撥

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------|---------------------------------------|----------------------------------|----------------------------------|
| 個別評估 – 收回 | Individually assessed – recoveries | (3,281) | – |

13 董事酬金

按照香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第2部規定所披露之董事酬金如下：

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-------------------|---|----------------------------------|----------------------------------|
| 袍金 | Directors' fees | 1,210 | 990 |
| 薪金、花紅、津貼及 實然福利 | Salaries, bonus, allowances and benefits in kind | 26,258 | 19,537 |
| 退休計劃供款 | Retirement scheme contributions | 1,205 | 1,121 |
| | | 28,673 | 21,648 |

是年度內，本行並無向本行的任何董事支付解僱補償。是年度內，本行並無就獲取董事的服務向第三方支付任何款項。

是年度內及至是年終結日止，本行或其任何附屬公司、母公司集團之附屬公司或其控股公司並無訂立任何與本行業務有關而董事直接或間接享有重大權益或與董事有關連的實體之其他重要交易、安排或合約。

12 Impairment losses on financial assets (Continued)**(b) Impairment loss on available-for-sale securities**

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---|--|----------------------------------|----------------------------------|
| Individually assessed – new allowances | | 4,761 | – |

(c) Impairment written back on held-to-maturity securities

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------------------------|--|----------------------------------|----------------------------------|
| Individually assessed – recoveries | | (3,281) | – |

13 Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---|--|----------------------------------|----------------------------------|
| Directors' fees | | 1,210 | 990 |
| Salaries, bonus, allowances and benefits in kind | | 26,258 | 19,537 |
| Retirement scheme contributions | | 1,205 | 1,121 |
| | | 28,673 | 21,648 |

During the year, no termination benefits were paid by the Bank to any of the Bank's directors. During the year, the Bank did not incur any payment to third parties for making available directors' services.

No transactions, arrangement or contracts of significance in relation to the Bank's business to which the Bank, or any of its subsidiaries, fellow subsidiaries or its holding company was a party and in which a director of the Bank or an entity connected with a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

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14 職員退休福利計劃

本集團為本行之職員設有五項職員退休福利計劃，另為本行一間附屬公司之職員設有一項強積金計劃。該五項職員退休福利計劃，其中主要的計劃（簡稱為「該計劃」）包括一個界定福利計劃部份及一個界定供款計劃部份，其他計有一項為界定福利退休計劃、兩項為海外僱員而設之界定供款計劃及一項為強積金計劃。凡新入職之在港受聘成員均可作一次性的選擇，參加該計劃的界定供款部份或參加強積金計劃。

在該計劃的界定供款部份中，本集團每月需按選擇此計劃之成員的月薪10%作出供款。本集團對該計劃界定供款部份之供款額可能因員工於獲得全數供款前離開該計劃而放棄其既有利益而減少。本年度已使用之放棄供款總額為港幣9,311,000元（二〇一五年：港幣9,655,000元）。於年結日，未使用之放棄供款可作為減低將來之供款總額為港幣2,274,000元（二〇一五年：港幣1,242,000元）。於年結日，並無應付供款（二〇一五年：無）。

本集團對強積金計劃之供款乃按照香港《強制性公積金計劃條例》，根據每位成員每月之有關入息之5%計算，而有關入息則以港幣30,000元為上限。

於年內對該等有界定供款成份之計劃及強積金計劃之供款共為港幣51,322,000元（二〇一五年：港幣46,102,000元）。

該計劃的界定福利部份及另一界定福利退休計劃（共同參照為「該等退休計劃」）之供款，是由獨立合資格精算師定期評估該等退休計劃之資產負債而釐定。該等退休計劃根據成員之最後薪金作為計算福利之基準，由本集團承擔所有成本。

14 Staff retirement schemes

The Group operates five staff retirement schemes for the staff of the Bank and an MPF scheme for the staff of a subsidiary of the Bank. The five staff retirement schemes comprise a principal scheme (the "Scheme") which includes a defined benefit ("DB") section and a defined contribution ("DC") section, a defined benefit pension scheme, two defined contribution schemes for overseas employees and an MPF scheme. All new Hong Kong employed staff members who join the Bank are offered a one-off choice between the DC section of the Scheme and the MPF scheme.

Under the DC section of the Scheme, the Group is required to contribute 10% of the monthly salary of the members who opted for the DC arrangement. The Group's contributions to the DC section of this Scheme may be reduced by contributions forfeited by those employees who leave the Scheme prior to vesting fully in the contributions. Forfeited contributions totaling HK\$9,311,000 (2015: HK\$9,655,000) were utilised during the year. The unutilised forfeited contributions at the year end amounted to HK\$2,274,000 (2015: HK\$1,242,000) which are available to reduce future contributions. No contributions were payable at the year end (2015: Nil).

The Group's contributions to the MPF schemes are based on 5% of the monthly relevant income of each employee up to a maximum monthly relevant income of HK\$30,000 in accordance with the Hong Kong Mandatory Provident Fund Schemes Ordinance.

The contributions to schemes with defined contribution arrangements and the MPF schemes during the year amounted to HK\$51,322,000 (2015: HK\$46,102,000) in aggregate.

For the DB section of the Scheme and the defined benefit pension scheme (collectively referred to as the "Plan"), the contributions are determined based on periodic valuations by independent qualified actuaries of the assets and liabilities of the Plan. The Plan provides benefits based on members' final salary. The costs are solely funded by the Group.

14 職員退休福利計劃 (續)

該等退休計劃按照《職業退休計劃條例》進行登記，並已獲強制性公積金計劃管理局之強積金豁免。本集團對該等退休計劃的盈餘具有無條件的擁有權，資產上限及最低注資要求不適用於該等退休計劃。

該等退休計劃以信託安排成立。信託人的主要責任為確保該等退休計劃按照信託契約管理，並以公正、審慎和真誠為全體成員代行。

本集團為該等退休計劃承擔以下主要風險：

投資風險

正投資回報增加該等退休計劃資產的公平價值，改善該等退休計劃的財務狀況，負投資回報則減弱狀況。

該等退休計劃投資於多元化的資產組合，包括股權證券、債務證券及現金，分佈於世界主要地區。資產類別和地域多元化降低了該計劃投資的風險集中度。

利率風險

界定福利義務應用到參照市場債券收益率的折現率計算。債券收益率下降將增加義務金額。

薪酬風險

較估值假設為高的薪酬升幅將增加界定福利義務。

通脹風險

界定福利退休計劃下之退休金付款可因應本港的生活水平並按本集團意願上調。較假設為高的退休金將增加界定福利義務。

14 Staff retirement schemes (Continued)

The Plan is registered under the Occupational Retirement Schemes Ordinance, and has been granted with MPF Exemption by the Mandatory Provident Fund Schemes Authority. The Group has an unconditional right to the surplus of the Plan. Asset ceiling and minimum funding requirements do not apply to the Plan.

The Plan was established under a trust arrangement. The key responsibilities of the trustees are to ensure that the Plan is administered in accordance with the trust deed and to act on behalf of all members impartially, prudently and in good faith.

The Plan exposes the Group to the following key risks:

Investment risk

Positive investment returns tend to increase the fair value of the Plan assets and therefore improve the Plan's financial position, whilst negative investment returns tend to weaken the position.

The assets of the Plan are invested in a diversified portfolio of equities, bonds and cash, covering major geographical locations around the world. The diversification of asset classes and geographical location reduces the concentration of risk associated with the Plan's investments.

Interest rate risk

The defined benefit obligation is calculated using a discount rate based on market bond yields. A decrease in the bond yields will increase the amount of obligation.

Salary risk

Salary increases that are higher than assumed at the valuation will increase the defined benefit obligation.

Inflation risk

Pension in payment under the defined benefit pension scheme may be increased, at the discretion of the Group, to reflect all or part of the cost-of-living increase in Hong Kong. The higher-than-assumed increases in pensions will increase the defined benefit obligation.

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14 職員退休福利計劃 (續)

身故風險

因較長的預期壽命而致的延長退休金發放期間將增加界定福利義務。

該等退休計劃最近期一次之精算估值於二〇一六年十二月三十一日，由獨立專業精算師韜睿惠悅香港有限公司，其僱員具香港精算學會之會士資歷，根據香港會計師公會所頒佈之香港會計準則第19號(2011)作評估，該等退休計劃之界定福利義務的現值及服務成本均以預計單位貸記法計算。於估值日，該等退休計劃之注資水平達116% (二〇一五年：108%)。

於二〇一六年十二月三十一日止之年度綜合財務狀況表內確認之金額分析如下：

14 Staff retirement schemes (Continued)

Mortality risk

A prolonged pension in payment due to longer life expectancy of the pensioners will increase the defined benefit obligation.

The latest actuarial valuation of the Plan was performed in accordance with HKAS 19 (2011) issued by the HKICPA at 31 December 2016 by Towers Watson Hong Kong Limited, an independent professional actuarial firm, who have among their staff Fellows of the Actuarial Society of Hong Kong. The present values of the defined benefit obligation and current service cost of the Plan are calculated based on the projected unit credit method. At the valuation date, the Plan had a funding level of 116% (2015: 108%).

The amounts recognised in the consolidated statement of financial position as at 31 December 2016 are analysed as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------|---|----------------------------------|----------------------------------|
| 該等退休計劃資產之 公平價值 | Fair value of the Plan assets | 415,908 | 437,811 |
| 已累積界定福利義務之現值 | Present value of the funded defined benefit obligation | (357,362) | (405,698) |
| 於綜合財務狀況表內確認 之資產淨額 | Net asset recognised in the consolidated statement of financial position | 58,546 | 32,113 |

以上部份之資產預期在多於一年後才收回。此項金額亦不適宜與未來十二個月內應收賬款之金額分隔開，原因是未來之供款涉及到未來的服務提供以及未來的精算估計和市場變化。預期於二〇一七年不會為界定退休福利計劃作出供款。

截至二〇一六年及二〇一五年十二月三十一日止之年度，退休計劃並無受調整、削減或結算之影響。

A portion of the above asset is expected to be recovered after more than one year. However, it is not practicable to segregate this amount from the amounts receivable in the next twelve months, as future contributions will also relate to future services rendered and future changes in actuarial assumptions and market conditions. No contribution to the Plan is expected to be paid in 2017.

There was no plan amendment, curtailment or settlement impact for the years ended 31 December 2016 and 2015.

14 職員退休福利計劃 (續)**14 Staff retirement schemes (Continued)**

於綜合收益表內確認之金額如下：

The amounts recognised in the consolidated income statement are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------|--|----------------------------------|----------------------------------|
| 服務成本 | Current service cost | (14,685) | (14,654) |
| 淨利息收入 | Net interest income | 367 | 1,416 |
| 包括在年內退休福利成本 之支出淨額 | Net expense for the year included in retirement benefit costs | (14,318) | (13,238) |

截至二〇一六年十二月三十一日止年度，該等退休計劃資產之實際回報為港幣11,484,000元（二〇一五年：虧損為港幣10,630,000元）。

The actual return on Plan assets for the year ended 31 December 2016 was HK\$11,484,000 (2015: loss of HK\$10,630,000).

年內界定福利義務之變動如下：

The movements in the defined benefit obligation during the year are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|------------------------|--|----------------------------------|----------------------------------|
| 於一月一日之界定福利 義務現值 | Present value of obligation at 1 January | 405,698 | 395,050 |
| 服務成本 | Current service cost | 14,685 | 14,654 |
| 利息成本 | Interest cost | 5,488 | 6,496 |
| 實際福利支出 | Actual benefits paid | (33,387) | (34,941) |
| 負債經驗所致的精算 (盈利)/虧損 | Actuarial (gain)/loss due to liability experience | (883) | 15,376 |
| 財務假設變動所致的精算 (盈利)/虧損 | Actuarial (gain)/loss due to financial assumption changes | (24,688) | 9,063 |
| 人口假設變動所致的 精算盈利 | Actuarial gain due to demographic assumption changes | (9,551) | - |
| 於十二月三十一日之 實際界定福利義務 | Actual obligation at 31 December | 357,362 | 405,698 |

於二〇一六年十二月三十一日，該計劃之界定福利部份及界定福利退休計劃的界定福利義務之加權平均存續期間分別為6.9年（二〇一五年：7.4年）及2.1年（二〇一五年：2.5年）。

The weighted average duration of the defined benefit obligation as at 31 December 2016 is 6.9 years (2015: 7.4 years) and 2.1 years (2015: 2.5 years) for the DB section of the Scheme and the defined benefit pension scheme respectively.

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14 職員退休福利計劃 (續)

14 Staff retirement schemes (Continued)

年內該等退休計劃資產公平價值之變動如下：

The movements in the fair value of the Plan assets during the year are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------------------|---|----------------------------------|----------------------------------|
| 於一月一日該等退休計劃資產之公平價值 | Fair value of the Plan assets at 1 January | 437,811 | 483,382 |
| 利息收入 | Interest income | 5,855 | 7,912 |
| 預期該等退休計劃資產利息收入以外之回報／(虧損) | Return/(loss) on the Plan assets other than interest income | 5,629 | (18,542) |
| 實際福利支出 | Actual benefits paid | (33,387) | (34,941) |
| 於十二月三十一日該等退休計劃資產之公平價值 | Fair value of the Plan assets at 31 December | 415,908 | 437,811 |

該等退休計劃資產主要分類如下：

The major categories of the Plan assets are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | | 二〇一五 2015 港幣千元 HK\$'000 | |
|------|----------|----------------------------------|-------|----------------------------------|-------|
| | | | % | | % |
| 股權證券 | Equities | 254,839 | 61.3 | 281,269 | 64.2 |
| 債券證券 | Bonds | 74,271 | 17.8 | 75,260 | 17.2 |
| 現金 | Cash | 86,798 | 20.9 | 81,282 | 18.6 |
| 總額 | Total | 415,908 | 100.0 | 437,811 | 100.0 |

於二〇一六年十二月三十一日，該等退休計劃之資產包括存放在本行之存款總值港幣63,276,000元（二〇一五年：港幣63,857,000元）。

At 31 December 2016, the amount of the Plan assets includes deposits with the Bank of HK\$63,276,000 (2015: HK\$63,857,000).

在評估時所採用之主要精算假設如下：

The principal actuarial assumptions adopted in the valuation are as follows:

| | | 二〇一六 2016 % | 二〇一五 2015 % |
|---------------------|--|-------------------|-------------------|
| 折算率 | Discount rate | | |
| — 該計劃之界定福利部份 | — DB section of the Scheme | 1.8 | 1.4 |
| — 界定福利退休計劃 | — Defined benefit pension scheme | 1.1 | 0.6 |
| 該計劃之界定福利部份之長期平均薪酬升幅 | Long-term average rate of salary increase for the DB section of the Scheme | 4.5 | 5.0 |
| 界定福利退休計劃之長期退休金增長幅度 | Long-term pension increase rate for the defined benefit pension scheme | 2.0 | 3.0 |

14 職員退休福利計劃 (續)

以下為主要精算假設的合理可能變動對於十二月三十一日的界定福利義務的影響分析：

14 Staff retirement schemes (Continued)

The below analysis shows the effect on the defined benefit obligation as at 31 December as a result of reasonably possible changes in the significant actuarial assumptions:

| | | 增加25個基點 Increase of 25 basis points | | 減少25個基點 Decrease of 25 basis points | |
|---------------------|--|---|----------------------------------|---|----------------------------------|
| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 折算率 | Discount rate | | | | |
| – 該計劃之界定福利部份 | – DB section of the Scheme | (5,304) | (7,557) | 5,456 | 7,806 |
| – 界定福利退休計劃 | – Defined benefit pension scheme | (13) | (19) | 14 | 20 |
| 該計劃之界定福利部份之長期平均薪酬升幅 | Long-term average rate of salary increase for the DB section of the Scheme | 5,504 | 7,734 | (5,379) | (7,530) |
| 界定福利退休計劃之長期退休金增長幅度 | Long-term pension increase rate for the defined benefit pension scheme | 12 | 20 | (11) | (20) |

上述的敏感度分析假定精算假設的變動無掛鉤關係，亦不考慮該變動掛鉤關係。

The above sensitivity analysis is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

下表列出該等退休計劃以已採用的精算假設計算的預計福利支付金額 (包括估計未來員工服務及薪酬歸屬之福利)：

The following table sets out the expected benefit payments (including benefits attributable to estimated future employee service and salary) from the Plan based on the adopted actuarial assumptions:

| | | 預計福利支付金額 Expected benefit payments | |
|---------|--------------------------------------|---------------------------------------|----------------------------------|
| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 估值日後的年數 | Number of years after valuation date | | |
| 1年 | 1 year | 42,099 | 24,505 |
| 2年 | 2 years | 45,102 | 44,631 |
| 3年 | 3 years | 37,284 | 35,005 |
| 4年 | 4 years | 39,580 | 29,979 |
| 5年 | 5 years | 38,313 | 38,400 |
| 6至10年 | 6 to 10 years | 132,096 | 167,306 |
| 超過10年 | Over 10 years | 173,714 | 267,576 |

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15 所得稅

15 Income tax

(a) 於綜合收益表支銷之稅項如下：

(a) Taxation charged in the consolidated income statement represents:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------|---|----------------------------------|----------------------------------|
| 本期稅項： | Current taxation: | | |
| – 香港利得稅 | – Hong Kong profits tax | 517,069 | 433,179 |
| – 往年度準備剩餘 | – Over-provision of taxation in respect of prior years | (19,022) | (100) |
| | | 498,047 | 433,079 |
| – 海外稅項 | – Overseas taxation | 179,436 | 215,268 |
| 遞延稅項： | Deferred taxation: | | |
| – 有關短暫差額之產生及轉回 | – Relating to the origination and reversal of temporary differences | 5,214 | 44,611 |
| | | 682,697 | 692,958 |

香港利得稅已按本年度估計應評稅溢利以稅率16.5% (二〇一五年：16.5%)計算。海外稅項已按本年度估計應評稅溢利以本集團業務所在地現行適用之稅率計算。

The provision for Hong Kong profits tax for the year is calculated at 16.5% (2015: 16.5%) of the estimated assessable profits for 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.

(b) 本集團有關除稅前溢利之稅項與假若採用香港之稅率而計算之理論稅額之差額如下：

(b) The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------------------|---|----------------------------------|----------------------------------|
| 除稅前溢利 | Profit before taxation | 4,187,743 | 3,965,269 |
| 以稅率16.5% (二〇一五年：16.5%)計算 | Calculated at a taxation rate of 16.5% (2015: 16.5%) | 690,978 | 654,269 |
| 不可扣稅之支出對稅項之影響 | Tax effect of expenses not deductible for taxation purposes | 7,372 | 9,383 |
| 無需課稅之收入對稅項之影響 | Tax effect of income not subject to taxation | (88,617) | (29,147) |
| 與其他國家不同稅率之影響 | Effect of different taxation rates in other tax jurisdictions | 96,050 | 60,202 |
| 往年度準備剩餘 | Over-provision of taxation in respect of prior years | (19,022) | (100) |
| 未確認稅項虧損之影響 | Effect of unrecognised tax loss | (4,652) | (2,348) |
| 其他 | Others | 588 | 699 |
| 所得稅 | Income tax | 682,697 | 692,958 |

15 所得稅 (續)

15 Income tax (Continued)

(c) 其他全面收益的各組成部份的所得稅影響：

(c) The income tax effects relating to components of other comprehensive income are as follows:

| | 二〇一六 2016 | | | 二〇一五 2015 | | |
|--------------------------------------|--|--|--|--|--|--|
| | 稅前金額 Before- tax amount 港幣千元 HK\$'000 | 所得稅 Income tax 港幣千元 HK\$'000 | 稅後金額 Net-of- tax amount 港幣千元 HK\$'000 | 稅前金額 Before- tax amount 港幣千元 HK\$'000 | 所得稅 Income tax 港幣千元 HK\$'000 | 稅後金額 Net-of- tax amount 港幣千元 HK\$'000 |
| 重估房產之盈餘 | 32,135 | — | 32,135 | 424,180 | — | 424,180 |
| 可供出售證券之 公平價值改變 | (81,363) | 26,773 | (54,590) | 102,216 | 587 | 102,803 |
| 可供出售證券之 公平價值因出售 附屬公司而減少 | (188,446) | — | (188,446) | — | — | — |
| 於出售可供出售 證券時轉入 收益表 | (127,616) | — | (127,616) | (104,435) | — | (104,435) |
| 應佔聯營公司 之儲備 | 80 | — | 80 | (78) | — | (78) |
| 應佔共同控制實體 之儲備 | 1,338 | — | 1,338 | 45,328 | — | 45,328 |
| 因折算海外分行及 附屬公司的財務 報表產生的 匯兌變動 | (214,893) | — | (214,893) | (198,727) | — | (198,727) |
| 界定福利計劃之 精算收益/ (虧損) | 40,751 | (6,724) | 34,027 | (42,981) | 7,092 | (35,889) |
| 本年度其他全面 (支出)/收益 | (538,014) | 20,049 | (517,965) | 225,503 | 7,679 | 233,182 |

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16 股東應佔溢利

股東應佔溢利中計有港幣3,206,739,000元乃列於本行收益表內(二〇一五年:港幣3,474,654,000元)。

17 庫存現金及短期資金

庫存現金及存放同業
存放中央銀行
短期存放同業

Cash and balances with banks
Balances with central banks
Money at call and short notice

二〇一六
2016
港幣千元
HK\$'000

二〇一五
2015
港幣千元
HK\$'000

3,309,835
21,034,165
10,971,244
35,315,244

1,828,087
31,874,234
8,564,700
42,267,021

於二〇一六年十二月三十一日,本集團受外匯監管及法定限制的存放中央銀行結存為港幣1,206,088,000元(二〇一五年:港幣1,202,597,000元)。

16 Profit attributable to shareholders

The profit attributable to shareholders is dealt with in the financial statements of the Bank to the extent of HK\$3,206,739,000 (2015: HK\$3,474,654,000).

