



二零一九年報
ANNUAL REPORT 2019

2019

2019年報內容 Inside the 2019 Annual Report

- 1** 企業背景
Corporate Profile
- 4** 財務概況
Financial Performance
- 8** 行政總裁報告
Report of the Chief Executive Officer
- 18** 2019業務回顧
2019 Review of Operations
- 33** 董事及高級行政人員簡介
Biographies of Directors and Senior Executives
- 41** 企業資料
Corporate Information
- 42** 董事會報告書
Report of the Directors
- 46** 獨立核數師報告
Independent Auditor's Report
- 56** 財務報告
Financial Section
- 226** 企業管治及其他資料
Corporate Governance and Other Information

中信銀行(國際)有限公司 China CITIC Bank International Limited

中信銀行(國際)有限公司(「信銀國際」)由中信國際金融控股有限公司(「中信國金」)持有其75%的股份，中信國金為中信銀行股份有限公司(「中信銀行」)的全資附屬公司。天元貿易有限公司、香港冠盛投資有限公司、安信信託股份有限公司、至選有限公司和雅選有限公司合計持有信銀國際餘下的25%股份。

信銀國際期望透過為大中華及海外客戶提供金融方案，創造價值，將財富管理和國際商業銀行服務提升到超越客戶期望的嶄新水平，成為擁有最高國際水平及實力的「最佳綜合金融服務企業」。

信銀國際網絡遍佈大中華，包括香港的29家分行和2家商務理財中心以及北京、上海、深圳及澳門的網點。此外，信銀國際於紐約、洛杉磯及新加坡設有海外分行。

China CITIC Bank International Limited ("CNCBI") is 75%-owned by CITIC International Financial Holdings Limited ("CIFH"), which in turn is a wholly-owned subsidiary of China CITIC Bank Corporation Limited ("CNCB"). The remaining 25% of CNCBI are owned by Tian Yuan Trading Limited, Hong Kong Guansheng Investment Co., Limited, Anxin Trust Co., Limited, Clear Option Limited and Elegant Prime Limited.

By providing value-creating financial solutions to define and exceed both wealth management and international business objectives of Greater China and overseas customers, CNCBI aspires to be "the best integrated financial services institution", with the best international standards and capabilities.

CNCBI's footprint in Greater China includes 29 branches and 2 business banking centres in Hong Kong, as well as branches and presence in Beijing, Shanghai, Shenzhen and Macau. CNCBI also has overseas branches in New York, Los Angeles and Singapore.



使命

我們旨在大中華及亞洲快速增長的過程中，成為機構及個人客戶推崇的中資金融方案供應商。

憑藉我們對中國市場的深切瞭解、內地的廣闊人脈網絡及以客戶為主導的原則，務實高效地為股東、客戶和員工創富增值。

我們的主要競爭優勢，在於人才培育、團體精神、權責分擔及成果共享。

Our Mission

To be the China Financial Solutions Provider highly regarded by institutional and personal customers who aspire to realise the growth potential in Asia.

We focus on value creation for our stakeholders. Core to our offering is our intimate knowledge of and our network capability in China, coupled with our customer-centric execution of world-class quality.

Nurturing of talent, team spirit and sharing of ownership and success are a key competitive advantage of ours.

核心價值 Our Core Values

恪守誠信 **Integrity**

以客為尊 **Customer-centric**

創富增值 **Value Creating**

銳意進取 **Progressive**

務實高效 **Execution**

集賢樹人 **Building People, Building Team**

2019年財務摘要

2019 Financial Highlights

全年 (百萬港元)	For the year (HK\$ million)	2019	2018	%變動 % change
淨利息收入	Net interest income	6,343	6,400	-0.9
非利息收入	Non-interest income	2,008	2,010	-0.1
經營支出	Operating expenses	(3,696)	(3,385)	+9.2
金融資產及其他賬項 預期信貸損失／減值損失	Expected credit losses/impairment losses on financial assets and other accounts	(1,268)	(1,403)	-9.6
稅前溢利	Profit before taxation	3,334	3,624	-8.0
所得稅	Income tax	(524)	(616)	-14.9
股東應佔溢利	Profit attributable to shareholders	2,810	3,008	-6.6

於年結日 (百萬港元)	At year end (HK\$ million)	2019	2018	%變動 % change
貸款及墊款	Loans and advances	189,377	201,820	-6.2
資產總額	Total assets	361,222	362,945	-0.5
存款總額	Total deposits	279,986	288,626	-3.0
股東權益	Shareholders' equity	38,680	35,900	+7.7