17 Cash and short-term funds

The Group's balances with central banks that are subject to exchange control and regulatory restrictions amounted to HK\$1,206,088,000 at 31 December 2016 (2015: HK\$1,202,597,000).

18 同業定期存放及貸款

同業定期存款
同業貸款

Placements with banks
Gross loans and advances to banks

二〇一六
2016
港幣千元
HK\$'000

二〇一五
2015
港幣千元
HK\$'000

13,275,193
12,795,725
26,070,918

11,841,161
15,121,574
26,962,735

18 Placements with and loans and advances to banks

19 持作買賣用途之證券

19 Trading securities

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------|----------------------------|----------------------------------|----------------------------------|
| 債務證券 | Debt securities | | |
| – 香港上市 | – Listed in Hong Kong | 152,939 | 77,777 |
| – 海外上市 | – Listed outside Hong Kong | 381,408 | – |
| – 非上市 | – Unlisted | 77,234 | – |
| | | 611,581 | 77,777 |
| 股權證券 | Equity securities | | |
| – 香港上市 | – Listed in Hong Kong | 716,949 | 875,166 |
| | | 1,328,530 | 952,943 |

持作買賣用途之證券，其發行人為：

Trading securities are analysed by issuer as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 中央政府及中央銀行 | Central governments and central banks | 10 | 70 |
| 銀行和其他金融機構 | Banks and other financial institutions | 724,547 | 875,166 |
| 企業 | Corporate entities | 603,973 | 77,707 |
| | | 1,328,530 | 952,943 |

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20 衍生金融工具

下列為各項重大衍生金融工具之未經雙邊淨額結算安排之名義或合約金額、公平價值及信貸風險比重金額：

20 Derivative financial instruments

The following is a summary of the notional or contractual amounts, fair values and credit risk weighted amounts of each significant type of derivatives, without taking into account the effects of bilateral netting arrangements:

| | | 公平價值 | | | 公平價值 | | |
|--|--|---|--|---|---|--|---|
| | | 名義/ 合約金額 Notional/ contractual amount 二〇一六 2016 港幣千元 HK\$'000 | 資產 Assets 二〇一六 2016 港幣千元 HK\$'000 | 負債 Liabilities 二〇一六 2016 港幣千元 HK\$'000 | 名義/ 合約金額 Notional/ contractual amount 二〇一五 2015 港幣千元 HK\$'000 | 資產 Assets 二〇一五 2015 港幣千元 HK\$'000 | 負債 Liabilities 二〇一五 2015 港幣千元 HK\$'000 |
| 持作買賣用途之 衍生工具 | Derivatives held for trading | | | | | | |
| 外匯合約 | Exchange rate contracts | | | | | | |
| 遠期合約 | Forward contracts | 22,133,906 | 316,633 | 294,667 | 17,740,242 | 308,075 | 298,368 |
| 貨幣掉期 | Currency swaps | 90,517,129 | 254,083 | 545,848 | 88,096,460 | 402,488 | 307,487 |
| 貨幣利率掉期 | Cross currency interest rate swaps | 363,291 | 26,606 | 26,829 | 4,486,931 | 116,517 | 114,654 |
| 沽出期權 | Options written | 31,858 | - | 764 | 43,014 | - | 138 |
| 購入期權 | Options purchased | 186,211 | 2,616 | - | 46,157 | 141 | - |
| | | 113,232,395 | 599,938 | 868,108 | 110,412,804 | 827,221 | 720,647 |
| 利率合約 | Interest rate contracts | | | | | | |
| 利率掉期 | Interest rate swaps | 6,931,930 | 57,158 | 27,964 | 317,517 | - | 4,761 |
| 股權合約 | Equity contracts | | | | | | |
| 沽出期權 | Options written | 1,007 | - | 2 | 66,276 | - | 1,162 |
| 購入期權 | Options purchased | 1,007 | 2 | - | 66,276 | 1,162 | - |
| | | 2,014 | 2 | 2 | 132,552 | 1,162 | 1,162 |
| 連接以公平價值 誌入損益賬之 金融工具之 衍生工具 | Derivatives managed in conjunction with financial instruments designated at fair value through profit or loss | | | | | | |
| 利率合約 | Interest rate contracts | | | | | | |
| 利率掉期 | Interest rate swaps | 4,900,563 | 40,480 | 5,773 | 4,444,597 | 8,788 | 6,585 |
| | | 125,066,902 | 697,578 | 901,847 | 115,307,470 | 837,171 | 733,155 |

20 衍生金融工具 (續)

買賣交易主要為執行客戶買賣指令或對沖該等持倉量而持有的金融工具盤。而其他買賣交易乃用以對沖本集團之市場風險，為其資產及負債管理之一部份。

此等工具之合約金額只顯示於結算日未完成之交易量，並不代表風險大小。由於市場利率、匯率或股權價格波動，衍生工具可能形成有利(資產)或不利(負債)。衍生金融資產及負債之公平價值總額可隨時有重大的波動。

20 Derivative financial instruments (Continued)

The trading transactions are mainly positions arising from the execution of trade orders from customers or transactions taken to hedge these positions. The other trading transactions are used to hedge the Group's own exposure to market risks as part of its asset and liability management.

The contractual amounts of these instruments indicate the volume of transactions outstanding as at the end of the reporting period and they do not represent amounts at risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates, foreign exchange rates or equity prices relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------|-----------------------------|----------------------------------|----------------------------------|
| 信貸風險比重金額 | Credit risk weighted amount | | |
| 外匯合約 | Exchange rate contracts | 798,589 | 800,038 |
| 利率合約 | Interest rate contracts | 58,702 | 12,362 |
| 股權合約 | Equity contracts | 47 | 158 |
| | | 857,338 | 812,558 |

信貸風險比重金額是根據香港《銀行業(資本)規則》而計算，此等金額亦須視乎交易對手之現況及該等金融工具之到期特點而計算。所採用之風險比重為0%至150%。

Credit risk weighted amount refers to the amount as computed in accordance with the Banking (Capital) Rules. The amount depends on the status of the counterparties and the maturity characteristics of the instruments. The risk weights used range from 0% to 150%.

財務報表註釋

Notes to the Financial Statements

21 以公平價值誌入損益賬之金融資產

21 Financial assets designated at fair value through profit or loss

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------|----------------------------|----------------------------------|----------------------------------|
| 債務證券 | Debt securities | | |
| – 香港上市 | – Listed in Hong Kong | 3,973,299 | 2,375,435 |
| – 海外上市 | – Listed outside Hong Kong | 744,748 | 505,160 |
| – 非上市 | – Unlisted | 147,933 | 1,043,732 |
| | | 4,865,980 | 3,924,327 |

以公平價值誌入損益賬之金融資產，其發行人為：

Financial assets designated at fair value through profit or loss are analysed by issuer as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 銀行和其他金融機構 | Banks and other financial institutions | 500,891 | 502,488 |
| 企業 | Corporate entities | 4,365,089 | 3,421,839 |
| | | 4,865,980 | 3,924,327 |

22 可供出售之證券

22 Available-for-sale securities

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------|--|----------------------------------|----------------------------------|
| 債務證券 | Debt securities | | |
| – 海外上市 | – Listed outside Hong Kong | 7,869,426 | 9,158,345 |
| – 香港上市 | – Listed in Hong Kong | 5,970,343 | 3,932,180 |
| – 非上市 | – Unlisted | 30,201,716 | 11,163,244 |
| | | 44,041,485 | 24,253,769 |
| 股權證券 | Equity securities | | |
| – 香港上市 | – Listed in Hong Kong | 145,888 | 277,791 |
| – 非上市 | – Unlisted | 1,075,913 | 374,167 |
| | | 1,221,801 | 651,958 |
| 股權投資基金 | Equity investment fund | | |
| – 香港上市 | – Listed in Hong Kong | 44,521 | 54,565 |
| – 非上市 | – Unlisted | 253,905 | 164,992 |
| | | 298,426 | 219,557 |
| | | 45,561,712 | 25,125,284 |
| | | | |
| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 債務證券包括： | Included within debt securities are: | | |
| 持有之存款證剩餘 | Certificates of deposit held | | |
| 到期日： | with remaining maturity of: | | |
| – 一個月以下 | – up to 1 month | 2,641,898 | – |
| – 一個月以上至三個月 | – 1-3 months | 6,561,457 | 28,295 |
| – 三個月以上至一年 | – 3-12 months | 9,835,217 | 5,116,415 |
| – 一年以上至五年 | – 1-5 years | 391,621 | 515,500 |
| | | 19,430,193 | 5,660,210 |
| 國庫券（包括外匯基金票據） | Treasury bills (including Exchange Fund Bills) | 8,152,868 | 4,103,711 |
| 其他債券 | Other debt securities | 16,458,424 | 14,489,848 |
| | | 44,041,485 | 24,253,769 |

財務報表註釋

Notes to the Financial Statements

22 可供出售之證券 (續)

可供出售之證券，其發行人為：

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 中央政府及中央銀行 | Central governments and central banks | 11,543,457 | 5,704,931 |
| 銀行及其他金融機構 | Banks and other financial institutions | 25,442,537 | 12,610,919 |
| 企業 | Corporate entities | 8,575,718 | 6,809,434 |
| | | 45,561,712 | 25,125,284 |

22 Available-for-sale securities (Continued)

Available-for-sale securities are analysed by issuer as follows:

23 持至到期證券

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------|---|----------------------------------|----------------------------------|
| 上市債務證券之攤銷成本： | Listed debt securities, at amortised cost: | | |
| — 香港上市 | — Listed in Hong Kong | 786,032 | 1,304,888 |
| — 海外上市 | — Listed outside Hong Kong | 1,160 | 229,649 |
| | | 787,192 | 1,534,537 |
| 非上市債務證券之攤銷成本 | Unlisted debt securities, at amortised cost | 96,631 | 173,938 |
| | | 883,823 | 1,708,475 |
| 上市債務證券之公平價值 | Fair value of listed debt securities | 781,864 | 1,525,238 |

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------|--------------------------------------|----------------------------------|----------------------------------|
| 債務證券包括： | Included within debt securities are: | | |
| 持有之存款證剩餘 | Certificates of deposit held | | |
| 到期日： | with remaining maturity of: | | |
| — 一個月以下 | — up to 1 month | 19,386 | 19,375 |
| 其他債務證券 | Other debt securities | 864,437 | 1,689,100 |
| | | 883,823 | 1,708,475 |

23 持至到期證券 (續)

持至到期證券，其發行人為：

23 Held-to-maturity securities (Continued)

Held-to-maturity securities are analysed by issuer as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 中央政府及中央銀行 | Central governments and central banks | 437,016 | 682,721 |
| 銀行及其他金融機構 | Banks and other financial institutions | 19,386 | 19,375 |
| 企業 | Corporate entities | 427,421 | 1,006,379 |
| | | 883,823 | 1,708,475 |

24 貸款及其他賬項

(a) 貸款及其他賬項

24 Advances and other accounts

(a) Advances and other accounts

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|---|----------------------------------|----------------------------------|
| 客戶貸款 | Advances to customers | 137,595,014 | 121,461,058 |
| 減值準備 (註釋25) | Impairment allowances (note 25) | | |
| — 綜合評估 | — Collectively assessed | (347,938) | (332,987) |
| — 個別評估 | — Individually assessed | (99,599) | (16,854) |
| | | 137,147,477 | 121,111,217 |
| 商業票據 | Trade bills | 6,656,765 | 24,642,931 |
| 減值準備 (註釋25) | Impairment allowances (note 25) | | |
| — 綜合評估 | — Collectively assessed | (1,379) | (4,085) |
| | | 6,655,386 | 24,638,846 |
| 應計利息 | Accrued interest | 778,658 | 808,899 |
| 減值準備 (註釋25) | Impairment allowances (note 25) | | |
| — 個別評估 | — Individually assessed | (2,585) | (71) |
| | | 776,073 | 808,828 |
| 其他賬項 | Other accounts | | |
| — 應收保費 | — Insurance premium receivable | 111,478 | 153,539 |
| — 於再投保人收回 (註釋36) | — Recoverable from reinsurers (note 36) | 244,879 | 273,327 |
| — 應收及其他賬項 | — Accounts and other receivables | 1,510,452 | 1,530,026 |
| | | 1,866,809 | 1,956,892 |
| 減值準備 (註釋25) | Impairment allowances (note 25) | | |
| — 個別評估 | — Individually assessed | — | (4,304) |
| | | 1,866,809 | 1,952,588 |
| | | 146,445,745 | 148,511,479 |

財務報表註釋

Notes to the Financial Statements

24 貸款及其他賬項 (續)

(b) 融資租賃及租購合約

客戶貸款內包括融資租賃及租購合約之投資，其分析如下：

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 應收投資總額 | Gross investment, receivable | | |
| – 一年內 | – Within one year | 76,948 | 116,029 |
| – 一年以上至五年 | – After one year but within five years | 71,716 | 99,046 |
| – 五年以上 | – After five years | 6,813 | 7,989 |
| | | 155,477 | 223,064 |
| 未賺取之財務收入 | Unearned finance income | (7,589) | (9,961) |
| 投資淨額 | Net investment | 147,888 | 213,103 |

融資租賃及租購合約之投資淨額分析如下：

24 Advances and other accounts (Continued)

(b) Finance leases and hire purchase contracts

Advances to customers include investments in finance lease receivables and hire purchase contracts, analysed as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 應收投資總額 | Gross investment, receivable | | |
| – 一年內 | – Within one year | 76,948 | 116,029 |
| – 一年以上至五年 | – After one year but within five years | 71,716 | 99,046 |
| – 五年以上 | – After five years | 6,813 | 7,989 |
| | | 155,477 | 223,064 |
| 未賺取之財務收入 | Unearned finance income | (7,589) | (9,961) |
| 投資淨額 | Net investment | 147,888 | 213,103 |

The net investment in finance lease receivables and hire purchase contracts is analysed as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------|--------------------------------------|----------------------------------|----------------------------------|
| 一年內 | Within one year | 72,327 | 109,645 |
| 一年以上至五年 | After one year but within five years | 68,748 | 95,469 |
| 五年以上 | After five years | 6,813 | 7,989 |
| | | 147,888 | 213,103 |

本集團之融資租賃及租購合約之投資總額並無包括不受保證之剩餘價值 (二〇一五年：無)。

No unguaranteed residual values were included in the gross investment in finance lease receivables and hire purchase contracts of the Group (2015: Nil).

本集團之不可收回融資租賃及租購合約之綜合減值準備金總額為港幣4,015,000元 (二〇一五年：港幣5,353,000元)。

The collective impairment allowances for uncollectible finance lease receivables and hire purchase contracts of the Group included in the impairment allowances for the receivables amounted to HK\$4,015,000 (2015: HK\$5,353,000).

本集團之不可收回融資租賃及租購合約之個別減值準備金總額為港幣194,000元 (二〇一五年：港幣666,000元)。

The individual impairment allowances for uncollectible finance lease receivables and hire purchase contracts of the Group included in the impairment allowances for the receivables amounted to HK\$194,000 (2015: HK\$666,000).

25 貸款及其他賬項減值準備

25 Impairment allowances on loans and advances and other accounts

| | | 個別評估 Individual assessment 港幣千元 HK\$'000 | 綜合評估 Collective assessment 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-------------------------|---|--|--|---------------------------------|
| 於二〇一六年一月一日 | At 1 January 2016 | 21,229 | 337,072 | 358,301 |
| 匯率調整 | Exchange adjustments | 3 | 28 | 31 |
| 年內撇除 | Amounts written off | (152,188) | (6,005) | (158,193) |
| 收回往年已撇除之貸款 (註釋12) | Recoveries of advances written off in previous years (note 12) | 2,534 | 1,250 | 3,784 |
| 在收益表淨扣除 (註釋12) | Net charge to income statement (note 12) | 233,386 | 16,972 | 250,358 |
| 準備的折現值撥回 (註釋5) | Unwind of discount on allowance (note 5) | (2,780) | – | (2,780) |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 102,184 | 349,317 | 451,501 |
| 於下列賬項內扣除： | Deducted from: | | | |
| 商業票據 (註釋24 (a)) | Trade bills (note 24 (a)) | – | 1,379 | 1,379 |
| 客戶貸款及應計利息 (註釋24 (a)) | Advances to customers and accrued interest (note 24 (a)) | 102,184 | 347,938 | 450,122 |
| | | 102,184 | 349,317 | 451,501 |
| | | 個別評估 Individual assessment 港幣千元 HK\$'000 | 綜合評估 Collective assessment 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
| 於二〇一五年一月一日 | At 1 January 2015 | 61,590 | 315,498 | 377,088 |
| 匯率調整 | Exchange adjustments | – | 5,120 | 5,120 |
| 年內撇除 | Amounts written off | (52,027) | (5,712) | (57,739) |
| 收回往年已撇除之貸款 (註釋12) | Recoveries of advances written off in previous years (note 12) | 4,036 | 1,783 | 5,819 |
| 在收益表淨扣除 (註釋12) | Net charge to income statement (note 12) | 9,081 | 20,383 | 29,464 |
| 準備的折現值撥回 (註釋5) | Unwind of discount on allowance (note 5) | (1,451) | – | (1,451) |
| 於二〇一五年十二月三十一日 | At 31 December 2015 | 21,229 | 337,072 | 358,301 |
| 於下列賬項內扣除： | Deducted from: | | | |
| 商業票據 (註釋24 (a)) | Trade bills (note 24 (a)) | – | 4,085 | 4,085 |
| 客戶貸款及應計利息 (註釋24 (a)) | Advances to customers and accrued interest (note 24 (a)) | 16,925 | 332,987 | 349,912 |
| 其他賬項 (註釋24 (a)) | Other accounts (note 24 (a)) | 4,304 | – | 4,304 |
| | | 21,229 | 337,072 | 358,301 |

財務報表註釋 Notes to the Financial Statements

26 附屬公司權益

下列為本行於二〇一六年十二月三十一日，擁有之附屬公司：

26 Interests in subsidiaries

The following is a list of the subsidiaries owned by the Bank at 31 December 2016:

| 名稱 | Name | 註冊及營業地點 | Place of incorporation and operation | 已發行及已繳足之股本 Issued and paid up share capital | | 主要業務 | Principal activities |
|------------------------------------|--|---------|--------------------------------------|--|---------------------------------|--------|---------------------------------|
| | | | | 股數 Number of shares | 每股面值 Nominal value per share | | |
| 永隆保險有限公司 [#] | Wing Lung Insurance Company Limited [#] | 香港 | Hong Kong | 29,000,000 | 不適用 / n.a. | 保險業務 | Insurance underwriting |
| 永隆融資有限公司 [#] | Wing Lung Capital Limited [#] | 香港 | Hong Kong | 7,000,000 | 不適用 / n.a. | 財務諮詢服務 | Financial consultancy services |
| 永隆財務有限公司 [#] | Wing Lung Finance Limited [#] | 香港 | Hong Kong | 2,500,000 | 不適用 / n.a. | 提供財務服務 | Provision of financial services |
| 永隆資產管理有限公司 [#] | Wing Lung Asset Management Limited [#] | 香港 | Hong Kong | 2,565,450 | 不適用 / n.a. | 資產管理 | Asset management |
| 永隆銀行信託有限公司 [#] | Wing Lung Bank (Trustee) Limited [#] | 香港 | Hong Kong | 300,000 | 不適用 / n.a. | 信託業務 | Trustee services |
| 永隆保險顧問有限公司 [#] | Wing Lung Insurance Brokers Limited [#] | 香港 | Hong Kong | 250,000 | 不適用 / n.a. | 保險顧問 | Insurance broking |
| 永隆代理有限公司 [#] | Wing Lung Agency Limited [#] | 香港 | Hong Kong | 50,000 | 不適用 / n.a. | 保險代理 | Insurance agency |
| 永隆銀行受託代管有限公司 [#] | Wing Lung Bank (Nominees) Limited [#] | 香港 | Hong Kong | 1,000 | 不適用 / n.a. | 受託代管服務 | Nominee services |
| 永隆管業有限公司 [#] | Wing Lung Property Management Limited [#] | 香港 | Hong Kong | 1,000 | 不適用 / n.a. | 物業管理 | Property management |
| 康令有限公司 [#] | Hongnet Limited [#] | 香港 | Hong Kong | 1,000 | 不適用 / n.a. | 投資業務 | Investment holding |
| Wingspan Incorporated [#] | Wingspan Incorporated [#] | 美國 | U.S.A. | 1,500,000 | US\$1 | 物業持有 | Property holding |

26 附屬公司權益 (續)

26 Interests in subsidiaries (Continued)

| 名稱 | Name | 註冊及營業地點 | Place of incorporation and operation | 已發行及已繳足之股本 Issued and paid up share capital | | 主要業務 | Principal activities |
|--|--|---------|--------------------------------------|--|---------------------------------|--------|------------------------------|
| | | | | 股數 Number of shares | 每股面值 Nominal value per share | | |
| Wing Lung Opportunities Fund Limited [@] | Wing Lung Opportunities Fund Limited [@] | 開曼群島 | Cayman Islands | 45,468 | US\$0.01 | 投資業務 | Investment holding |
| Wing Lung Opportunities Master Fund Limited [@] | Wing Lung Opportunities Master Fund Limited [@] | 開曼群島 | Cayman Islands | 37,675 | US\$0.01 | 投資業務 | Investment holding |
| 時永投資有限公司 [^] | Sea Wing Investments Limited [^] | 香港 | Hong Kong | 1,000 | 不適用 / n.a. | 物業持有 | Property holding |
| 永隆股權投資管理(深圳)有限公司 [^] | Wing Lung Equity Investment Management (Shenzhen) Limited [^] | 中華人民共和國 | People's Republic of China | (註釋a) (note a) | (註釋a) (note a) | 股權投資管理 | Equity investment management |
| 安碧有限公司 [^] | Antopex Limited [^] | 英屬處女島 | British Virgin Islands | 1 | US\$1 | 信託業務 | Trustee services |
| 保亞有限公司 [^] | Bulleria Limited [^] | 英屬處女島 | British Virgin Islands | 1 | US\$1 | 信託業務 | Trustee services |
| 錦嶺有限公司 [^] | Cameland Limited [^] | 英屬處女島 | British Virgin Islands | 1 | US\$1 | 信託業務 | Trustee services |
| 德衛有限公司 [^] | Deeright Limited [^] | 英屬處女島 | British Virgin Islands | 1 | US\$1 | 信託業務 | Trustee services |
| 億聯有限公司 [^] | Eaglearn Limited [^] | 英屬處女島 | British Virgin Islands | 1 | US\$1 | 信託業務 | Trustee services |

由本行全資直接持有之附屬公司。

Wholly and directly held by the Bank.

[^] 由本行全資間接持有之附屬公司。[^] Wholly and indirectly held by the Bank.

[@] 本行持有Wing Lung Opportunities Fund Limited (「該基金」) 發行股數之65.2% (二〇一五年: 55.4%)，連同本行其中一間子公司持有的18.1% (二〇一五年: 無) 股份，本集團合共持有該基金發行股數之83.3% (二〇一五年: 55.4%)。Wing Lung Opportunities Master Fund Limited 由該基金全資直接持有。

[@] The Bank directly holds 65.2% (2015: 55.4%) of the shares issued by Wing Lung Opportunities Fund Limited (the "Fund"), together with 18.1% (2015: nil) of the shares held by one of the Bank's subsidiaries, the Group holds 83.3% (2015: 55.4%) of the shares issued by the Fund. Wing Lung Opportunities Master Fund Limited is wholly and directly held by the Fund.

註釋: (a) 註冊資本為人民幣13,000,000元

Note: (a) Registered capital was RMB13,000,000.

財務報表註釋

Notes to the Financial Statements

27 共同控制實體權益

27 Interests in jointly controlled entities

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------------|---|----------------------------------|----------------------------------|
| 應佔資產淨額 | Share of net assets | 1,678,416 | 1,476,343 |
| 貸款予共同控制實體 (註釋a) | Loans to jointly controlled entities (note a) | - | 5,835 |
| | | 1,678,416 | 1,482,178 |

於二〇一六年十二月三十一日之共同控制實體如下：

The following is a list of the jointly controlled entities at 31 December 2016:

| 名稱 | Name | 註冊及營業地點 | Place of incorporation and operation | 擁有權益 Ownership interest | 投票權之百分比 Proportion of voting power | 主要業務 | Principal activities |
|--|---|---------|--------------------------------------|-------------------------|------------------------------------|-------------------|--|
| 銀聯控股有限公司* | Bank Consortium Holding Limited* | 香港 | Hong Kong | 13.33% | 14.29% | 提供退休計劃之信託、行政及保管服務 | Provision of trustee, administration and custodian services for retirement schemes |
| 銀聯通寶有限公司* | Joint Electronic Teller Services Limited* | 香港 | Hong Kong | (註釋b) (note b) | (註釋b) (note b) | 提供自動櫃員機之網絡服務 | Provision of ATM network services |
| 香港人壽保險有限公司 | Hong Kong Life Insurance Limited | 香港 | Hong Kong | 16.67% | 16.67% | 人壽保險業務 | Life insurance business |
| 銀和再保險有限公司 | BC Reinsurance Limited | 香港 | Hong Kong | 21.00% | 21.00% | 再保險業務 | Reinsurance business |
| i-Tech Solutions Limited* [@] | i-Tech Solutions Limited* [@] | 香港 | Hong Kong | 50.00% | 50.00% | 電子文件處理 | Electronic document processing |
| 招聯消費金融有限公司* | Merchants Union Consumer Finance Company Limited* | 中華人民共和國 | People's Republic of China | 50.00% | 50.00% | 消費金融服務 | Consumer finance service |

以上共同控制實體是本集團的策略伙伴，以拓闊本集團提供予客戶的服務種類。

The above jointly controlled entities are strategic partners for the Group to widen the service types to be provided to the Group's customers.

* 由本行直接持有之共同控制實體

* Directly held by the Bank

[@] 正進行清算過程

[@] Under liquidation process

註釋：(a) 共同控制實體之貸款為附息抵押並以正常商業利率計算。

Note: (a) The loans to jointly controlled entities are secured and interest-bearing at normal commercial terms.

(b) 本集團乃五位創辦成員之一，並共同擁有該公司之控制權益。本集團持有該公司發行予其創辦成員普通股'A'股之20%。該公司有其他普通股級別。在公司清盤時，「A」股擁有分配公司資產的投票權。於二〇一六年十二月三十一日，本集團擁有該公司宣派股息之2.73% (二〇一五年：2.80%) 權益。

(b) The Group is one of the five founding members which together have a controlling interest in the company. The Group holds 20% of the 'A' ordinary shares issued by the company to its founding members. The company also has other class of ordinary shares. Class A ordinary shares have the right to vote on the allocation of the company's asset upon the winding up of the company. As at 31 December 2016, the Group is entitled to 2.73% (2015: 2.80%) of dividends declared by the company.

27 共同控制實體權益 (續)

共同控制實體之財務資料概括如下：

27 Interests in jointly controlled entities (Continued)

Summary of financial information on jointly controlled entities is set out below:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|------------------------|---|----------------------------------|----------------------------------|
| 共同控制實體的總額 | Gross amounts of jointly controlled entities | | |
| 資產 | Assets | 38,678,243 | 15,147,192 |
| 負債 | Liabilities | 33,848,320 | 10,790,519 |
| 權益 | Equity | 4,829,923 | 4,356,673 |
| 總收益 | Gross income | 3,044,755 | 3,298,479 |
| 淨溢利 | Net profit | 601,318 | 145,239 |
| 其他全面收益 | Other comprehensive income | 8,039 | 254,911 |
| 全面收益總額 | Total comprehensive income | 609,357 | 400,150 |
| 收取共同控制實體的股息 | Dividend received from jointly controlled entities | 18,150 | 20,470 |
| 與本集團共同控制實體權益的對賬 | Reconciled to the Group's interests in jointly controlled entities | | |
| 共同控制實體淨資產總額 | Gross amounts of net assets of jointly controlled entities | 4,829,923 | 4,356,673 |
| 本集團對共同控制實體淨資產 之實際權益 | Group's share of net assets of jointly controlled entities | 1,678,416 | 1,476,343 |

28 聯營公司權益**28 Interest in an associate**

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------|---------------------|----------------------------------|----------------------------------|
| 應佔資產淨額 | Share of net assets | 3,363 | 3,875 |

於二〇一六年十二月三十一日及二〇一五年十二月三十一日，由本行一間附屬公司所持有之聯營公司非上市證券之成本值為港幣810,000元。

The cost of the unlisted shares in the associate at 31 December 2016 and 31 December 2015 held by a subsidiary of the Bank amounted to HK\$810,000.

財務報表註釋

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28 聯營公司權益 (續)

28 Interest in an associate (Continued)

本集團所持之聯營公司之資料如下：

The particulars of the Group's interest in an associate is as follows:

| 名稱 | Name | 註冊及 營業地點 | Place of incorporation and operation | 主要業務 | Principal activities | 持有之已發 行股份詳情 | Particulars of issued shares held | 間接 持有權益 | Interest held indirectly |
|------------------|---|-------------|--|------|-------------------------|----------------|---|------------|--------------------------------|
| 專業責任保險 代理有限公司 | Professional Liability Underwriting Services Limited | 香港 | Hong Kong | 保險代理 | Insurance agency | 非上市之普 通股 | Unlisted ordinary shares | 27% | 27% |

以上聯營公司是本集團的策略伙伴，以
提供保險代理服務予本集團的客戶。

The above associate is a strategic partner for the Group to provide
insurance agency services to the Group's customers.

聯營公司之財務資料概括如下：

Summary of financial information on the associate is set out below:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------|--|----------------------------------|----------------------------------|
| 聯營公司的總額 | Gross amounts of the associate | | |
| 資產 | Assets | 57,837 | 57,635 |
| 負債 | Liabilities | 45,379 | 43,284 |
| 權益 | Equity | 12,458 | 14,351 |
| 總收益 | Gross income | 10,089 | 12,045 |
| 淨溢利 | Net profit | 2,909 | 4,185 |
| 其他全面收益 | Other comprehensive income | 297 | (228) |
| 全面收益總額 | Total comprehensive income | 3,206 | 3,957 |
| 收取聯營公司的股息 | Dividend received from the associate | 1,377 | 1,620 |
| | Reconciled to the Group's interest in the associate | | |
| 與本集團聯營公司權益的對賬 | | | |
| 聯營公司淨資產總額 | Gross amounts of net assets of the associate | 12,458 | 14,351 |
| 本集團對聯營公司淨資產之 實際權益 | Group's share of net assets of the associate | 3,363 | 3,875 |

29 投資物業

29 Investment properties

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------------------|--|----------------------------------|----------------------------------|
| 於一月一日 | At 1 January | 3,130,050 | 2,635,330 |
| 房產與投資物業重分類 | Net reclassification between premises and investment properties | 17,364 | 458,110 |
| 重估公平價值收益 | Fair value gains on revaluation | 44,256 | 36,610 |
| 於十二月三十一日 (經專業估值列賬) | At 31 December (professional valuation) | 3,191,670 | 3,130,050 |
| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 位於香港之租約物業： | Leasehold properties in Hong Kong: | | |
| – 長期租約 (五十年以上) | – Long-term leases (over 50 years) | 453,040 | 450,910 |
| – 中期租約 (十至五十年) | – Medium-term leases (between 10 to 50 years) | 2,738,630 | 2,679,140 |
| | | 3,191,670 | 3,130,050 |

財務報表註釋

Notes to the Financial Statements

29 投資物業 (續)

所有投資物業於二〇一六年十二月三十一日之估值，以投資估值方法將淨租金收入資本化釐定。是次重估經由獨立測量公司韋堅信產業測量師行有限公司進行，其僱員具香港測量師學會會士資歷及對估值物業的所在地點及類別有近期估值經驗。

下表呈列本集團以經常性計量的投資物業公平價值，並按香港財務報告準則第13號定義的公平價值層級分類。公平價值以估值所用的投入數據可觀察性劃分層級。可觀察的投入數據反映市場資訊從獨立的來源獲得；不可觀察的投入數據反映了本集團對市場的預期。這兩種投入數據產生了下列公平價值的層級：

- 第1層 – 參考同一工具於活躍市場取得的市場報價 (未經調整)。
- 第2層 – 根據可觀察的直接 (如報價) 或間接 (如由報價所推算) 投入數據之估值模式。
- 第3層 – 根據重要但不可觀察得到的投入數據之估值模式。

29 Investment properties (Continued)

All investment properties were revalued as at 31 December 2016 by capitalising the net rental income using the Investment Method of Valuation. The valuations were carried out by an independent firm of surveyors, A.G. Wilkinson & Associates (Surveyors) Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

The table below presents the fair value of the Group's investment properties measured on a recurring basis, categorised into the fair value hierarchy as defined in HKFRS 13. The level into which a fair value measurement is classified is based on whether the inputs used in the valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2 – Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Valuation techniques using significant unobservable inputs.

| | | 第三層 Level 3 | |
|-------------------------|--|------------------|------------------|
| | | 二〇一六 2016 | 二〇一五 2015 |
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 經常性公平價值計量： 位於香港之租約物業 | Recurring fair value measurement: Leasehold properties in Hong Kong | 3,191,670 | 3,130,050 |

29 投資物業 (續)

截至二〇一六年十二月三十一日及二〇一五年十二月三十一日止之財政年度，並無第一層與第二層間之轉移，亦無轉入或從第三層轉出。本集團於公平價值層級間的轉移發生的報告期末予以確認。

以下表格列出於年末時用以計量被分類為公平價值層級第3層的投资物業之重大不可觀察的投入數據資料。

29 Investment properties (Continued)

During the years ended 31 December 2016 and 31 December 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group recognises transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The table below sets out information about significant unobservable inputs used at year end in measuring investment properties categorised as level 3 in the fair value hierarchy.

| 估值技巧 | Valuation techniques | 賬面值 | |
|--------|----------------------|----------------------------------|----------------------------------|
| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 投資估值方法 | Investment method | 3,191,670 | 3,130,050 |

| 估值技巧 | 重大不可觀察的 投入數據 Significant unobservable inputs | 範圍 Range | | 不可觀察的投入數據對 公平價值計量的敏感度 Fair value measurement sensitivity to unobservable inputs |
|-------------------|---|---|---|--|
| | | 二〇一六 2016 | 二〇一五 2015 | |
| 投資估值方法 | 市場收益率 | 2.75% – 8.7% | 3.3% – 18.0% | 市場收益率的重大上升 將引致公平價值的下跌 Significant increase in market yield would result in a lower fair value |
| Investment method | Market yield | | | |
| | 市場租金 | 每平方尺 港幣13元至 港幣1,341元 HK\$13 to HK\$1,341 per square feet | 每平方尺 港幣10元至 港幣1,378元 HK\$10 to HK\$1,378 per square feet | 市場租金的重大上升 將引致公平價值的上升 Significant increase in market rent would result in a higher fair value |
| | Market rent | | | |

註釋：因可供比較的交易數量有限，所有投資物業於二〇一六年十二月三十一日及二〇一五年十二月三十一日均以投資估值方法計量。

Note: Due to the limited number of comparable transactions, all investment properties are measured using investment method as at 31 December 2016 and 31 December 2015.

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29 投資物業 (續)

本集團以經營租賃形式租出投資物業。租賃年期通常不長於四年。截至二〇一六年十二月三十一日止年度，包括在租約內之或有租金為港幣58,000元 (二〇一五年：港幣618,000元)。

於十二月三十一日，不可撤銷之營業租賃之未來最低應收租賃款項總額如下：

29 Investment properties (Continued)

The Group leases out investment properties under operating leases. The leases typically run for an initial period of up to 4 years. Contingent rentals included in leases for the year ended 31 December 2016 amounted to HK\$58,000 (2015: HK\$618,000).

At 31 December, the total future minimum lease payments receivable under non-cancellable operating leases are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|------------|--|----------------------------------|----------------------------------|
| 土地及樓宇 | Land and buildings | | |
| – 一年以內 | – Within one year | 163,356 | 161,378 |
| – 一年以後至五年內 | – After one year but within five years | 70,426 | 155,312 |
| | | 233,782 | 316,690 |

30 租賃土地權益

本集團之租賃土地權益為預繳土地溢價，其賬面淨值分析如下：

30 Interests in leasehold land

The Group's interests in leasehold land represent prepaid land lease premium and their net book values are analysed as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------|--|----------------------------------|----------------------------------|
| 於一月一日 | At 1 January | 189,302 | 222,705 |
| 房產與投資物業重分類 | Net reclassification between premises and investment properties | (4,674) | (28,954) |
| 租賃土地折舊 (註釋11) | Depreciation of leasehold land (note 11) | (4,059) | (4,449) |
| 於十二月三十一日 | At 31 December | 180,569 | 189,302 |
| 在香港持有： | In Hong Kong held on: | | |
| – 長期租約 (五十年以上) | – Long-term leases (over 50 years) | 72,586 | 73,021 |
| – 中期租約 (十至五十年) | – Medium-term leases (between 10 to 50 years) | 107,983 | 116,281 |
| | | 180,569 | 189,302 |

31 其他物業及設備

31 Other properties and equipment

| | | 房產 Premises 港幣千元 HK\$'000 | 傢俬及設備 Furniture and equipment 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|---------------|---|------------------------------------|--|---------------------------------|
| 成本 | Cost | | | |
| 於二〇一六年一月一日 | At 1 January 2016 | 876,704 | 1,506,085 | 2,382,789 |
| 匯率調整 | Exchange adjustments | 18 | (3,086) | (3,068) |
| 增置 | Additions | – | 210,634 | 210,634 |
| 出售 | Disposals | – | (54,261) | (54,261) |
| | Net reclassification between premises and investment properties | (12,690) | – | (12,690) |
| 房產與投資物業重分類 | | | | |
| 房產重估盈餘轉入投資物業 | Revaluation surplus on premises transferred to investment properties | 32,135 | – | 32,135 |
| 減：累積折舊抵銷重估 | Less: elimination of accumulated depreciation on revaluation | (4,458) | – | (4,458) |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 891,709 | 1,659,372 | 2,551,081 |
| 累積折舊 | Accumulated depreciation | | | |
| 於二〇一六年一月一日 | At 1 January 2016 | 202,831 | 861,579 | 1,064,410 |
| 匯率調整 | Exchange adjustments | 3 | (1,933) | (1,930) |
| 本年度折舊(註釋11) | Charge for the year (note 11) | 15,047 | 145,286 | 160,333 |
| 出售回撥 | Written back on disposal | – | (49,433) | (49,433) |
| 重估後撇除 | Elimination on revaluation | (4,458) | – | (4,458) |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 213,423 | 955,499 | 1,168,922 |
| 賬面淨值 | Net book value | | | |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 678,286 | 703,873 | 1,382,159 |

財務報表註釋

Notes to the Financial Statements

31 其他物業及設備 (續)

31 Other properties and equipment (Continued)

| | | 房產 Premises 港幣千元 HK\$'000 | 傢俬及設備 Furniture and equipment 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|---------------|---|------------------------------------|--|---------------------------------|
| 成本 | Cost | | | |
| 於二〇一五年一月一日 | At 1 January 2015 | 882,937 | 1,132,993 | 2,015,930 |
| 匯率調整 | Exchange adjustments | (22) | (2,502) | (2,524) |
| 增置 | Additions | – | 435,952 | 435,952 |
| 出售 | Disposals | – | (28,033) | (28,033) |
| | Net reclassification between premises and investment properties | (429,156) | – | (429,156) |
| 房產與投資物業重分類 | Revaluation surplus on premises transferred to investment properties | 424,180 | – | 424,180 |
| 房產重估盈餘轉入投資物業 | Less: elimination of accumulated depreciation on revaluation | (1,235) | – | (1,235) |
| 減：累積折舊抵銷重估值 | Reclassified to assets classified as held for sale | – | (32,325) | (32,325) |
| 重新分類之列作出售資產 | | | | |
| 於二〇一五年十二月三十一日 | At 31 December 2015 | 876,704 | 1,506,085 | 2,382,789 |
| 累積折舊 | Accumulated depreciation | | | |
| 於二〇一五年一月一日 | At 1 January 2015 | 188,242 | 795,627 | 983,869 |
| 匯率調整 | Exchange adjustments | (5) | (1,674) | (1,679) |
| 本年度折舊 (註釋11) | Charge for the year (note 11) | 15,829 | 122,931 | 138,760 |
| 出售回撥 | Written back on disposal | – | (25,720) | (25,720) |
| 重估後撇除 | Elimination on revaluation | (1,235) | – | (1,235) |
| | Reclassified to assets classified as held for sale | – | (29,585) | (29,585) |
| 重新分類之列作出售資產 | | | | |
| 於二〇一五年十二月三十一日 | At 31 December 2015 | 202,831 | 861,579 | 1,064,410 |
| 賬面淨值 | Net book value | | | |
| 於二〇一五年十二月三十一日 | At 31 December 2015 | 673,873 | 644,506 | 1,318,379 |

31 其他物業及設備 (續)

房產之賬面淨值包括：

31 Other properties and equipment (Continued)

The net book value of premises comprises:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------|--|----------------------------------|----------------------------------|
| 位於香港之租約物業： | Leasehold properties in Hong Kong: | | |
| – 長期租約 (五十年以上) | – Long-term leases (over 50 years) | 361,413 | 366,641 |
| – 中期租約 (十至五十年) | – Medium-term leases (between 10 to 50 years) | 286,715 | 276,030 |
| | | 648,128 | 642,671 |
| 位於海外之租約物業： | Leasehold properties outside Hong Kong: | | |
| – 永久 | – Freehold | 24,988 | 25,844 |
| – 中期租約 (十至五十年) | – Medium-term leases (between 10 to 50 years) | 5,170 | 5,358 |
| | | 30,158 | 31,202 |
| | | 678,286 | 673,873 |

32 以公平價值誌入損益賬之金融負債**32 Financial liabilities designated at fair value through profit or loss**

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------|--------------------------------|----------------------------------|----------------------------------|
| 發行之存款證 | Certificates of deposit issued | – | 503,961 |

於二〇一六年十二月三十一日，本集團並無指定為以公平價值誌入損益賬之金融負債。於二〇一五年十二月三十一日，本集團指定為以公平價值誌入損益賬之金融負債的賬面值比於到期日約定支付予持有人之金額高出港幣3,961,000元，主要由於利率改變引致。

There were no financial liabilities designated at fair value through profit or loss as at 31 December 2016. The carrying amount of financial liabilities designated at fair value through profit or loss as at 31 December 2015 is higher than the amount that the Group would be contractually required to pay at maturity to the holders by HK\$3,961,000, which was mainly due to changes in interest rates risk.