財務比率	Financial ratios	2019	2018
資本充足比率	Capital adequacy ratio	20.0%	19.3%
平均流動性覆蓋比率	Average liquidity coverage ratio	226.5%	228.3%
貸存比率	Loans to deposits	67.6%	69.9%
成本對收入比率	Cost to income	44.3%	40.2%

股東應佔溢利 (百萬港元) Profit attributable to shareholders (HK\$ million)		資產總值 (百萬港元) Total assets (HK\$ million)		股東權益 (百萬港元) Shareholders' equity (HK\$ million)	
19	2,810	19	361,222	19	38,680
18	3,008	18	362,945	18	35,900
17	2,808	17	344,309	17	37,384
16	2,548	16	306,417	16	25,781
15	2,168	15	282,353	15	21,744

5 年財務概況

5 Year Financial Summary

全年結算 (百萬港元)	For the year (HK\$ million)	2019	2018	2017	2016	2015
淨利息收入	Net interest income	6,343	6,400	5,395	4,129	3,420
非利息收入	Non-interest income	2,008	2,010	2,478	2,284	2,411
經營支出	Operating expenses	(3,696)	(3,385)	(3,174)	(2,816)	(2,564)
金融資產及其他賬項 預期信貸損失／減值損失	Expected credit losses/impairment losses on financial assets and other accounts	(1,268)	(1,403)	(1,422)	(553)	(668)
稅前溢利	Profit before taxation	3,334	3,624	3,287	3,053	2,601
所得稅	Income tax	(524)	(616)	(479)	(505)	(433)
股東應佔溢利	Profit attributable to shareholders	2,810	3,008	2,808	2,548	2,168

於年結日 (百萬港元)	At year end (HK\$ million)	2019	2018	2017	2016	2015
貸款及墊款	Loans and advances	189,377	201,820	196,287	183,764	169,870
預期信貸損失／ 減值準備	Expected credit losses/ impairment allowances	3,597	2,659	1,523	950	696
資產總額	Total assets	361,222	362,945	344,309	306,417	282,535
平均利息收益資產總值	Average interest earnings assets	342,264	350,917	320,779	278,223	248,689
存款總額	Total deposits	279,986	288,626	274,894	246,168	231,072
股東權益	Shareholders' equity	38,680	35,900	37,384	25,781	21,744

財務比率	Financial ratios	2019	2018	2017	2016	2015
資本充足比率	Capital adequacy ratio	20.0%	19.3%	20.3%	17.8%	16.5%
平均流動性覆蓋比率	Average liquidity coverage ratio	226.5%	228.3%	177.6%*	n/a	n/a
平均流動性維持比率	Average liquidity maintenance ratio	n/a	n/a	59.6%#	60.8%	61.8%
貸存比率	Loans to deposits	67.6%	69.9%	71.4%	74.7%	73.5%
貸款對資產總額比率	Loans to total assets	52.4%	55.6%	57.0%	60.0%	60.1%
綜合評估覆蓋比率	Collective assessment coverage	n/a	n/a	0.2%	0.2%	0.2%
預期信貸損失覆蓋比率	ECL allowance coverage	1.9%	1.3%	n/a	n/a	n/a
成本對收入比率	Cost to income	44.3%	40.2%	40.3%	43.9%	44.0%
平均資產回報率	Return on average total assets	0.79%	0.84%	0.85%	0.87%	0.83%
平均股東權益回報率	Return on average shareholders' equity	7.44%	8.37%	10.11%	10.25%	10.24%