財務報表註釋

Notes to the Financial Statements

33 客戶存款

33 Deposits from customers

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--------------------------------------|----------------------------------|----------------------------------|
| 活期存款及往來賬戶 | Demand deposits and current accounts | 14,587,451 | 12,167,170 |
| 儲蓄存款 | Savings deposits | 58,955,968 | 49,853,586 |
| 定期存款及通知存款 | Time, call and notice deposits | 110,707,735 | 118,192,102 |
| | | 184,251,154 | 180,212,858 |

34 資本工具

34 Capital instruments

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--|---|----------------------------------|----------------------------------|
| 發行之後償債項 | Subordinated debts issued | | |
| 港幣1,500,000,000元按攤銷成本 列賬的定息後償票據 (註釋a) | HK\$1,500,000,000 subordinated fixed rate notes, measured at amortised cost (Note a) | - | 1,500,000 |
| 美元200,000,000元按攤銷成本 列賬的定息後償票據 (註釋b) | US\$200,000,000 subordinated fixed rate notes, measured at amortised cost (Note b) | 1,541,841 | 1,539,595 |
| | | 1,541,841 | 3,039,595 |
| 額外權益工具 | Additional equity instruments | | |
| 美元130,000,000元永續型非累積 後償資本證券 (註釋c) | US\$130,000,000 undated non-cumulative subordinated capital securities (Note c) | 1,008,020 | 1,008,020 |
| 美元130,000,000元永續型非累積 後償資本證券 (註釋d) | US\$130,000,000 undated non-cumulative subordinated capital securities (Note d) | 1,007,370 | 1,007,370 |
| 人民幣1,000,000,000元永續型非 累積後償資本證券 (註釋e) | RMB1,000,000,000 undated non-cumulative subordinated capital securities (Note e) | 1,236,600 | 1,236,600 |
| | | 3,251,990 | 3,251,990 |

34 資本工具 (續)

- 註釋：(a) 此港幣1,500,000,000元定息後償票據於二〇〇九年十二月二十八日發行，並被界定為本集團之附加資本。此票據將於二〇二一年十二月二十八日到期。選擇性贖還日為二〇一六年十二月二十八日。此票據的利息按年利率5.70%計算，按季度支付。此票據已於二〇一六年十二月二十八日贖回。
- (b) 此美元200,000,000元定息後償票據於二〇一二年十一月六日發行，並被界定為本集團之附加資本。此票據將於二〇二二年十一月七日期到。選擇性贖還日為二〇一七年十一月七日或之後的每個利息支付日。由發行日至選擇性贖還日之首五年，此票據的利息按年利率3.50%計算，按半年度支付。其後，倘票據未在選擇性贖還日贖回，往後的利息會重訂為當日的美國五年期國庫債券息率加280點子。
- (c) 此美元130,000,000元永續型非累積後償資本證券被界定為本集團之額外一級資本。此證券於二〇一四年九月三十日發行予本行之控股公司，首個提前回購日為二〇一九年十月一日。由發行日至首個提前回購日之首五年，此證券的年息率為6.00%。其後，若屆時未行使回購權，息率將每5年按當時美國五年期國庫債券息率加4.13%重新釐訂。
- (d) 此美元130,000,000元永續型非累積後償資本證券被界定為本集團之額外一級資本。此證券於二〇一四年十二月二十九日發行予本行之控股公司，首個提前回購日為二〇一九年十二月三十日。由發行日至首個提前回購日之首五年，此證券的年息率為5.80%。其後，若屆時未行使回購權，息率將每5年按當時美國五年期國庫債券息率加4.13%重新釐訂。
- (e) 此人民幣1,000,000,000元永續型非累積後償資本證券被界定為本集團之額外一級資本。此證券於二〇一五年二月三日發行予本行之控股公司，首個提前回購日為二〇二〇年二月四日。此證券的年息率為5.50%。

額外權益工具之本金將於導致無法繼續經營事件發生時撇銷。票息每半年支付，而銀行有權自行決定取消票息支付。已取消之票息不會累積。

34 Capital instruments (Continued)

- Note: (a) These represent HK\$1,500,000,000 subordinated fixed rate notes qualifying as supplementary capital of the Group issued on 28 December 2009. The notes will mature on 28 December 2021 with an optional redemption date falling on 28 December 2016. Interest at 5.70% per annum is payable on a quarterly basis. The notes were redeemed on 28 December 2016.
- (b) These represent US\$200,000,000 subordinated fixed rate notes qualifying as supplementary capital of the Group issued on 6 November 2012. The notes will mature on 7 November 2022 with an optional redemption date falling on 7 November 2017 or any interest payment date thereafter. Interest at 3.50% per annum is payable on a semi-annually basis for the first 5 years from the date of issue to the optional redemption date. Thereafter, if the notes are not redeemed, the interest rate will reset and the notes will bear interest at 5 year US Treasury Rate on that date plus 280 basis points.
- (c) This represents US\$130,000,000 undated non-cumulative subordinated capital securities qualifying as additional Tier 1 capital of the Group. The securities were issued to the Bank's holding company on 30 September 2014 with the first call date falling on 1 October 2019. Distribution rate for the securities is set at 6.00% per annum for the first 5 years from the date of issue to the first call date. Distribution rate will be reset thereafter every 5 years at the then prevailing 5 year U.S. Treasury Rate plus 4.13% per annum if the capital securities are not called.
- (d) This represents US\$130,000,000 undated non-cumulative subordinated capital securities qualifying as additional Tier 1 capital of the Group. The securities were issued to the Bank's holding company on 29 December 2014 with the first call date falling on 30 December 2019. Distribution rate for the securities is set at 5.80% per annum for the first 5 years from the date of issue to the first call date. Distribution rate will be reset thereafter every 5 years at the then prevailing 5 year U.S. Treasury Rate plus 4.13% per annum if the capital securities are not called.
- (e) This represents RMB1,000,000,000 undated non-cumulative subordinated capital securities qualifying as additional Tier 1 capital of the Group. The securities were issued to the Bank's holding company on 3 February 2015 with the first call date falling on 4 February 2020. Distribution rate for the securities is set at 5.50% per annum.

The principal of the additional equity instruments will be written down if a non-viability event occurs. Distribution is payable semi-annually, and may be cancelled at the sole discretion of the Bank. Cancelled distribution is not cumulative.

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35 遞延稅項

已於綜合財務狀況表內確認之遞延稅項資產／(負債)之組成部份，及年內之變動如下：

35 Deferred taxation

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

| | | 加速 稅項折舊 Accelerated tax depreciation 港幣千元 HK\$'000 | 退休 福利義務 Retirement benefit obligation 港幣千元 HK\$'000 | 貸款 減值準備 Impairment allowances on loans and advances 港幣千元 HK\$'000 | 稅項虧損 Tax loss 港幣千元 HK\$'000 | 其他 Others 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|--------------------------|--|--|---|--|--------------------------------------|----------------------------------|---------------------------------|
| 於二〇一六年一月一日 | At 1 January 2016 | (88,712) | (5,174) | 82,981 | 4,951 | 1,836 | (4,118) |
| 在收益表(扣除)／ 記賬 | (Charged)/credited to income statement | (5,809) | 2,372 | 4,135 | (4,951) | (961) | (5,214) |
| 在其他全面收益(扣除)／ 記賬(註釋39) | (Charged)/credited to other comprehensive income (note 39) | – | (6,724) | – | – | 26,773 | 20,049 |
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | (94,521) | (9,526) | 87,116 | – | 27,648 | 10,717 |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| 於二〇一五年一月一日 | At 1 January 2015 | (38,265) | (14,452) | 67,401 | 16,956 | 728 | 32,368 |
| 在收益表(扣除)／ 記賬 | (Charged)/credited to income statement | (50,893) | 2,186 | 15,580 | (12,005) | 521 | (44,611) |
| 在其他全面收益記賬 (註釋39) | Credited to other comprehensive income (note 39) | – | 7,092 | – | – | 587 | 7,679 |
| 重新分類之列作出售 負債(註釋37) | Reclassified to liabilities classified as held for sale (note 37) | 446 | – | – | – | – | 446 |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | (88,712) | (5,174) | 82,981 | 4,951 | 1,836 | (4,118) |

35 遞延稅項 (續)**35 Deferred taxation (Continued)**

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------------------|--|----------------------------------|----------------------------------|
| 於綜合財務狀況表內確認之 遞延稅項資產淨額 | Net deferred tax assets recognised in the consolidated statement of financial position | 49,415 | 44,250 |
| 於綜合財務狀況表內確認之 遞延稅項負債淨額 | Net deferred tax liabilities recognised in the consolidated statement of financial position | (38,698) | (48,368) |
| | | 10,717 | (4,118) |

遞延稅項資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損予以確認。於二〇一六年十二月三十一日，本集團並無未確認之稅項虧損（二〇一五年：港幣32,126,000元），可結轉以抵銷未來應課稅收入。

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the deferred tax benefit through future profits is probable. At 31 December 2016, the Group had no unrecognised tax losses (2015: HK\$32,126,000) to be carried forward to set off against future taxable profits.

36 其他賬項及預提**36 Other accounts and accruals**

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------|----------------------------|----------------------------------|----------------------------------|
| 應付利息 | Interest payable | 824,115 | 1,316,271 |
| 保費負債 | Insurance liabilities | 2,104,214 | 2,224,279 |
| 應付及其他賬項 | Accounts and other payable | 2,224,614 | 1,965,692 |
| | | 5,152,943 | 5,506,242 |

財務報表註釋

Notes to the Financial Statements

36 其他賬項及預提 (續)

保費負債分析如下：

36 Other accounts and accruals (Continued)

Insurance liabilities are analysed as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------------|--|----------------------------------|----------------------------------|
| 總額 | Gross | | |
| 已呈報之索償及 損失支出調整 | Claims reported and loss adjustment expenses | 719,504 | 741,577 |
| 已發生但未呈報之索償 | Claims incurred but not reported | 850,818 | 855,153 |
| 未期滿保費 | Unearned premiums | 281,346 | 354,442 |
| 未到期風險準備 | Provision for unexpired risk | 25,492 | 24,564 |
| 其他 | Others | 227,054 | 248,543 |
| 保險負債總額 | Total insurance liabilities, gross | 2,104,214 | 2,224,279 |
| 於再投保人收回 | Recoverable from reinsurers | | |
| 已呈報之索償及 損失支出調整 | Claims reported and loss adjustment expenses | 98,601 | 110,533 |
| 已發生但未呈報之索償 | Claims incurred but not reported | 103,282 | 103,383 |
| 未期滿保費 | Unearned premiums | 42,996 | 59,411 |
| 再投保人所佔保險負債總額 (註釋24(a)) | Total reinsurers' share of insurance liabilities (note 24(a)) | 244,879 | 273,327 |
| 淨額 | Net | | |
| 已呈報之索償及 損失支出調整 | Claims reported and loss adjustment expenses | 620,903 | 631,044 |
| 已發生但未呈報之索償 | Claims incurred but not reported | 747,536 | 751,770 |
| 未期滿保費 | Unearned premiums | 238,350 | 295,031 |
| 未到期風險準備 | Provision for unexpired risk | 25,492 | 24,564 |
| 其他 | Others | 227,054 | 248,543 |
| 保險負債淨額 | Total insurance liabilities, net | 1,859,335 | 1,950,952 |

已呈報之索償總額、調整損失支出負債及已承付索償但未呈報之負債為除去預期於可挽救及轉移中收回之淨額。於二〇一六年十二月三十一日及二〇一五年十二月三十一日之可挽救及轉移之金額並不重大，因此無獨立披露。

The gross claims reported, the loss adjustment expenses liabilities and the liability for claims incurred but not reported are net of expected recoveries from salvage and subrogation. The amounts for salvage and subrogation at 31 December 2016 and 31 December 2015 are not separately disclosed as they are not material.

37 列作出售資產及負債

列作出售資產及負債之主要類別的賬面值如下：

37 Assets and liabilities classified as held for sale

The carrying amount of major classes of assets and liabilities classified as held for sale are analysed as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------|--|----------------------------------|----------------------------------|
| 庫存現金及短期資金 | Cash and short term funds | – | 13,999 |
| 持作買賣用途之證券 | Trading securities | – | 262 |
| 可供出售之證券 | Available-for-sale securities | – | 199,097 |
| 貸款及其他賬項 | Advances and other accounts | – | 296,250 |
| 其他物業及設備 | Other properties and equipment | – | 2,740 |
| 可回收稅項 | Tax recoverable | – | 65 |
| 列作出售資產 | Assets classified as held for sale | – | 512,413 |
| 當期稅項 | Current taxation | – | 9,654 |
| 遞延稅項負債（註釋35） | Deferred tax liabilities (note 35) | – | 446 |
| 其他賬項及預提 | Other accounts and provisions | – | 294,171 |
| 列作出售負債 | Liabilities classified as held for sale | – | 304,271 |

作為招商銀行股份有限公司於香港進行證券及期貨業務集團內部重組的一部分，本行出售兩家附屬公司（永隆證券有限公司及永隆期貨有限公司）的全部權益予本行母公司之附屬公司招銀國際金融有限公司（下稱「招銀國際」）。出售代價以收購方發行及配售股份方式結付。於二〇一六年四月十五日完成出售後，招銀國際成為該兩間附屬公司之直接及唯一股東。

As part of the intra-group restructuring of the securities and futures business of China Merchants Bank Co., Ltd. in Hong Kong, the Bank sold its entire interests in two subsidiaries, Wing Lung Securities Limited and Wing Lung Futures Limited, to CMB International Capital Corporation Limited (“CMBI”), a fellow subsidiary of the Bank. The sale consideration was settled by issuance and allotment of CMBI’s new shares to the Bank. Upon completion of the sale on 15 April 2016, CMBI became the direct, sole shareholder of these two subsidiaries.

38 股本**38 Share capital**

| | | 二〇一六 2016 | | 二〇一五 2015 | |
|------------|------------------------|---------------------|------------------|---------------------|------------------|
| | | 股數 No. of shares | 港幣千元 HK\$'000 | 股數 No. of shares | 港幣千元 HK\$'000 |
| 已發行及已繳足股本： | Issued and fully paid: | | | | |
| 普通股 | Ordinary shares | 232,190,115 | 1,160,951 | 232,190,115 | 1,160,951 |

普通股持有人有權收取不時宣派之股息，亦有權於本行之會議上以每股一票的方式投票。所有普通股對本行之剩餘淨資產享有同等地位。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Bank. All ordinary shares rank equally with regard to the Bank’s residual net assets.

財務報表註釋

Notes to the Financial Statements

39 儲備

本集團

39 Reserves

The Group

| | | 重估 房產儲備 Bank Capital reserve 港幣千元 HK\$'000 | 重估 投資儲備 Investment revaluation reserve 港幣千元 HK\$'000 | 其他儲備 Other reserves 港幣千元 HK\$'000 | 保留溢利 Retained earnings 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|-----------------------|---|--|--|---|--|---------------------------------|
| 於二〇一六年一月一日 | At 1 January 2016 | 57,500 | 523,171 | 441,422 | 23,426,477 | 25,271,605 |
| 可供出售之證券 | Available-for-sale securities | | | | | |
| – 公平價值改變 | – Changes in fair value | – | – | (86,124) | – | (86,124) |
| – 因出售附屬公司而減少 | – Decrease due to disposal of subsidiaries | – | – | (188,446) | – | (188,446) |
| – 於出售時轉入收益表 | – Transfer to income statement on disposal | – | – | (127,616) | – | (127,616) |
| – 於減值時轉入收益表 | – Transfer to income statement on impairment | – | – | 4,761 | – | 4,761 |
| 重估房產之盈餘 | Surplus on revaluation of bank premises | – | 32,135 | – | – | 32,135 |
| 應佔聯營公司儲備 | Share of an associate's reserves | – | – | 80 | – | 80 |
| 應佔共同控制實體儲備 | Share of jointly controlled entities' reserves | – | 840 | 498 | (14,151) | 1,338 |
| 是年度溢利 | Profit for the year | – | – | – | 3,496,541 | 3,496,541 |
| 轉出或然儲備 | Transfer from contingency reserve | – | – | – | 46 | – |
| 匯率變動 | Exchange difference | – | – | – | (214,893) | (214,893) |
| 界定福利計劃之精算收益 | Actuarial gains on defined benefit scheme | – | – | – | – | – |
| 其他全面收益對遞延稅項之影響 (註釋35) | Effect of deferred taxation on other comprehensive income (note 35) | – | – | 26,773 | – | – |
| 額外權益工具分配 | Distribution for additional equity instruments | – | – | – | – | – |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 57,500 | 556,146 | 71,348 | 26,823,849 | 28,131,090 |

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The Bank

| | | 重估 房產儲備 Bank premises revaluation reserve 港幣千元 HK\$'000 | 重估 投資儲備 Investment revaluation reserve 港幣千元 HK\$'000 | 其他儲備 Other reserves 港幣千元 HK\$'000 | 保留溢利 Retained earnings 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|----------------|---|--|--|---|--|---------------------------------|
| 於二〇一六年一月一日 | At 1 January 2016 | 356,835 | 234,474 | 822,472 | 22,542,970 | 23,956,751 |
| 可供出售之證券 | Available-for-sale securities | | | | | |
| – 公平價值改變 | – Changes in fair value | – | (92,202) | – | – | (92,202) |
| – 於出售時轉入收益表 | – Transfer to income statement on disposal | – | (119,910) | – | – | (119,910) |
| 重估房產之盈餘 | Surplus on revaluation of bank premises | 32,135 | – | – | – | 32,135 |
| 是年度溢利 | Profit for the year | – | – | – | 3,206,739 | 3,206,739 |
| 匯率變動 | Exchange difference | – | – | (213,958) | – | (213,958) |
| 界定福利計劃之精算收益 | Actuarial gains on defined benefit scheme | – | – | – | 40,751 | 40,751 |
| 其他全面收益對遞延稅項之影響 | Effect of deferred taxation on other comprehensive income | – | 28,620 | – | – | – |
| 額外權益工具分配 | Distribution for additional equity instruments | – | – | – | – | – |
| 於二〇一六年十二月三十一日 | At 31 December 2016 | 388,970 | 50,982 | 608,514 | 25,664,645 | 26,713,111 |

39 儲備 (續)

39 Reserves (Continued)

本集團

The Group

| | | 資本儲備 Capital reserve 港幣千元 HK\$'000 | 重估 房產儲備 Bank premises revaluation reserve 港幣千元 HK\$'000 | 重估 投資儲備 Investment revaluation reserve 港幣千元 HK\$'000 | 其他儲備 Other reserves 港幣千元 HK\$'000 | 保留溢利 Retained earnings 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|---------------------------|--|--|--|--|---|--|---------------------------------|
| 於二〇一五年一月一日 | At 1 January 2015 | 57,500 | 66,769 | 430,730 | 1,021,154 | 20,330,835 | 21,906,988 |
| 可供出售之證券 | Available-for-sale securities | | | | | | |
| – 公平價值改變 | – Changes in fair value | – | – | 102,216 | – | – | 102,216 |
| – 於出售時轉入收益表 | – Transfer to income statement on disposal | – | – | (104,435) | – | – | (104,435) |
| 重估房產之盈餘 | Surplus on revaluation of bank premises | – | 424,180 | – | – | – | 424,180 |
| 應佔聯營公司儲備 | Share of an associate's reserves | – | – | (78) | – | – | (78) |
| 應佔共同控制實體儲備 | Share of jointly controlled entities' reserves | – | 32,222 | 12,402 | 704 | – | 45,328 |
| 是年度溢利 | Profit for the year | – | – | – | – | 3,250,426 | 3,250,426 |
| 轉出或然儲備 | Transfer from contingency reserve | – | – | – | (96) | 96 | – |
| 匯率變動 | Exchange difference | – | – | – | (198,727) | – | (198,727) |
| 界定福利計劃之精算虧損 | Actuarial losses on defined benefit scheme | – | – | – | – | (42,981) | (42,981) |
| 其他全面收益對遞延稅項 之影響 (註釋35) | Effect of deferred taxation on other comprehensive income (note 35) | – | – | 587 | – | 7,092 | 7,679 |
| 額外權益工具分配 | Distribution for additional equity instruments | – | – | – | – | (118,991) | (118,991) |
| 於二〇一五年十二月三十一日 | At 31 December 2015 | 57,500 | 523,171 | 441,422 | 823,035 | 23,426,477 | 25,271,605 |

本行

The Bank

| | | 重估 房產儲備 Bank premises revaluation reserve 港幣千元 HK\$'000 | 重估 投資儲備 Investment revaluation reserve 港幣千元 HK\$'000 | 其他儲備 Other reserves 港幣千元 HK\$'000 | 保留溢利 Retained earnings 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|--------------------|--|--|--|---|--|---------------------------------|
| 於二〇一五年一月一日 | At 1 January 2015 | 65,144 | 247,006 | 1,024,753 | 19,223,196 | 20,560,099 |
| 可供出售之證券 | Available-for-sale securities | | | | | |
| – 公平價值改變 | – Changes in fair value | – | 79,663 | – | – | 79,663 |
| – 於出售時轉入收益表 | – Transfer to income statement on disposal | – | (89,791) | – | – | (89,791) |
| 重估房產之盈餘 | Surplus on revaluation of bank premises | 291,691 | – | – | – | 291,691 |
| 是年度溢利 | Profit for the year | – | – | – | 3,474,654 | 3,474,654 |
| 匯率變動 | Exchange difference | – | – | (202,281) | – | (202,281) |
| 界定福利計劃之精算虧損 | Actuarial losses on defined benefit scheme | – | – | – | (42,981) | (42,981) |
| 其他全面收益對遞延稅項 之影響 | Effect of deferred taxation on other comprehensive income | – | (2,404) | – | 7,092 | 4,688 |
| 額外權益工具分配 | Distribution for additional equity instruments | – | – | – | (118,991) | (118,991) |
| 於二〇一五年十二月三十一日 | At 31 December 2015 | 356,835 | 234,474 | 822,472 | 22,542,970 | 23,956,751 |

財務報表註釋

Notes to the Financial Statements

39 儲備 (續)

- (a) 本集團之資本儲備是由若干附屬公司將其保留溢利資本化並發行新股予本行時所成立。
- (b) 重估房產儲備乃根據載於註釋1.11的會計政策而成立。
- (c) 重估投資儲備乃可供出售證券在出售或減值前之公平價值變動之累計淨差額並根據載於註釋1.6及1.7的會計政策確認。
- (d) 本集團的其他儲備包括普通儲備、匯兌儲備、或然儲備及法定儲備。本行的其他儲備包括普通儲備及匯兌儲備。

普通儲備是往年度從保留溢利轉撥之金額。

匯兌儲備是因折算海外分行及附屬公司的財務報表產生的匯兌變動。

或然儲備代表按照由保險業監理處頒佈之按揭擔保保險業務儲備金指引以應付經濟嚴重逆轉時累積的風險而建立之儲備。

法定盈餘儲備的款項是以本行於中華人民共和國成立之共同控制實體之經審計後淨利潤的10%列賬，直至盈餘儲備之累計額相等於其註冊股本的50%。盈餘儲備經股東批准後可用於彌補累計虧損或轉化為實收股本。

- (e) 本集團已於二〇一六年十二月三十一日之保留溢利中保留港幣1,237,453,000元(二〇一五年：港幣1,270,072,000元)作為法定儲備。法定儲備乃為審慎監督目的按照香港《銀行業條例》之條款保留，而是項儲備之變動直接記於保留溢利內，並須諮詢香港金融管理局。
- (f) 董事會並無擬派末期股息(二〇一五年：無)。

39 Reserves (Continued)

- (a) The Group's capital reserve was set up in relation to the capitalisation by certain subsidiaries of their retained earnings for the issue of new shares to the Bank.
- (b) Bank premises revaluation reserve has been set up and is dealt with in accordance with the accounting policies set out in note 1.11.
- (c) Investment revaluation reserve comprises the cumulative net change in the fair value of available-for-sale securities until the securities are derecognised or impaired and is dealt with in accordance with the accounting policies set out in notes 1.6 and 1.7.
- (d) The Group's other reserves comprise general reserve, exchange reserve, contingency reserve and statutory surplus reserve. The Bank's other reserves comprise general reserve and exchange reserve.

General reserve comprises previous years' transfers from retained earnings.

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of overseas branches and subsidiaries.

Contingency reserve represents a reserve established for contingency of accumulation of risks in times of severe economic downturn in accordance with Guidance Note on Reserving for Mortgage Guarantee Business issued by the Office of the Commissioner of Insurance.

Statutory surplus reserve is provided at 10% of the audited profit after tax of a jointly controlled entity of the Bank which is incorporated in the People's Republic of China, until the reserve balance is equal to 50% of its registered share capital. Surplus reserve can be used to offset accumulated losses or capitalised as paid-up capital with the approval of shareholders.

- (e) At 31 December 2016, included in retained earnings is an amount of HK\$1,237,453,000 (2015: HK\$1,270,072,000) which was earmarked as regulatory reserve. The regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes. Movements in the reserve are made directly through retained earnings and in consultation with the Hong Kong Monetary Authority.
- (f) The directors did not propose any final dividend (2015: Nil) after the year end.

40 分部報告

(a) 按業務劃分

本集團主要從事商業銀行業務，其中可分為四類。零售銀行業務包括提供接受零售存款、按揭及私人貸款、理財、人壽保險代理及顧問服務，證券及期貨經紀服務。公司及商業銀行業務包括提供接受企業存款、工商業貸款、貿易融資、租購及租賃。財資及金融機構業務包括外匯、金融市場、同業市場及資本市場等活動。中國及海外業務包括中國及海外分行業務。其他業務主要包括一般保險承保及物業投資。適用於可匯報分部之會計政策與註釋1所述的適用於本集團之會計政策相同。

本集團在製作滙報予最高管理層作為表現評核的資料中已在資金轉移定價機制內納入流動性成本和收益，並分配予不同的營業單位。

未分類項目主要包括中央管理層及其他共同分享服務之資產及負債、稅項、以及其他未能合理分配予特定業務分部的項目。

若干比較數字已作出修改，以符合本年度之呈報方式。

40 Segment reporting

(a) Business segments

The Group operates predominantly in commercial banking which comprises four business segments. Retail banking includes acceptance of retail deposits, mortgage and personal lending, wealth management, life insurance agency and brokerage services, securities and futures brokerage services. Corporate and commercial banking includes acceptance of corporate deposits, advance of commercial and industrial loans, trade financing, hire purchase and leasing. Treasury and financial institution activities include foreign exchange, money market, interbank market and capital market activities. China and overseas operations activities include China and overseas branches operations. Other activities mainly comprise general insurance underwriting and investment properties holding. The accounting policies applicable to the reportable segments are the same as those applicable to the Group as stated in note 1.

The Group has incorporated the allocation of liquidity costs and benefits in the fund transfer pricing mechanism among different operation units in preparing the information reported to the Group's most senior executive management for the purposes of performance assessment.

Unallocated items mainly comprise assets and liabilities of the central management unit and other shared services, taxation and any items which cannot be reasonably allocated to specific business segments.

Certain comparative amounts have been revised to conform with the current year's presentation.

財務報表註釋 Notes to the Financial Statements

40 分部報告 (續)

(b) 按地域劃分

40 Segment reporting (Continued)

(b) Geographical area

| | | 營業收入 Operating income 港幣千元 HK\$'000 | 除稅前溢利 Profit before taxation 港幣千元 HK\$'000 | 年度資本 開支 Capital expenditure during the year 港幣千元 HK\$'000 |
|-------------|----------------------------|---|---|--|
| 二〇一六年 | 2016 | | | |
| 香港 | Hong Kong | 5,137,736 | 3,695,229 | 194,501 |
| 中華人民共和國 | People's Republic of China | 617,542 | 250,864 | 12,648 |
| 其他 | Others | 325,940 | 241,650 | 3,485 |
| 分部互相抵銷 | Inter-segment elimination | (109,534) | — | — |
| 綜合總額 | Consolidated | 5,971,684 | 4,187,743 | 210,634 |
| 重列 二〇一五年 | Restated 2015 | | | |
| 香港 | Hong Kong | 4,900,783 | 3,127,308 | 417,697 |
| 中華人民共和國 | People's Republic of China | 853,970 | 624,570 | 17,652 |
| 其他 | Others | 307,333 | 213,391 | 603 |
| 分部互相抵銷 | Inter-segment elimination | (104,549) | — | — |
| 綜合總額 | Consolidated | 5,957,537 | 3,965,269 | 435,952 |

41 或有債務及承擔

下列為或有債務及承擔之每個主要類別之合約金額，及信貸風險比重金額總計：

41 Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments, and the aggregate credit risk weighted amounts:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|--|----------------------------------|----------------------------------|
| 直接信貸替代品 | Direct credit substitutes | 3,076,001 | 3,211,181 |
| 交易項目有關之或有債務 | Transaction-related contingencies | 200,750 | 225,481 |
| 商業項目有關之或有債務 | Trade-related contingencies | 572,987 | 719,854 |
| 遠期預約放款 | Forward forward deposits placed | 279,780 | - |
| 可以無條件取消 之其他承擔 | Other commitments which are unconditionally cancellable | 34,957,689 | 28,275,493 |
| 原本年期為一年或以下 之其他承擔 | Other commitments with an original maturity of one year or less | 4,562,461 | 5,620,192 |
| 原本年期為一年以上 之其他承擔 | Other commitments with an original maturity of over one year | 10,746,668 | 10,662,877 |
| | | 54,396,336 | 48,715,078 |
| 信貸風險比重金額 | Credit risk weighted amount | 9,224,844 | 9,230,538 |

用以計算信貸風險比重金額之風險比重為0%至150%。

The risk weights used in the computation of credit risk weighted amounts range from 0% to 150%.

財務報表註釋

Notes to the Financial Statements

42 資本及租約承擔

42 Capital and lease commitments

(a) 於十二月三十一日，不包括於財務報表內之資本承擔如下：

(a) Capital commitments outstanding at 31 December not provided for in the financial statements are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------|-----------------------------------|----------------------------------|----------------------------------|
| 已簽約但未作準備 | Contracted but not provided for | 117,823 | 104,928 |
| 已授權但未簽約 | Authorised but not contracted for | 246 | 2,671 |

(b) 於十二月三十一日，不可撤銷之營業租賃之未來最低應付租賃款項總額如下：

(b) At 31 December, the total future minimum lease payments payable under non-cancellable operating leases are as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-----------|--|----------------------------------|----------------------------------|
| 土地及樓宇 | Land and buildings | | |
| – 第一年內 | – Within one year | 81,232 | 73,201 |
| – 第二至第五年內 | – After one year but within five years | 164,847 | 128,634 |
| | | 246,079 | 201,835 |

本集團以營業租賃租用一些物業。租約基本年期為一至六年。此等租約並不包括或有租金收入。

The Group leases certain properties under operating leases. The leases typically run for an initial period of 1 to 6 years. None of the leases include contingent rentals.

43 綜合現金流量表註釋

43 Notes to consolidated cash flow statement

(a) 除稅前溢利與營業活動之現金流入／(流出) 淨額對賬表

(a) Reconciliation of profit before taxation to cash generated from/ (used in) operations

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------------|---|----------------------------------|----------------------------------|
| 除稅前溢利 | Profit before taxation | 4,187,743 | 3,965,269 |
| 調整項目： | Adjustments for: | | |
| 應佔共同控制實體淨(溢利)／虧損 | Share of net (profits)/losses of jointly controlled entities | (218,886) | 16,184 |
| 應佔聯營公司淨溢利 | Share of net profit of an associate | (786) | (1,222) |
| 出售可供出售證券之淨收益 | Net gain on disposal of available-for-sale securities | (127,616) | (104,435) |
| 出售其他物業及設備之淨虧損 | Net loss on disposal of other properties and equipment | 7,428 | 2,040 |
| 出售附屬公司之淨收益 | Net gain on disposal of subsidiaries | (188,446) | - |
| 投資物業之公平價值收益 | Fair value gains on investment properties | (44,256) | (36,610) |
| 金融資產之減值損失 | Impairment losses on financial assets | 251,838 | 29,464 |
| 折舊 | Depreciation | 164,392 | 143,209 |
| 攤銷可供出售證券及持至到期證券之折讓 | Amortisation of discount on available-for-sale securities and held-to-maturity securities | 33,284 | 36,649 |
| 攤銷發行之存款證之折讓 | Amortisation of discount on certificates of deposit issued | 14,946 | 54,614 |
| 攤銷發行之後償債項之折讓 | Amortisation of discount on subordinated debts issued | 1,363 | 1,306 |
| 營運資金變動前之營業溢利 | Operating profit before changes in working capital | 4,081,004 | 4,106,468 |
| 營運資產減少／(增加)： | Decrease/(increase) in operating assets: | | |
| 短期資金 | Short-term funds | (2,386,696) | 1,009,046 |
| 同業定期存放及貸款(三個月以後到期) | Placements with and loans and advances to banks maturing beyond three months | (2,828,043) | (7,909,212) |
| 持作買賣用途證券 | Trading securities | (375,564) | 29,295 |
| 以公平價值誌入損益賬之金融資產 | Financial assets designated at fair value through profit or loss | (941,653) | (1,302,213) |
| 貸款及其他賬項 | Advances and other accounts | 1,561,428 | 8,803,354 |
| 營運負債增加／(減少)： | Increase/(decrease) in operating liabilities: | | |
| 衍生金融負債淨額 | Net derivative financial liabilities | 308,285 | (527,313) |
| 同業存款(三個月以後到期) | Deposits and balances from banks maturing beyond three months | 12,585,702 | 5,204,535 |
| 客戶存款 | Deposits from customers | 4,038,296 | (3,193,770) |
| 發行之存款證 | Certificates of deposit issued | (3,695,392) | (8,073,483) |
| 以公平價值誌入損益賬之金融負債 | Financial liabilities designated at fair value through profit or loss | (503,961) | (9,277) |
| 其他賬項及預提 | Other accounts and accruals | (55,950) | 236,190 |
| 營業活動之現金流入／(流出)淨額 | Cash generated from/(used in) operations | 11,787,456 | (1,626,380) |

財務報表註釋 Notes to the Financial Statements

43 綜合現金流量表註釋 (續)

(b) 現金及等同現金項目之結餘分析

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------------------|---|----------------------------------|----------------------------------|
| 庫存現金及存放同業 | Cash and balances with banks | 23,137,912 | 32,499,724 |
| 短期存放同業 | Money at call and short notice | 7,350,215 | 7,054,108 |
| 同業定期存放及貸款 (原到期日在三個月內) | Placements with and loans and advances to banks with original maturity within three months | 3,249,797 | 6,990,417 |
| 國庫券 (原到期日在三個月內) | Treasury bills with original maturity within three months | 2,765,381 | 778,468 |
| 同業存款 (原到期日在三個月內) | Deposits and balances from banks with original maturity within three months | (19,067,117) | (21,609,586) |
| 列作出售資產之現金及 等同現金項目 | Cash and cash equivalents classified as assets held for sale | - | 13,999 |
| | | 17,436,188 | 25,727,130 |

44 已作抵押品之資產

於二〇一六年十二月三十一日，一筆為數值美元20,000,000元(等同港幣155,090,000元)(二〇一五年：美元12,200,000元(等同港幣94,551,000元))之貨幣市場存款含於庫存現金及短期資金內，及另一筆為數值美元2,500,000元(等同港幣19,386,000元)(二〇一五年：美元2,500,000元(等同港幣19,375,000元))之存款證含於持至到期證券內，已抵押予美國貨幣審計部，分別作為本行洛杉磯分行及三藩市分行之法定存款。

43 Notes to consolidated cash flow statement (Continued)

(b) Analysis of the balance of cash and cash equivalents

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---|--|----------------------------------|----------------------------------|
| Cash and balances with banks | | 23,137,912 | 32,499,724 |
| Money at call and short notice | | 7,350,215 | 7,054,108 |
| Placements with and loans and advances to banks with original maturity within three months | | 3,249,797 | 6,990,417 |
| Treasury bills with original maturity within three months | | 2,765,381 | 778,468 |
| Deposits and balances from banks with original maturity within three months | | (19,067,117) | (21,609,586) |
| Cash and cash equivalents classified as assets held for sale | | - | 13,999 |
| | | 17,436,188 | 25,727,130 |

44 Assets pledged as security

At 31 December 2016, a money market deposit of US\$20,000,000 (equivalent to HK\$155,090,000)(2015: US\$12,200,000 (equivalent to HK\$94,551,000)) included in cash and short-term funds and a certificate of deposit of US\$2,500,000 (equivalent to HK\$19,386,000) (2015: US\$2,500,000 (equivalent to HK\$19,375,000)) included in held-to-maturity securities have been pledged to the Office of the Comptroller of Currency of the United States of America as statutory deposits for the Bank's branch in Los Angeles and San Francisco.

45 高級人員貸款

按照香港《公司條例》第383(1)(d)條及《公司(披露董事利益資料)規例》第3部規定所披露之貸款予董事及其關連實體總額如下：

45 Loans to officers

The aggregate of loans to directors of the Bank and entities connected with directors disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

| | 於十二月三十一日 之結欠額 | | 全年最高 結欠額 | |
|----------------|---------------------------------------|------------------|------------------------------------|------------------|
| | Balance outstanding at 31 December | | Maximum balance during the year | |
| | 二〇一六 2016 | 二〇一五 2015 | 二〇一六 2016 | 二〇一五 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 |
| 本金及利息之 結欠總額 | 3,209 | 3,441 | 6,335 | 3,916 |

46 重大有關連人士之交易

是年度內，本集團在正常商業活動下與有關連人士進行之銀行交易，包括放款、存款、保險及其他金融相關交易。該等有關連人士為可控制本集團的公司、本行之主要行政人員及其近親家庭成員，並包括受本集團及該等人士所控制或可對其行使重大影響力之公司。該等交易以進行各交易時之相關市場費率定價，並按與本集團可提供予其他交易對手及客戶之相同條款進行。董事認為，該等交易乃按一般商業條款訂立。除在本財務報表其他地方所披露之交易及結餘外，本集團所參與的一切其他重大有關連人士之交易詳列於下頁。

46 Material related party transactions

During the year, the Group entered into certain banking transactions with related parties in the normal course of business, which include loans, deposits, insurance and other financial related transactions. These related parties are those companies which have control over the Group, key management personnel of the Bank, close members of their families and companies controlled or significantly influenced by the Group or by them. The transactions were priced at the relevant market rates at the time of each transaction, and were on the same terms as those available to other counterparties and customers of the Group. In the opinion of the directors, these transactions were conducted on normal commercial terms. In addition to the transactions and balances disclosed elsewhere in the financial statements, other material related party transactions entered into by the Group are set out on the following pages.

財務報表註釋

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46 重大有關連人士之交易 (續)

46 Material related party transactions (Continued)

| | | 控股公司 Holding company 港幣千元 HK\$'000 | 共同 控制實體 Jointly controlled entities 港幣千元 HK\$'000 | 聯營公司 Associate 港幣千元 HK\$'000 | 主要 行政人員 Key management personnel 港幣千元 HK\$'000 | 其他 有關連人士 Other related parties 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|----------------|---|--|---|---------------------------------------|--|--|---------------------------------|
| 二〇一六年 | 2016 | | | | | | |
| 於年結日結餘總額 | Aggregate amounts outstanding at the year end | | | | | | |
| – 貸款及其他應收賬項 | – Loans and other receivables | 107,398 | 94 | 6,195 | 4,181 | 5,704 | 123,572 |
| – 拆放存款 | – Placement of deposits | 8,104 | – | – | – | – | 8,104 |
| – 客戶存款 | – Deposits from customers | 6,895,587 | 918,447 | 2,156 | 38,337 | 253,220 | 8,107,747 |
| – 其他賬項及預提 | – Other accounts and accruals | – | – | – | 6 | 1 | 7 |
| 資產負債表外結餘 | Off-balance sheet outstanding | | | | | | |
| – 其他承擔 | – Other commitments | – | 1,616 | – | 3,462 | 8,385 | 13,463 |
| – 收取擔保 | – Guarantee received | 7,243,105 | – | – | – | – | 7,243,105 |
| 是年度收取有關連人士之收入 | Income for the year received from related parties | | | | | | |
| – 利息收入 | – Interest income | 227,742 | 27 | – | 82 | 32 | 227,883 |
| – 其他營業收入 | – Other operating income | 1,349 | 11,346 | 1 | 22 | 8 | 12,726 |
| – 保險營業淨收入 | – Net insurance operating income | – | 67,481 | – | 9 | 3 | 67,493 |
| | | 229,091 | 78,854 | 1 | 113 | 43 | 308,102 |
| 是年度支付予有關連人士之費用 | Expenses for the year paid to related parties | | | | | | |
| – 利息支出 | – Interest expenses | 85,937 | 6,542 | – | 336 | 48 | 92,863 |
| – 服務費及佣金支出 | – Fees and commission expenses | – | – | – | – | 22,530 | 22,530 |
| – 營業支出 | – Operating expenses | 35 | 1,411 | – | 1 | 1 | 1,448 |
| – 保險營業淨支出 | – Net insurance operating expenses | – | 4,383 | 741 | – | 2,995 | 8,119 |
| | | 85,972 | 12,336 | 741 | 337 | 25,574 | 124,960 |

46 重大有關連人士之交易 (續)

46 Material related party transactions (Continued)

| | | 控股公司 Holding company 港幣千元 HK\$'000 | 共同 控制實體 Jointly controlled entities 港幣千元 HK\$'000 | 聯營公司 Associate 港幣千元 HK\$'000 | 主要 行政人員 Key management personnel 港幣千元 HK\$'000 | 其他 有關連人士 Other related parties 港幣千元 HK\$'000 | 合計 Total 港幣千元 HK\$'000 |
|--------------------|--|--|---|---------------------------------------|--|--|---------------------------------|
| 二〇一五年 | 2015 | | | | | | |
| 於年結日結餘總額 | Aggregate amounts outstanding at the year end | | | | | | |
| – 貸款及其他應收賬項 | – Loans and other receivables | 4,026,304 | 5,945 | 5,910 | 4,580 | 3,428 | 4,046,167 |
| – 拆放存款 | – Placement of deposits | 20,915 | – | – | – | – | 20,915 |
| – 客戶存款 | – Deposits from customers | 8,980,637 | 790,396 | 1,295 | 30,332 | 16,717 | 9,819,377 |
| – 其他賬項及預提 | – Other accounts and accruals | 261 | – | – | 6 | 1 | 268 |
| 資產負債表外結餘 | Off-balance sheet outstanding | | | | | | |
| – 外匯合約 (名義金額) | – Exchange rate contracts (notional amounts) | 2,679,591 | – | – | – | – | 2,679,591 |
| – 其他承擔 | – Other commitments | – | 1,600 | – | 2,036 | 370 | 4,006 |
| – 收取擔保 | – Guarantee received | 13,352,902 | – | – | – | – | 13,352,902 |
| 是年度收取有關連 人士之收入 | Income for the year received from related parties | | | | | | |
| – 利息收入 | – Interest income | 475,214 | 225 | – | 116 | 33 | 475,588 |
| – 其他營業收入 | – Other operating income | 34,467 | 7,713 | 1 | 99 | 24 | 42,304 |
| – 保險營業淨收入 | – Net insurance operating income | – | 14,740 | – | 7 | 5,928 | 20,675 |
| | | 509,681 | 22,678 | 1 | 222 | 5,985 | 538,567 |
| 是年度支付予有關連 人士之費用 | Expenses for the year paid to related parties | | | | | | |
| – 利息支出 | – Interest expenses | 24,128 | 9,231 | 9 | 296 | 249 | 33,913 |
| – 營業支出 | – Operating expenses | 53 | 4,967 | – | 5 | 3 | 5,028 |
| – 保險營業淨支出 | – Net insurance operating expenses | – | 4,730 | 1,111 | – | 5,155 | 10,996 |
| | | 24,181 | 18,928 | 1,120 | 301 | 5,407 | 49,937 |

財務報表註釋

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46 重大有關連人士之交易 (續)

於二〇一六年十二月三十一日，本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470,585,000元(二〇一五年：港幣473,519,000元)及港幣1,474,204,000元(二〇一五年：港幣1,293,341,000元)。

本集團並無為上述授予有關連人士之貸款確認任何減值準備(二〇一五年：無)。

二〇一六年間，本行完成出售兩家附屬公司(永隆證券有限公司及永隆期貨有限公司)的全部權益予本行母公司之附屬公司招銀國際。出售代價以收購方發行及配售股份方式結付。

主要行政人員報酬

本集團內主要行政人員，包括支付予本行董事或其應收之報酬分析如下：

46 Material related party transactions (Continued)

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\$470,585,000 (2015: HK\$473,519,000) and HK\$1,474,204,000 (2015: HK\$1,293,341,000) respectively.

No impairment allowances have been recognised in respect of loans granted to related parties (2015: Nil).

During 2016, the Bank completed the sale of its entire interests in two subsidiaries, Wing Lung Securities Limited and Wing Lung Futures Limited, to CMBI, a fellow subsidiary of the Bank. The sale consideration was settled by issuance and allotment of new shares to the Bank.

Key management personnel remuneration

Remuneration for key management personnel of the Group including amounts paid to or receivable by the Bank's directors is as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|--------------|---|----------------------------------|----------------------------------|
| 薪酬、花紅及其他短期福利 | Salaries, bonus and other short-term benefits | 44,941 | 44,033 |
| 退休福利 | Retirement benefits | 3,052 | 3,899 |
| | | 47,993 | 47,932 |

47 母公司及最終控股公司

本集團之母公司及最終控股公司為於中華人民共和國註冊之招商銀行股份有限公司。

47 Immediate and ultimate holding company

The directors consider that the immediate and ultimate holding company of the Group to be China Merchants Bank Co., Ltd., which is incorporated in the People's Republic of China.

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

以下公佈之資料為綜合財務報表補充資料，此等資料並不屬於經審核綜合財務報表之一部份。

The following information is disclosed as part of the accompanying information to the consolidated financial statements and does not form part of the audited consolidated financial statements.

1 資本充足比率

1 Capital adequacy ratio

| | | 二〇一六 2016 | 二〇一五 2015 |
|--------------|--------------------------------------|--------------|--------------|
| 資本比率 | Capital ratios | | |
| – 普通股權一級資本比率 | – Common equity tier 1 capital ratio | 11.8% | 11.6% |
| – 一級資本比率 | – Tier 1 capital ratio | 13.5% | 13.5% |
| – 總資本比率 | – Total capital ratio | 16.1% | 17.3% |

於二〇一六年十二月三十一日及二〇一五年十二月三十一日之資本比率乃根據香港金融管理局所發出的《銀行業(資本)規則》計算。

The capital ratios at 31 December 2016 and 31 December 2015 were compiled in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority (“HKMA”).

根據《銀行業(資本)規則》，本集團選擇採納「標準方法」計算信貸風險及市場風險之風險比重資產，以及採用「基本指標方法」計算營運風險。

In accordance with the Banking (Capital) Rules, the Group has adopted the “standardised approach” for the calculation of the risk-weighted assets for credit risk and market risk, and the “basic indicator approach” for the calculation of operational risk.

| | | 二〇一六 2016 |
|-------------|--|--------------|
| 資本緩衝 | Capital buffers | |
| – 防護緩衝資本比率 | – Capital conservation buffer ratio | 0.63% |
| – 逆周期緩衝資本比率 | – Countercyclical capital buffer ratio | 0.38% |

根據《銀行業(披露)規則》第45B條的相關披露將於二〇一七年三月三十一日前上載至本集團網頁(<http://www.winglungbank.com>)。

The relevant disclosures pursuant to the Banking (Disclosure) Rules Section 45B will be published before 31 March 2017 on the Bank’s website at <http://www.winglungbank.com>.

於二〇一六年十二月三十一日及二〇一五年十二月三十一日，所計算資本比率之綜合基礎乃跟隨財務報表之綜合基礎，但撇除列於下頁表格的若干附屬公司。

The basis of consolidation for calculation of the capital ratios at 31 December 2016 and 31 December 2015 follows the basis of consolidation for financial reporting but excludes certain subsidiaries as set out in the table on the following page.

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

1 資本充足比率 (續)

附屬公司的總資產及權益總額如下：

1 Capital adequacy ratio (Continued)

The total assets and total equity of the subsidiaries are as follows:

| 名稱 | Name | 主要業務 | Principal activities | 二〇一六 | | 二〇一五 | |
|--|--|--------|---------------------------------|---|--|---|--|
| | | | | 2016 | 2016 | 2015 | 2015 |
| | | | | 總資產 Total assets 港幣千元 HK\$'000 | 權益總額 Total equity 港幣千元 HK\$'000 | 總資產 Total assets 港幣千元 HK\$'000 | 權益總額 Total equity 港幣千元 HK\$'000 |
| 永隆保險有限公司® | Wing Lung Insurance Company Limited® | 保險業務 | Insurance underwriting | 3,279,067 | 1,083,598 | 3,239,533 | 945,422 |
| 永隆融資有限公司® | Wing Lung Capital Limited® | 財務諮詢服務 | Financial consultancy services | 17,061 | 15,498 | 17,243 | 15,673 |
| 永隆財務有限公司 | Wing Lung Finance Limited | 提供財務服務 | Provision of financial services | 30,487 | 30,406 | 29,712 | 29,590 |
| 永隆資產管理有限公司® | Wing Lung Asset Management Limited® | 資產管理 | Asset management | 142,886 | 142,440 | 78,018 | 77,923 |
| 永隆期貨有限公司® | Wing Lung Futures Limited® | 期貨經紀服務 | Futures broking | 註釋1/ note 1 | 註釋1/ note 1 | 150,057 | 130,800 |
| 永隆證券有限公司® | Wing Lung Securities Limited® | 證券經紀服務 | Securities broking | 註釋1/ note 1 | 註釋1/ note 1 | 856,949 | 571,224 |
| 永隆銀行信託有限公司® | Wing Lung Bank (Trustee) Limited® | 信託業務 | Trustee services | 12,988 | 11,636 | 8,523 | 7,566 |
| 永隆保險顧問有限公司 | Wing Lung Insurance Brokers Limited | 保險顧問 | Insurance broking | 490,020 | 444,597 | 59,801 | 50,550 |
| 永隆代理有限公司 | Wing Lung Agency Limited | 保險代理 | Insurance agency | 129,390 | 127,750 | 124,060 | 122,405 |
| 永隆銀行受託代管有限公司® | Wing Lung Bank (Nominees) Limited® | 受託代管服務 | Nominee services | 10 | 10 | 10 | 10 |
| 永隆管業有限公司® | Wing Lung Property Management Limited® | 物業管理 | Property management | – | (145) | – | (134) |
| 康令有限公司® | Hongnet Limited® | 投資業務 | Investment holding | 3,910 | 3,899 | 3,924 | 3,910 |
| Wingspan Incorporated | Wingspan Incorporated | 物業持有 | Property holding | 30,844 | 11,622 | 31,645 | 11,810 |
| Wing Lung Opportunities Fund Limited® | Wing Lung Opportunities Fund Limited® | 投資業務 | Investment holding | 830,455 | 440,142 | 983,675 | 543,003 |
| Wing Lung Opportunities Master Fund Limited® | Wing Lung Opportunities Master Fund Limited® | 投資業務 | Investment holding | 831,260 | 441,932 | 936,679 | 548,573 |
| 時永投資有限公司 | Sea Wing Investments Limited | 物業持有 | Property holding | 5,198 | (4,924) | 5,387 | (4,640) |

1 資本充足比率 (續)

1 Capital adequacy ratio (Continued)

| 名稱 | Name | 主要業務 | Principal activities | 二〇一六 2016 | | 二〇一五 2015 | |
|-----------------------|--|--------|---------------------------------|---|--|---|--|
| | | | | 總資產 Total assets 港幣千元 HK\$'000 | 權益總額 Total equity 港幣千元 HK\$'000 | 總資產 Total assets 港幣千元 HK\$'000 | 權益總額 Total equity 港幣千元 HK\$'000 |
| 永隆股權投資管理 (深圳)有限公司* | Wing Lung Equity Investment Management (Shenzhen) Limited* | 股權投資管理 | Equity investment management | 18,961 | 18,742 | 2,521 | 2,334 |
| 安碧有限公司 ^⑥ | Antopex Limited ^⑥ | 信託業務 | Trustee services | - | - | - | - |
| 保亞有限公司 ^⑥ | Bulleria Limited ^⑥ | 信託業務 | Trustee services | - | - | - | - |
| 錦嶺有限公司 ^⑥ | Cameland Limited ^⑥ | 信託業務 | Trustee services | - | - | - | - |
| 德衛有限公司 ^⑥ | Deeright Limited ^⑥ | 信託業務 | Trustee services | - | - | - | - |
| 億聯有限公司 ^⑥ | Eaglearn Limited ^⑥ | 信託業務 | Trustee services | - | - | - | - |

^⑥ 為法定報表二〇一六年十二月三十一日及二〇一五年十二月三十一日之綜合資本比率，並不包括此等公司。

* 為法定報表二〇一六年十二月三十一日之綜合資本比率包括永隆股權投資管理(深圳)有限公司，二〇一五年十二月三十一日並不包括此附屬公司。

^⑥ Companies excluded in the computation of the consolidated capital ratios at 31 December 2016 and 31 December 2015 for regulatory reporting purposes.

* Wing Lung Equity Investment Management (Shenzhen) Limited included in the computation of consolidated capital ratios at 31 December 2016 but excluded at 31 December 2015 for regulatory reporting purposes.

註釋1 此等附屬公司已於本年度內出售。

Note 1 These subsidiaries were disposed of during the year.

根據《銀行業(披露)規則》第45(3)(b)條，香港金融管理局指定之標準披露報表及本行發行之資本工具的主要條款及詳細條文將於二〇一七年三月三十一日前上載至本集團網頁(<http://www.winglungbank.com>)。

In accordance with the Banking (Disclosure) Rules Section 45(3)(b), the standard disclosure templates specified by the HKMA and the main features and full terms and conditions of the Bank's capital instruments will be published before 31 March 2017 on the Bank's website at <http://www.winglungbank.com>.

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

2 槓桿比率

於二〇一六年十二月三十一日及二〇一五年十二月三十一日的槓桿比率乃按照香港金融管理局頒佈之《槓桿比率框架》計算。

2 Leverage ratio

The leverage ratio as at 31 December 2016 and 31 December 2015 were compiled in accordance with the Leverage Ratio Framework issued by the HKMA.

| | | 二〇一六 2016 | 二〇一五 2015 |
|------|----------------|--------------|--------------|
| 槓桿比率 | Leverage ratio | 9.34% | 8.76% |

根據《銀行業(披露)規則》第45A條的槓桿比率披露將於二〇一七年三月三十一日前上載至本集團網頁(<http://www.winglungbank.com>)。

Leverage ratio disclosures as required by section 45A of the Banking (Disclosure) Rules will be published before 31 March 2017 on the Bank's website at <http://www.winglungbank.com>.

3 流動性維持比率

流動性維持比率乃根據《銀行業(流動性)規則》第10(1)(b)條以非綜合基礎及以本年度內每個曆月之平均值計算之簡單平均數。

本集團已為管治、計量、監控流動資金風險制定目標、架構和程序。本集團之流動資金風險管理策略詳載於至財務報表註釋3.3內。

3 Liquidity maintenance ratio

The liquidity maintenance ratio is calculated as the arithmetic mean of each calendar month's average value for the reporting year on an unconsolidated basis in accordance with rule 10(1)(b) of the Banking (Liquidity) Rules.

Objective, framework and process are in place for governance, measurement and monitoring of the Group's liquidity risk. Details of the Group's liquidity risk management approach are set out in note 3.3 to the financial statements.

| | | 二〇一六 2016 | 二〇一五 2015 |
|---------|-----------------------------|--------------|--------------|
| 流動性維持比率 | Liquidity maintenance ratio | 39.8% | 41.7% |

4 信貸風險、市場風險及營運風險之資本要求

補充財務資料註釋1之資本比率乃根據《銀行業(資本)規則》為法定要求而計算之本行及其若干附屬公司於十二月三十一日之綜合比率。財務報表註釋1.2描述了為會計要求之綜合基礎。

以下各類風險承擔之資本規定披露資本要求乃將本集團從有關計算方法所得之風險比重金額乘以8%計算，並非本集團之真正「法定資本」。

(a) 信貸風險之資本要求

本集團以標準方法計算信貸風險之資本要求。

4 Capital charge for credit, market and operational risks

The capital ratios in note 1 to the supplementary financial information represent the consolidated ratio that comprises the positions of the Bank and subsidiaries for regulatory purposes as at 31 December computed in accordance with the Banking (Capital) Rules. For accounting purposes, the basis of consolidation is described in note 1.2 to the financial statements.

The following disclosure of the capital requirements for each class of exposures is made by multiplying the Group's risk-weighted amount derived from the relevant calculation approach by 8%, not the Group's actual "regulatory capital".

(a) Capital charge for credit risk

The Group uses the standardised approach for calculation of the capital charge for credit risk.

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|----------------------|---|----------------------------------|----------------------------------|
| 官方實體風險承擔 | Sovereign exposures | 21,431 | 1,438 |
| 公營機構風險承擔 | Public sector entity exposures | 6,181 | 7,597 |
| 同業風險承擔 | Bank exposures | 2,525,967 | 3,327,813 |
| 券商風險承擔 | Securities firms exposures | 51,204 | 16,004 |
| 企業風險承擔 | Corporate exposures | 8,696,575 | 6,691,765 |
| 現金項目 | Cash items | 8,094 | 74,522 |
| 法定零售風險承擔 | Regulatory retail exposures | 446,027 | 389,317 |
| 住宅按揭貸款 | Residential mortgage loans | 405,099 | 412,762 |
| 其他未逾期風險承擔 | Other exposures which are not past due exposures | 1,186,007 | 961,291 |
| 逾期風險承擔 | Past due exposures | 5,531 | 22,366 |
| 資產負債表內風險承擔 之總資本要求 | Total capital charge for on-balance sheet exposures | 13,352,116 | 11,904,875 |
| 直接信貸代替品 | Direct credit substitutes | 237,179 | 251,256 |
| 交易項目有關之或有債務 | Transaction-related contingencies | 6,362 | 7,913 |
| 商業項目有關之或有債務 | Trade-related contingencies | 14,959 | 13,268 |
| 遠期有期存款 | Forward forward deposit placed | 4,476 | - |
| 其他承擔 | Other commitments | 480,898 | 468,122 |
| 外匯合約 | Exchange rate contracts | 63,887 | 61,278 |
| 利率合約 | Interest rate contracts | 4,696 | 989 |
| 股權合約 | Equity contracts | 4 | 13 |
| 證券融資交易 | Securities financing transactions | 56,947 | 73,343 |
| 資產負債表外風險承擔 之總資本要求 | Total capital charge for off-balance sheet exposures | 869,408 | 876,182 |
| 信貸風險之總資本要求 | Total capital charge for credit risk | 14,221,524 | 12,781,057 |

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4 信貸風險、市場風險及營運風險之資本要求 (續)

(b) 市場風險之資本要求

本集團以標準方法計算市場風險之資本要求。

該方法所涵蓋的持倉包括：

- 本行於外匯及與匯率相關的衍生工具合約；及
- 本行於債務證券、利率衍生工具合約、股本及與股本相關的衍生工具合約的交易賬面持倉。

4 Capital charge for credit, market and operational risks (Continued)

(b) Capital charge for market risk

The Group uses the standardised approach for calculation of the capital charge for market risk.

Positions covered by the approach include:

- the Bank's positions held in foreign exchange and exchange rate-related derivative contracts; and
- the Bank's trading book positions held in debt securities, interest rate derivative contracts, equities and equity-related derivative contracts.

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------------------|--|----------------------------------|----------------------------------|
| 利率風險承擔 (包括期權) | Interest rate exposures (including options) | 80,449 | 31,349 |
| 外匯風險承擔 (包括黃金及期權) | Foreign exchange exposures (including gold and options) | 211,157 | 192,139 |
| 市場風險之總資本要求 | Capital charge for market risk | 291,606 | 223,488 |

(c) 營運風險之資本要求

本集團以基本指標方法計算營運風險之資本要求。

(c) Capital charge for operational risk

The Group uses the basic indicator approach for calculating the capital charge for operational risk.

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|------------|-------------------------------------|----------------------------------|----------------------------------|
| 營運風險之總資本要求 | Capital charge for operational risk | 816,953 | 751,878 |

5 貨幣集中

本集團所有外幣持倉盤中，美元及人民幣貨幣持倉佔淨盤總額的10%或以上，現以港幣等值列報如下：

5 Currency concentration

The US dollar and RMB net positions constitute 10% or more of the total net position in all foreign currencies of the Group and are reported in Hong Kong dollar equivalent as follows:

| | | 美元 US dollar | | 人民幣 RMB | |
|------|---------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
| 現貨資產 | Spot assets | 89,251,671 | 51,914,533 | 41,800,539 | 64,724,763 |
| 現貨負債 | Spot liabilities | (58,917,174) | (47,376,999) | (46,705,120) | (64,091,880) |
| 遠期買入 | Forward purchases | 46,169,508 | 50,873,253 | 23,248,106 | 18,507,155 |
| 遠期賣出 | Forward sales | (73,474,191) | (51,416,170) | (15,134,056) | (16,991,791) |
| 期權淨額 | Net option position | 23,785 | 2,015 | (21,475) | - |
| 長盤淨額 | Net long position | 3,053,599 | 3,996,632 | 3,187,994 | 2,148,247 |

期權持倉淨額是根據香港金融管理局於「外幣持倉」申報表所載之「得爾塔加權持倉」方式計算。

The net option position is calculated based on the delta-weighted position approach set out in the prudential return “Foreign Currency Position” issued by the HKMA.

本集團所有外幣結構性倉盤中，美元及人民幣貨幣結構性倉盤佔淨結構性倉盤總額的10%或以上，現以港幣等值列報如下：

The US dollar and RMB net structural positions constitute 10% or more of the total net structural position in all foreign currencies of the Group and are reported in Hong Kong dollar equivalent as follows:

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|---------|-------------------------|----------------------------------|----------------------------------|
| 結構性倉盤淨額 | Net structural position | | |
| 美元 | US dollar | 690,747 | 630,211 |
| 人民幣 | RMB | 1,998,667 | 2,002,094 |
| | | 2,689,414 | 2,632,305 |

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

6 分類資料

6 Segmental information

(a) 按行業分類之客戶貸款總額

(a) Gross advances to customers by industry sectors

| | | 二〇一六 2016 | | 二〇一五 2015 | |
|--|---|------------------|--|------------------|--|
| | | 港幣千元 HK\$'000 | 抵押品佔 客戶貸款 之百分比 % of gross advances covered by collateral | 港幣千元 HK\$'000 | 抵押品佔 客戶貸款 之百分比 % of gross advances covered by collateral |
| 在香港使用之貸款 | Loans for use in Hong Kong | | | | |
| 工商金融 | Industrial, commercial and financial | | | | |
| 物業發展 | Property development | 5,789,728 | 64.5 | 1,699,341 | 28.7 |
| 物業投資 | Property investment | 11,727,375 | 94.8 | 13,462,192 | 96.3 |
| 金融企業 | Financial concerns | 14,452,777 | 28.6 | 9,413,460 | 42.4 |
| 股票經紀 | Stockbrokers | 6,926,897 | 1.4 | 3,084,501 | 1.6 |
| 批發及零售業 | Wholesale and retail trade | 1,333,064 | 85.3 | 4,055,415 | 91.4 |
| 製造業 | Manufacturing | 234,812 | 87.8 | 429,035 | 85.5 |
| 運輸及運輸 設備 | Transport and transport equipment | 5,196,641 | 16.3 | 3,858,343 | 21.6 |
| 娛樂活動 | Recreational activities | 2,940 | 94.0 | 358,451 | 94.7 |
| 資訊科技 | Information technology | 585,791 | 98.8 | 493,949 | 98.4 |
| 其他 | Others | 16,032,690 | 37.3 | 18,292,836 | 61.7 |
| 個人 | Individuals | | | | |
| 購買「居者有其屋計 劃」、「私人參建居 屋計劃」與「租者置 其屋計劃」或其各自 的後繼計劃樓宇之 貸款 | Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes | 518,740 | 100.0 | 583,541 | 100.0 |
| 購買其他住宅 物業的貸款 | Loans for the purchase of other residential properties | 7,886,091 | 100.0 | 8,695,511 | 100.0 |
| 信用卡貸款 | Credit card advances | 275,122 | – | 309,044 | – |
| 其他 | Others | 10,176,709 | 78.9 | 7,098,536 | 48.6 |
| 貿易融資 | Trade finance | 1,314,680 | 37.4 | 723,599 | 50.0 |
| | | 82,454,057 | 54.3 | 72,557,754 | 65.6 |
| 在香港以外使用 之貸款 | Loans for use outside Hong Kong | 55,140,957 | 33.4 | 48,903,304 | 42.1 |
| | | 137,595,014 | 45.9 | 121,461,058 | 56.1 |

6 分類資料 (續)

(a) 按行業分類之客戶貸款總額 (續)

按行業分類之客戶貸款不少於客戶貸款總額10%的類別，其已減值貸款、減值準備、新增減值準備調撥至收益表及已減值貸款撇除之總額分析如下：

6 Segmental information (Continued)

(a) Gross advances to customers by industry sectors (Continued)

The gross amount of impaired loans, impairment allowances, amount of new impairment allowances charged to income statement and the amount of impaired loans written off for those industry sectors which constitute not less than 10% of gross advances to customers is analysed as follows:

| | | 已減值 貸款 Impaired loans 港幣千元 HK\$'000 | 個別 減值準備 Individual impairment allowance 港幣千元 HK\$'000 | 綜合 減值準備 Collective impairment allowance 港幣千元 HK\$'000 | 新增減值 準備調撥 至收益表 New impairment allowances charged to income statement 港幣千元 HK\$'000 | 撇除已 減值貸款 之金額 Amount of impaired loans written off 港幣千元 HK\$'000 |
|----------------|---|--|---|---|--|---|
| 二〇一六年 | 2016 | | | | | |
| 在香港使用之貸款 | Loans for use in Hong Kong | | | | | |
| 工商金融 | Industrial, commercial and financial | | | | | |
| — 金融企業 | — Financial concerns | — | — | 29,691 | 8,829 | — |
| — 其他 | — Others | 49,963 | 49,789 | 34,951 | 52,208 | 3,269 |
| 在香港以外使用 之貸款 | Loans for use outside Hong Kong | 265 | 194 | 155,620 | 157,941 | 116,091 |
| | | 50,228 | 49,983 | 220,262 | 218,978 | 119,360 |
| 二〇一五年 | 2015 | | | | | |
| 在香港使用之貸款 | Loans for use in Hong Kong | | | | | |
| 工商金融 | Industrial, commercial and financial | | | | | |
| — 物業投資 | — Property investment | 10,033 | 14 | 27,935 | 3,266 | — |
| — 其他 | — Others | 2,078 | 850 | 57,035 | 4,559 | 411 |
| 在香港以外使用 之貸款 | Loans for use outside Hong Kong | 202 | 177 | 113,787 | 11,742 | 51 |
| | | 12,313 | 1,041 | 198,757 | 19,567 | 462 |

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6 分類資料 (續)

(b) 按區域分類之客戶貸款、逾期貸款、已減值貸款及減值準備

以下按區域分類之客戶貸款、逾期貸款、已減值貸款及減值準備是根據交易對手之所在地作分析，並已適當考慮有關貸款之風險轉移。

6 Segmental information (Continued)

(b) Geographical analysis of gross advances to customers, overdue advances, impaired loans and impairment allowances

The following geographical analysis of gross advances to customers, overdue advances, impaired loans and impairment allowances is based on the location of the counterparty, after taking into account the transfer of risk in respect of such advances where appropriate.

| | | 貸款總額 Gross advances to customers | | 逾期三個月以上的貸款 Overdue advances for over three months | | 個別減值準備 Individual impairment allowance | | 綜合減值準備 Collective impairment allowance | |
|---------|----------------------------|-------------------------------------|------------------|--|------------------|--|-------------------------|---|------------------|
| | | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 | 已減值貸款 Impaired loans | 港幣千元 HK\$'000 | 逾期三個月以上的貸款 Overdue advances for over three months | 已減值貸款 Impaired loans | 港幣千元 HK\$'000 | 港幣千元 HK\$'000 |
| 二〇一六年 | 2016 | | | | | | | | |
| 香港 | Hong Kong | 80,816,453 | 25,243 | 21,149 | 7,687 | 17,969 | 181,382 | | |
| 中華人民共和國 | People's Republic of China | 36,377,016 | 48,238 | 126,109 | 48,238 | 81,630 | 112,535 | | |
| 其他 | Others | 20,401,545 | - | - | - | - | 54,021 | | |
| | | 137,595,014 | 73,481 | 147,258 | 55,925 | 99,599 | 347,938 | | |
| 二〇一五年 | 2015 | | | | | | | | |
| 香港 | Hong Kong | 67,005,276 | 27,626 | 85,045 | 6,875 | 16,854 | 139,540 | | |
| 中華人民共和國 | People's Republic of China | 43,468,755 | - | - | - | - | 168,222 | | |
| 其他 | Others | 10,987,027 | - | - | - | - | 25,225 | | |
| | | 121,461,058 | 27,626 | 85,045 | 6,875 | 16,854 | 332,987 | | |

6 分類資料 (續)

(c) 國際債權

本集團以外地交易對手最終承擔風險之所在地，及根據交易對手經風險轉移後衍生出之區域，作為國際債權之分析。若一個交易對手之申索是由另一個在不同國家的人士作出保證或申索是對於一間銀行之外地分行，而其總公司是位於一個不同的國家，風險便確認為由一個國家轉移到另一個國家。按地域分佈之國際債權總額，列報如下：

6 Segmental information (Continued)

(c) International claims

The Group analyses international claims by exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any transfer of risk. The transfer of risk from one country to another is recognised if the claims against a counterparty are guaranteed by another party in a different country or if the claims are on an overseas branch of a bank whose head office is located in a different country. The aggregate international claims by geographical segments are as follows:

| | | 非銀行私營機構 Non-bank private sector | | | | |
|-------------------|---|------------------------------------|-------------------------|--|---|------------------|
| | | 銀行 Banks | 官方機構 Official sector | 非銀行 金融機構 Non-bank financial institutions | 非金融 私營機構 Non- financial private sector | 合計 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 |
| 於二〇一六年 十二月三十一日 | At 31 December 2016 | | | | | |
| 發達國家 | Developed Countries | 12,219,744 | 1,317,653 | 1,446,874 | 2,275,232 | 17,259,503 |
| 離岸中心 | Offshore Centers | 6,933,422 | 10,068 | 9,217,729 | 37,458,450 | 53,619,669 |
| – 其中：香港 | – of which: Hong Kong | 6,741,737 | 3,172 | 8,133,138 | 23,777,311 | 38,655,358 |
| 發展中拉丁美洲和 加勒比地區 | Developing Latin America and Caribbean | – | – | – | 839 | 839 |
| 發展中非洲和中東地區 | Developing Africa and Middle East | 1,465,399 | 27 | – | 67,371 | 1,532,797 |
| 發展中亞太地區 | Developing Asia Pacific | 30,123,592 | 586,072 | 11,244,578 | 20,660,123 | 62,614,365 |
| – 其中：中華人民共和國 | – of which: People's Republic of China | 27,826,245 | 578,697 | 11,244,578 | 20,361,553 | 60,011,073 |
| | | 50,742,157 | 1,913,820 | 21,909,181 | 60,462,015 | 135,027,173 |
| 於二〇一五年 十二月三十一日 | At 31 December 2015 | | | | | |
| 發達國家 | Developed Countries | 6,361,661 | 200,407 | 450,529 | 1,491,085 | 8,503,682 |
| 離岸中心 | Offshore Centers | 3,309,769 | 15,908 | 5,383,849 | 25,790,798 | 34,500,324 |
| – 其中：香港 | – of which: Hong Kong | 2,908,094 | 2,212 | 3,786,450 | 17,351,921 | 24,048,677 |
| 發展中拉丁美洲和 加勒比地區 | Developing Latin America and Caribbean | – | – | – | 865 | 865 |
| 發展中非洲和中東地區 | Developing Africa and Middle East | 387,503 | – | – | 34,454 | 421,957 |
| 發展中亞太地區 | Developing Asia Pacific | 32,649,390 | 744,085 | 10,454,610 | 32,421,103 | 76,269,188 |
| – 其中：中華人民共和國 | – of which: People's Republic of China | 29,617,327 | 734,497 | 10,454,610 | 32,258,283 | 73,064,717 |
| | | 42,708,323 | 960,400 | 16,288,988 | 59,738,305 | 119,696,016 |

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

7 逾期及經重組資產

(a) 逾期貸款

本集團之客戶逾期貸款分析如下：

7 Overdue and rescheduled assets

(a) Overdue advances

The Group's overdue advances to customers are analysed as follows:

| | | 二〇一六 2016 | | 二〇一五 2015 | |
|--------------------------|--|------------------|---|------------------|---|
| | | 港幣千元 HK\$'000 | 佔客戶 貸款總額 之百分比 % of total advances to customers | 港幣千元 HK\$'000 | 佔客戶 貸款總額 之百分比 % of total advances to customers |
| 貸款總額，其逾期： | Gross amount of advances which have been overdue for: | | | | |
| — 三個月以上至 六個月 | — Six months or less, but over three months | 7,709 | 0.01 | 17,646 | 0.01 |
| — 六個月以上至 一年 | — One year or less, but over six months | 60,231 | 0.04 | 5,714 | 0.01 |
| — 一年以上 | — Over one year | 5,541 | - | 4,266 | - |
| | | 73,481 | 0.05 | 27,626 | 0.02 |
| 有抵押之逾期貸款 | Secured overdue advances | 15,094 | | 16,830 | |
| 無抵押之逾期貸款 | Unsecured overdue advances | 58,387 | | 10,796 | |
| | | 73,481 | | 27,626 | |
| 有抵押之逾期貸款 所持之抵押品 市值 | Market value of collateral held against the secured overdue advances | 41,409 | | 74,692 | |
| 已撥個別減值 準備 | Individual impairment allowances made | 55,925 | | 6,875 | |

於二〇一六年十二月三十一日，同業貸款中並無逾期三個月以上（二〇一五年：無）。

At 31 December 2016, there were no advances to banks which were overdue for over three months (2015: Nil).

就逾期貸款而持有之抵押品主要為住宅物業及存放於本集團的現金存款。

Collateral held with respect to overdue advances are mainly residential properties and cash deposits with the Group.

7 逾期及經重組資產 (續)**7 Overdue and rescheduled assets (Continued)****(b) 其他逾期資產****(b) Other overdue assets**

本集團之其他逾期資產分析如下：

The Group's other overdue assets are analysed as follows:

| | | 二〇一六 2016 應計利息 Accrued interest 港幣千元 HK\$'000 | 二〇一五 2015 應計利息 Accrued interest 港幣千元 HK\$'000 |
|-----------------|--|---|---|
| 其他資產總額， 其逾期： | Gross amount of other assets which have been overdue for: | | |
| – 三個月以上至六個月 | – Six months or less, but over three months | 151 | 84 |
| – 六個月以上至一年 | – One year or less, but over six months | 3,397 | 16 |
| – 一年以上 | – Over one year | 427 | 294 |
| | | 3,975 | 394 |

(c) 經重組貸款**(c) Rescheduled advances**

本集團之經重組貸款 (已減除逾期超過三個月並在上述(a)項內列明之貸款) 分析如下：

The Group's rescheduled advances (net of those which have been overdue for over three months and reported in item (a) above) are as follows:

| | | 二〇一六 2016 | | 二〇一五 2015 | |
|---------|--------------------------------------|------------------|---|------------------|---|
| | | 港幣千元 HK\$'000 | 估客戶 貸款總額 之百分比 % of total advances to customers | 港幣千元 HK\$'000 | 估客戶 貸款總額 之百分比 % of total advances to customers |
| 經重組客戶貸款 | Rescheduled advances to customers | 29,642 | 0.02 | 44,681 | 0.04 |

於二〇一六年十二月三十一日，同業貸款中並無經重組之貸款 (二〇一五年：無)。

At 31 December 2016, there were no rescheduled advances to banks (2015: Nil).

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8 國內非銀行風險

根據《銀行業(披露)規則》，以下對非銀行交易對手的內地相關授信風險額之分析乃參照香港金融管理局的內地業務申報表所列之機構類別及直接風險之類別以分類。此報表僅計及本行及其內地分行所貸出之授信風險額。

8 Non-bank Mainland exposures

The following analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the type of direct exposures defined by the HKMA under the Banking (Disclosure) Rules with reference to the HKMA return of Mainland activities. This analysis includes exposures extended by the Bank and its Mainland branches only.

| | | 資產負債表 以內之風險額 On-balance sheet exposure 港幣千元 HK\$'000 | 資產負債表 以外之風險額 Off-balance sheet exposure 港幣千元 HK\$'000 | 總風險額 Total 港幣千元 HK\$'000 |
|---|---|--|---|-----------------------------------|
| 二〇一六年 | 2016 | | | |
| 一 中央政府、中央政府持有的 機構及其子公司和合資企業 | 1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs) | 30,825,692 | 2,072,683 | 32,898,375 |
| 二 地方政府、地方政府持有的 機構及其子公司和合資企業 | 2 Local governments, local government-owned entities and their subsidiaries and JVs | 10,414,450 | 946,603 | 11,361,053 |
| 三 居住中國內地的中國公民及在 中國內地成立的其他機構及 其子公司和合資企業 | 3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs | 32,088,143 | 2,972,712 | 35,060,855 |
| 四 其他未包括在第一項中的由中 央政府參與的機構 | 4 Other entities of central government not reported in item 1 above | 1,804,172 | 449,787 | 2,253,959 |
| 五 其他未包括在第二項中的由地 方政府參與的機構 | 5 Other entities of local governments not reported in item 2 above | 4,385,346 | - | 4,385,346 |
| 六 對居住中國境外的中國公民及 中國內地以外成立的機構所 批出之貸款，其貸款於國內 使用 | 6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China | 6,039,804 | 3,042,832 | 9,082,636 |
| 七 其他被視為國內非銀行風險 承擔 | 7 Other counterparties where the exposures are considered by the Bank to be non-bank Mainland China exposures | 10,749,789 | 386,287 | 11,136,076 |
| | | 96,307,396 | 9,870,904 | 106,178,300 |
| 減值準備後的資產總額 | Total assets after provision | 271,567,269 | | |
| 資產負債表內之風險額佔 資產總額之百分比 | On-balance sheet exposures as percentage of total assets | 35.46% | | |

8 國內非銀行風險 (續)

8 Non-bank Mainland exposures (Continued)

| | | 資產負債表 以內之風險額 On-balance sheet exposure 港幣千元 HK\$'000 | 資產負債表 以外之風險額 Off-balance sheet exposure 港幣千元 HK\$'000 | 總風險額 Total 港幣千元 HK\$'000 |
|---|--|--|---|-----------------------------------|
| 重列 二〇一五年 | Restated 2015 | | | |
| 一 中央政府、中央政府持有的 機構及其子公司和合資企 業 | 1 Central government, central government- owned entities and their subsidiaries and joint ventures (JVs) | 23,354,244 | 2,541,334 | 25,895,578 |
| 二 地方政府、地方政府持有的 機構及其子公司和合資企 業 | 2 Local governments, local government- owned entities and their subsidiaries and JVs | 11,449,936 | 778,057 | 12,227,993 |
| 三 居住中國內地的中國公民及 在中國內地成立的其他機 構及其子公司和合資企業 | 3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs | 25,160,504 | 6,291,195 | 31,451,699 |
| 四 其他未包括在第一項中的由 中央政府參與的機構 | 4 Other entities of central government not reported in item 1 above | 2,325,469 | 344,707 | 2,670,176 |
| 五 其他未包括在第二項中的由 地方政府參與的機構 | 5 Other entities of local governments not reported in item 2 above | 2,998,300 | - | 2,998,300 |
| 六 對居住中國境外的中國公民 及中國內地以外成立的機 構所批出之貸款，其貸款 於國內使用 | 6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China | 5,441,800 | 2,882,064 | 8,323,864 |
| 七 其他被視為國內非銀行風險 承擔 | 7 Other counterparties where the exposures are considered by the Bank to be non- bank Mainland China exposures | 7,226,675 | 890,242 | 8,116,917 |
| | | 77,956,928 | 13,727,599 | 91,684,527 |
| 減值準備後的資產總額 | Total assets after provision | 262,666,965 | | |
| 資產負債表內之風險額佔 資產總額之百分比 | On-balance sheet exposures as percentage of total assets | 29.68% | | |

若干比較數字已作出修改，以符合本年
度之呈報方式。

Certain comparative amounts have been revised to conform with the
current year's presentation.

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

9 風險管理

(a) 信貸風險

(i) 信貸風險承擔

本集團使用標準普爾評級服務、穆迪投資者服務及惠譽評級為外部信用評估機構，以計算信貸風險承擔。本集團使用《銀行業(資本)規則》第四部份所述之程序以配對外部信用評估機構發債人評級或外部信用評估機構特定債項評級與銀行賬內之風險承擔。

二〇一六年

9 Risk management

(a) Credit risk

(i) Credit risk exposures

Standard & Poor's Ratings Services, Moody's Investors Service and Fitch Ratings are the External Credit Assessment Institutions ("ECAIs") that the Group has used in relation to the credit risk exposures below. The process it used to map ECAI issuer ratings or ECAI issue specific ratings to exposures booked in its banking book is a process as prescribed in Part 4 of the Banking (Capital) Rules.

2016

| 風險承擔分類 | Class of exposure | 總風險 承擔 Total exposures 港幣千元 HK\$'000 | 已確認減低信貸風險 後之風險承擔 Exposures after recognised credit risk mitigation | | 已確認減低 信貸風險後之 風險承擔總額 Total exposure after mitigation 港幣千元 HK\$'000 | 風險比重金額 Risk-weighted amounts | | 風險比重 金額總額 Total risk- weighted amounts 港幣千元 HK\$'000 | 已確認 之抵押品 可抵銷之 風險承擔 Total exposure covered by recognised collateral 港幣千元 HK\$'000 | 已確認之 擔保或信貸 衍生工具 合約可抵銷 之風險承擔 Total exposure covered by recognised guarantees or recognised credit derivative contracts 港幣千元 HK\$'000 |
|--|--|---|---|------------------------------------|---|----------------------------------|------------------------------------|--|--|---|
| | | | 已評級 Rated 港幣千元 HK\$'000 | 無評級 Unrated 港幣千元 HK\$'000 | | 已評級 Rated 港幣千元 HK\$'000 | 無評級 Unrated 港幣千元 HK\$'000 | | | |
| | | | | | | | | | | |
| 資產負債表內 | On-balance sheet | | | | | | | | | |
| 官方實體 | Sovereign | 33,206,508 | 33,209,315 | - | 33,209,315 | 267,888 | - | 267,888 | - | - |
| 公營機構 | Public sector entity | - | 8,008 | 378,286 | 386,294 | 1,602 | 75,657 | 77,259 | - | - |
| 銀行同業 | Bank | 70,262,594 | 68,496,441 | 7,827,105 | 76,323,546 | 27,975,385 | 3,599,204 | 31,574,589 | 2,160,752 | - |
| 證券商 | Securities firm | 1,281,289 | - | 1,280,098 | 1,280,098 | - | 640,049 | 640,049 | 1,191 | - |
| 企業 | Corporate | 123,218,585 | 23,527,718 | 91,190,665 | 114,718,383 | 17,516,525 | 91,190,665 | 108,707,190 | 272,834 | 9,420,079 |
| 現金項目 | Cash items | 874,290 | 1,667,721 | 1,701,383 | 3,369,104 | - | 101,175 | 101,175 | - | - |
| 法定零售 | Regulatory retail | 7,482,240 | - | 7,433,780 | 7,433,780 | - | 5,575,335 | 5,575,335 | 41,571 | 6,890 |
| 住宅物業貸款 | Residential mortgage loan | 13,902,524 | - | 13,524,755 | 13,524,755 | - | 5,063,735 | 5,063,735 | 1,224 | 376,545 |
| 其他未逾期風險承擔 | Other exposures which are not past due exposures | 11,365,851 | 35,118 | 11,313,488 | 11,348,606 | 35,118 | 14,789,965 | 14,825,083 | 17,242 | 1 |
| 逾期風險承擔 | Past due exposures | 52,918 | 1,208 | 51,710 | 52,918 | 494 | 68,645 | 69,139 | - | 1,507 |
| 資產負債表以外 | Off-balance sheet | | | | | | | | | |
| 資產負債表以外風險承擔 (場外衍生工具交易或 信貸衍生工具 合約除外) | Off-balance sheet exposures other than OTC derivative transactions or credit derivative contracts | 11,814,723 | 2,069,713 | 9,745,010 | 11,814,723 | 940,390 | 9,069,883 | 10,010,273 | 826,078 | 261,165 |
| 場外衍生工具交易 | OTC derivative transactions | 2,008,023 | 1,727,334 | 280,689 | 2,008,023 | 698,213 | 159,125 | 857,338 | 92,550 | - |
| | | 275,469,545 | 130,742,576 | 144,726,969 | 275,469,545 | 47,435,615 | 130,333,438 | 177,769,053 | 3,413,442 | 10,066,187 |

於二〇一六年十二月三十一日，並無其信貸風險比重為1,250%的風險承擔(二〇一五年：無)。

At 31 December 2016, there was no exposure with credit risk weighted at 1,250% (2015: Nil).

9 風險管理 (續)

(a) 信貸風險 (續)

(i) 信貸風險承擔 (續)

二〇一五年

9 Risk management (Continued)

(a) Credit risk (Continued)

(i) Credit risk exposures (Continued)

2015

| 風險承擔分類 | Class of exposure | 總風險 承擔 Total exposures 港幣千元 HK\$'000 | 已確認減低 信貸風險 後之風險承擔 | | 已確認減低 信貸風險後之 風險承擔總額 Total exposure after credit risk mitigation 港幣千元 HK\$'000 | 風險比重金額 | | 風險比重 金額總額 Total risk- weighted amounts 港幣千元 HK\$'000 | 已確認 之抵押品 可抵銷之 風險承擔 Total exposure covered by recognised collateral 港幣千元 HK\$'000 | 已確認之 擔保或信貸 衍生工具 合約可抵銷 之風險承擔 Total exposure covered by recognised guarantees or credit derivative contracts 港幣千元 HK\$'000 |
|--|---|---|----------------------------------|------------------------------------|--|----------------------------------|------------------------------------|--|--|---|
| | | | 已評級 Rated 港幣千元 HK\$'000 | 無評級 Unrated 港幣千元 HK\$'000 | | 已評級 Rated 港幣千元 HK\$'000 | 無評級 Unrated 港幣千元 HK\$'000 | | | |
| 資產負債表以內 | On-balance sheet | | | | | | | | | |
| 官方實體 | Sovereign | 38,394,820 | 38,400,199 | - | 38,400,199 | 17,978 | - | 17,978 | - | - |
| 公營機構 | Public sector entity | 19,018 | 15,597 | 459,235 | 474,832 | 3,119 | 91,847 | 94,966 | - | - |
| 銀行同業 | Bank | 73,840,129 | 74,865,520 | 15,204,166 | 90,069,686 | 34,289,785 | 7,307,882 | 41,597,667 | - | - |
| 證券商 | Securities firm | 400,110 | - | 400,110 | 400,110 | - | 200,055 | 200,055 | - | - |
| 企業 | Corporate | 108,108,612 | 16,140,034 | 69,780,818 | 85,920,852 | 13,866,246 | 69,780,819 | 83,647,065 | 5,929,006 | 16,643,412 |
| 現金項目 | Cash items | 711,357 | 24,783 | 6,830,311 | 6,855,094 | 4,957 | 926,563 | 931,520 | - | - |
| 法定零售 | Regulatory retail | 6,581,409 | - | 6,488,619 | 6,488,619 | - | 4,866,464 | 4,866,464 | 214,731 | 9,156 |
| 住宅物業貸款 | Residential mortgage loan | 14,153,698 | - | 13,730,860 | 13,730,860 | - | 5,159,520 | 5,159,520 | - | 422,840 |
| 其他未逾期風險 承擔 | Other exposures which are not past due exposures | 9,131,649 | 143,709 | 8,856,841 | 9,000,550 | 143,709 | 11,872,425 | 12,016,134 | - | - |
| 逾期風險承擔 | Past due exposures | 191,328 | 1,334 | 189,994 | 191,328 | 267 | 279,303 | 279,570 | - | 3,428 |
| 資產負債表以外 | Off-balance sheet | | | | | | | | | |
| 資產負債表以外風險承擔 (場外衍生工具交易或信貸 衍生工具合約除外) | Off-balance sheet exposures other than OTC derivative transactions or credit derivative contracts | 11,931,369 | 2,560,686 | 9,370,683 | 11,931,369 | 1,329,928 | 8,843,840 | 10,173,768 | 197,352 | 189,750 |
| 場外衍生工具交易 | OTC derivative transactions | 1,815,471 | 1,481,670 | 333,801 | 1,815,471 | 612,923 | 165,570 | 778,493 | 216,103 | 9,829 |
| | | 265,278,970 | 133,633,532 | 131,645,438 | 265,278,970 | 50,268,912 | 109,494,288 | 159,763,200 | 6,557,192 | 17,278,415 |

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

9 風險管理 (續)

(a) 信貸風險 (續)

(ii) 交易對手之信貸風險承擔

本集團由場外衍生工具交易及證券融資交易所產生之主要信貸風險承擔簡列如下：

| | | 二〇一六 2016 | | 二〇一五 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 |
| 公平價值總額 | Gross total positive fair value | – | 697,579 | – | 830,450 |
| 信貸相等金額 | Credit equivalent amount | 1,880,816 | 2,008,023 | 1,980,610 | 1,815,471 |
| 風險比重金額 | Risk weighted amounts | 711,836 | 857,338 | 916,786 | 778,493 |
| 認可抵押品： | Recognised collateral held: | | | | |
| 現金 | Cash | 743,985 | 92,550 | 438,221 | 216,103 |

信貸相等金額或淨信貸風險承擔及風險加權數額之細分如下：

9 Risk management (Continued)

(a) Credit risk (Continued)

(ii) Counterparty credit risk exposures

The following table summarises the Group's main credit exposures arising from OTC derivative transactions and securities financing transactions:

| | | 二〇一六 2016 | | 二〇一五 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 |
| 名義金額： | Notional amounts: | | | | |
| 銀行 | Banks | 1,527,902 | 117,655,999 | 1,622,465 | 93,025,019 |
| 企業 | Corporates | – | 6,240,924 | – | 5,099,149 |
| 其他 | Others | 352,914 | 1,137,115 | 358,145 | 1,482,335 |
| | | 1,880,816 | 125,034,038 | 1,980,610 | 99,606,503 |
| 信貸相等金額： | Credit equivalent amounts: | | | | |
| 銀行 | Banks | 1,527,902 | 1,808,349 | 1,622,465 | 1,502,456 |
| 企業 | Corporates | – | 176,535 | – | 255,702 |
| 其他 | Others | 352,914 | 23,139 | 358,145 | 57,313 |
| | | 1,880,816 | 2,008,023 | 1,980,610 | 1,815,471 |
| 風險比重金額： | Risk-weighted amounts: | | | | |
| 銀行 | Banks | 391,958 | 737,296 | 592,122 | 621,550 |
| 企業 | Corporates | – | 119,670 | – | 156,746 |
| 其他 | Others | 319,878 | 372 | 324,664 | 197 |
| | | 711,836 | 857,338 | 916,786 | 778,493 |

The breakdown of the credit equivalent amounts or net credit exposures, and the risk-weighted amounts is summarised as follows:

9 風險管理 (續)

(a) 信貸風險 (續)

(ii) 交易對手之信貸風險承擔 (續)

本集團根據《銀行業(資本)規則》使用通常風險法以提供資本用作交易對手的風險承擔。本集團內部使用按市價計值承擔法來衡量交易對手之信貸承擔並作出適當增加以應付於未來潛在之風險承擔。

本集團對交易對手之場外衍生工具合約之風險承擔均設有限額。當限額達到預設水平時，高層管理人員將採取適當行動包括減低持倉。

(b) 資產證券化

於二〇一六年十二月三十一日及二〇一五年十二月三十一日，本集團並無證券化類別風險承擔。本集團使用標準(證券化)方法以計算證券化風險承擔之信貸風險。本集團使用標準普爾評級服務、穆迪投資者服務及惠譽評級為外部信用評估機構，以計算證券化之風險承擔。

(c) 於銀行賬目內的股權風險承擔

策略性股權投資乃指本集團與被投資者進行策略性合作，以各方之長處而提高本集團之業務而進行之投資。其他股權投資乃為資本收益之目的而持有。

於銀行賬目內的股權風險承擔最初以公平價值加上交易成本認算，其後以公平價值列示。公平價值變動所產生之未變現損益會在其他全面收益確認並獨立累計於權益之重估投資儲備內。直至金融資產在賬項中沖銷或減值，於其時在重估投資儲備內之前已確認之累計損益將於收益表內確認。

在市場上交易之上市投資，其公平價值乃根據市場之買盤價釐定。非上市股權證券並未有活躍市場價格提供。其公平價值以近期相近交易或其他適用於市場參與者之估值模式計算。

9 Risk management (Continued)

(a) Credit risk (Continued)

(ii) Counterparty credit risk exposures (Continued)

The Group currently uses the current exposure method for purpose of providing capital for counterparty exposures in accordance with the Banking (Capital) Rules. Internally, the Group measures counterparty credit exposure using the marked-to-market exposure with appropriate add-on for future potential exposures.

The Group has internal limit for counterparty exposure with respect to OTC derivative contracts. When the limit is reached, the senior management will take appropriate actions including reduction of the position.

(b) Asset securitisation

At 31 December 2016 and 31 December 2015, there are no securitisation exposures in the Group. The Group uses the standardised (securitisation) approach to calculate the credit risk for securitisation exposures. Standard & Poor's Ratings Services, Moody's Investors Service and Fitch Ratings are the ECAIs that the Group has used in relation to the securitisation exposures.

(c) Equity exposures in banking book

Investments that are held for the purpose of entering into a strategic cooperation with the investee with a view to leveraging the respective strengths to enhance the Group's business are classified by the Group as strategic investments. Other equity investments are held for capital gain purposes.

Equity exposures in the banking book are initially recognised at fair value plus transaction costs and subsequently carried at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated separately in equity in the investment revaluation reserve, until the equity exposure is derecognised or impaired. At this time the cumulative gain or loss previously recognised in the investment revaluation reserve is recognised in the income statement.

The fair values of quoted investments in active markets are based on current bid prices. For unquoted equity holdings with no active market, the Group establishes fair value by the use of recent arm's length transactions or other valuation techniques commonly used by market participants.

補充財務資料 (未經審計) Supplementary Financial Information (Unaudited)

9 風險管理 (續)

9 Risk management (Continued)

(c) 於銀行賬目內的股權風險承擔 (續)

(c) Equity exposures in banking book (Continued)

| | | 二〇一六 2016 港幣千元 HK\$'000 | 二〇一五 2015 港幣千元 HK\$'000 |
|-------------------------------------|--|----------------------------------|----------------------------------|
| 銷售／清盤所產生之 已實現收益 | Realised gains from sales/liquidations | 24,788 | – |
| 未變現重估收益 包括在儲備內但並非由 收益表轉入之儲備總額 | Unrealised revaluation gain Amount included in reserves but not through income statement | 181,670 | 224,473 |
| 當年累計已實現收益 | Cumulative realised gain during the year | – | 11,443 |

(d) 於銀行賬目內的利率風險承擔

(d) Interest rate exposures in banking book

本集團按月評估孳息曲線上每二百點子之向上波幅所帶來對銀行收益所造成之影響。

The Group monitors the interest rate risk exposures on a monthly basis by assessing the impact on earnings in banking book due to parallel movements of 200 basis points upward in all yield curves.

計算對本集團收益所造成之影響是假設利率變動維持十二個月和利率重置在每個時段之中間點位置。

The impact on earnings of the Group is calculated by assuming that the changes in interest rates last for a period of 12 months and all positions are repriced at the mid-point of each time band.

二〇一六年

2016

| | Interest rate risk | 貨幣 Currency | | | | | 合計 Total |
|----------------------------------|--|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------------------------|-------------|
| | | 港元 HKD 港幣千元 HK\$'000 | 美元 USD 港幣千元 HK\$'000 | 澳元 AUD 港幣千元 HK\$'000 | 人民幣 RMB 港幣千元 HK\$'000 | 其他 Others 港幣千元 HK\$'000 | |
| 利率風險 (上升200點子) – 收益增加／(減少) | Interest rate risk (200 basis points upward) – Increase/(decrease) in earnings | 234,359 | (102,187) | (10,314) | 57,032 | (51,373) | 127,517 |

二〇一五年

2015

| | Interest rate risk | 貨幣 Currency | | | | | 合計 Total |
|----------------------------------|--|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------------------------|-------------|
| | | 港元 HKD 港幣千元 HK\$'000 | 美元 USD 港幣千元 HK\$'000 | 澳元 AUD 港幣千元 HK\$'000 | 人民幣 RMB 港幣千元 HK\$'000 | 其他 Others 港幣千元 HK\$'000 | |
| 利率風險 (上升200點子) – 收益(減少)／增加 | Interest rate risk (200 basis points upward) – (Decrease)/increase in earnings | (158,423) | 158,898 | (15,379) | (68,817) | (75,750) | (159,471) |

總分行及附屬公司
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莊士敦道 莊士敦道118號
堅尼地城 吉席街28號
西灣河 筲箕灣道123號
炮台山 英皇道101號

North Point 361 King's Road
Central District 189 Des Voeux Road Central
Western District 262 Queen's Road West
Happy Valley 44 King Kwong Street
Causeway Bay 262 Gloucester Road
Wan Chai 383 Hennessy Road
Quarry Bay 1A Westlands Road
Aberdeen 201 Aberdeen Main Road
Johnston Road 118 Johnston Road
Kennedy Town 28 Catchick Street
Sai Wan Ho 123 Shaukeiwan Road
Fortress Hill 101 King's Road

九龍**Kowloon**

太子 荔枝角道17號
深水埗 大埔道111號
新蒲崗 崇齡街8號
旺角 彌敦道636號永隆銀行中心
觀塘 牛頭角道339號
尖沙咀 加拿分道4號
土瓜灣 土瓜灣道64號
慈雲山 鳳德道25號
佐敦 吳淞街123號
九龍灣 臨樂街19號
紅磡 蕪湖街28號
藍田匯景廣場 匯景廣場第三層59號舖
美孚新邨 萬事達廣場1樓N94號舖
觀塘成業街 寧晉中心東廣場1樓149號舖

Prince Edward 17 Lai Chi Kok Road
Sham Shui Po 111 Tai Po Road
San Po Kong 8 Shung Ling Street
Mongkok Wing Lung Bank Centre, 636 Nathan Road
Kwun Tong 339 Ngau Tau Kok Road
Tsim Sha Tsui 4 Carnarvon Road
To Kwa Wan 64 To Kwa Wan Road
Tsz Wan Shan 25 Fung Tak Road
Jordan 123 Woo Sung Street
Kowloon Bay 19 Lam Lok Street
Hungom 28 Wuhu Street
Lam Tin Sceneway Plaza Shop 59, 3/F, Sceneway Plaza
Mei Foo Sun Chuen Shop N94, 1/F, Mount Sterling Mall
Kwun Tong Shing Yip Street Shop 149, 1/F, E Plaza, Legend Tower

總分行及附屬公司 Bank Offices and Subsidiaries

本地分行

新界

| | |
|--------|-------------------------|
| 荃灣 | 沙咀道251號 |
| 大圍 | 大圍道8號 |
| 元朗 | 安寧路37號 |
| 屯門 | 屯門鄉事會路42號 |
| 上水 | 新豐路128號 |
| 大埔 | 安慈路1號 |
| 沙田廣場 | 沙田廣場L1樓2號舖 |
| 將軍澳新都城 | 新都城中心一期商場238號舖 |
| 科學園 | 科學園一期核心大樓1座 地下S003號舖 |

內地分行

| |
|---|
| 深圳分行 中國深圳市羅湖區深南東路5016號 京基一百大廈A座53樓5301室 |
| 深圳前海支行 中國深圳市南山區海德三道 天利中央商務廣場二期 B座2203室 |
| 上海分行 中國上海市浦東新區 世紀大道8號 上海國金中心辦公樓二期2601-2609室 |
| 廣州分行 中國廣州市天河區 珠江新城珠江西路5號 廣州國際金融中心 42樓02-04室 |

中國澳門分行

| |
|---------------------------------------|
| 澳門分行 澳門南灣發展計劃A區第5號地段 澳門財富中心地下A座 |
|---------------------------------------|

LOCAL BRANCHES

New Territories

| | |
|--------------------------|--|
| Tsuen Wan | 251 Sha Tsui Road |
| Tai Wai | 8 Tai Wai Road |
| Yuen Long | 37 On Ning Road |
| Tuen Mun | 42 Tuen Mun Heung Sze Wui Road |
| Sheung Shui | 128 San Fung Avenue |
| Tai Po | 1 On Chee Road |
| Shatin Plaza | Shop 2, Level 1, Shatin Plaza |
| Tseung Kwan O Metro City | Shop 238, Metro City Phase 1 |
| Science Park | S003, G/F, Core Building One Phase 1, HK Science Park |

MAINLAND BRANCHES

| | 電話 Telephone |
|--|--------------------|
| Shenzhen Branch Room 5301, 53/F, Tower A, Kingkey 100 Building No. 5016 Shennan East Road, Luohu District Shenzhen, PRC | (86 755) 2294 9300 |
| Shenzhen Qianhai Sub-branch Room 2203, Block B, Tiley Central Plaza No. 3 Haide Road, Nanshan District Shenzhen, PRC | (86 755) 2294 9415 |
| Shanghai Branch Room 2601-2609 Phase II Office Tower Shanghai IFC 8 Century Avenue, Pudong New Area Shanghai, PRC | (86 21) 2035 7199 |
| Guangzhou Branch Room 4202-4204, 42/F, Guangzhou International Finance Center No.5 Zhujiang Road West Guangzhou, PRC | (86 20) 3895 0078 |

MACAU BRANCH, CHINA

| | 電話 Telephone |
|--|-----------------|
| Macau Branch Baia da Praia Grande, No. S/N, Fecho BPG-Zona A-Lote 5, R/C A Finance and IT Center of Macau | (853) 2888 8111 |

海外分行

美國加州洛杉磯分行

OVERSEAS BRANCHES

Los Angeles Branch
520 Newport Center Drive
Newport Beach, CA 92660
U.S.A

電話 Telephone

(949) 269-3000

美國舊金山分行

San Francisco Branch
One Market Plaza
Steuart Tower Suite 1200
San Francisco, CA94105

(415) 400-8700

開曼群島分行

Cayman Islands Branch
Harbour Place, 5th Floor
103 South Church Street, Grand Cayman
Cayman Islands

(305) 735-3199

附屬公司

永隆保險有限公司
永隆融資有限公司
永隆財務有限公司
永隆資產管理有限公司
永隆銀行信託有限公司
永隆保險顧問有限公司
永隆代理有限公司
永隆銀行受託代管有限公司
永隆管業有限公司
康令有限公司

SUBSIDIARIES

Wing Lung Insurance Company Limited
Wing Lung Capital Limited
Wing Lung Finance Limited
Wing Lung Asset Management Limited
Wing Lung Bank (Trustee) Limited
Wing Lung Insurance Brokers Limited
Wing Lung Agency Limited
Wing Lung Bank (Nominees) Limited
Wing Lung Property Management Limited
Hongnet Limited
Wingspan Incorporated
Wing Lung Opportunities Fund Limited
Wing Lung Opportunities
Master Fund Limited
Sea Wing Investments Limited
Antopex Limited
Bulleria Limited
Cameland Limited
Deeright Limited
Eaglearn Limited
Wing Lung Equity Investment Management (Shenzhen)
Limited
Wing Lung Growth Fund SPC Limited
– Wing Lung Growth Fund III
Segregated Portfolio

Wingspan Incorporated
Wing Lung Opportunities Fund Limited
Wing Lung Opportunities
Master Fund Limited
時永投資有限公司
安碧有限公司
保亞有限公司
錦嶺有限公司
德衛有限公司
億聯有限公司
永隆股權投資管理(深圳)有限公司

Wing Lung Growth Fund SPC Limited
– Wing Lung Growth Fund III
Segregated Portfolio

香港德輔道中45號

45 Des Voeux Road Central, Hong Kong

wlb@winglungbank.com

<http://www.winglungbank.com>