* 加權數額 (平均值) 於2017年12月31日季度末

* Weight amount (average value) at quarter ended 31 December 2017

截至2017年9月30日止期間平均流動性維持比率

Average LMR for the period ended 30 September 2017

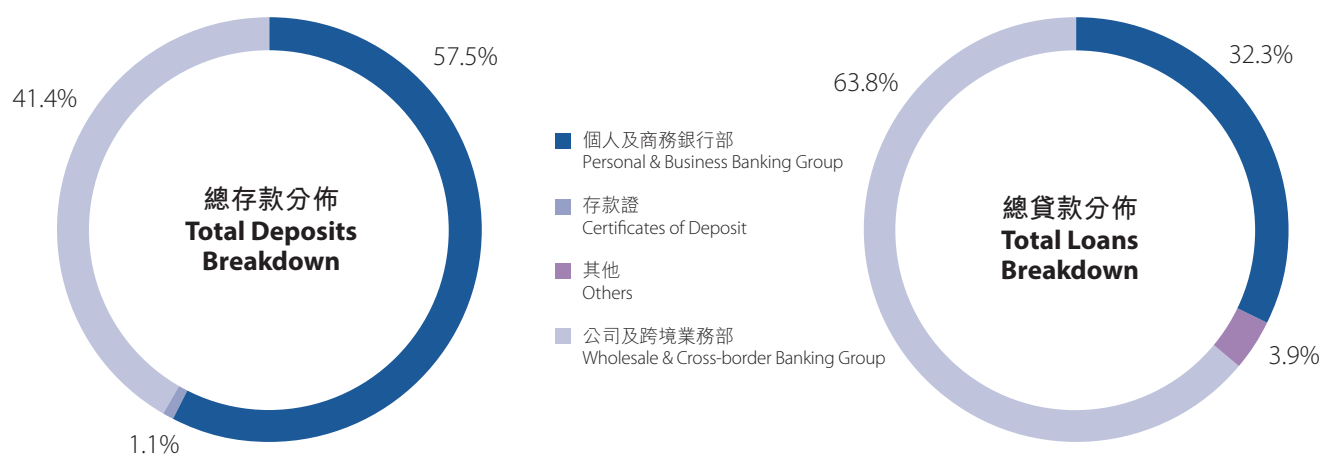
存款*

Deposits*

1. 按類別劃分	By type	2019	2018
往來	Current	8.8%	9.8%
儲蓄	Savings	18.9%	16.0%
定期	Fixed	72.3%	74.2%
合計	Total	100.0%	100.0%
2. 按到期日劃分	By maturity	2019	2018
即時償還	On demand	27.7%	25.8%
少於3個月	Less than 3 months	58.8%	49.9%
超過3個月但不足1年	Over 3 months but less than 1 year	13.3%	24.2%
超過1年但不足5年	Over 1 year but less than 5 years	0.2%	0.1%
合計	Total	100.0%	100.0%
3. 按貨幣劃分	By currency	2019	2018
港元	HKD	59.6%	53.2%
美元	USD	28.4%	34.0%
其他	Others	12.0%	12.8%
合計	Total	100.0%	100.0%
4. 存款賬目數目	Number of deposit accounts	2019	2018
		609,182	543,380

* 以客戶存款為基礎

* Based on customer deposits only



貸款

Loan Portfolio

1. 按行業劃分	By industry sectors	2019	2018
用於香港的貸款	Loans and advances for use in Hong Kong		
工商及金融界：	Industrial, commercial and financial:		
物業發展	Property development	1.5%	2.3%
物業投資	Property investment	9.2%	8.6%
金融界	Financial concerns	9.0%	9.0%
股票經紀	Stockbrokers	1.0%	1.6%
批發及零售貿易	Wholesale and retail trade	5.0%	4.5%
製造業	Manufacturing	5.3%	6.0%
運輸業及運輸設備	Transport and transport equipment	0.7%	0.8%
娛樂活動	Recreational activities	1.5%	1.7%
資訊科技	Information technology	3.5%	3.3%
其他	Others	3.8%	4.6%
個人：	Individuals:		
購買「居者有其屋計劃」、 「私人發展商參建居屋 計劃」及「租客置其屋 計劃樓宇」的貸款	Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	0.0%	0.0%
購買其他住宅物業的貸款	Loans for the purchase of other residential properties	9.4%	7.7%
信用卡借貸	Credit card advances	0.2%	0.3%
其他	Others	7.8%	5.4%
貿易融資	Trade finance	2.9%	2.1%
用於香港以外地方的貸款及墊款	Loans and advances for use outside Hong Kong	39.2%	42.1%
合計	Total	100.0%	100.0%
2. 按地區分佈劃分	By geographical spread	2019	2018
香港	Hong Kong	59.2%	56.7%
中國內地	Mainland China	28.9%	27.3%
美國	United States	4.1%	3.6%
新加坡	Singapore	1.2%	2.8%
其他	Others	6.6%	9.6%
合計	Total	100.0%	100.0%
3. 按年期劃分	By maturity	2019	2018
即時償還	Repayable on demand	1.3%	0.8%
少於1年	Less than 1 year	53.7%	50.4%
超過1年但少於5年	Over 1 year but less than 5 years	27.6%	35.9%
超過5年	Over 5 years	13.1%	12.0%
無訂日期	Undated	4.3%	0.9%
合計	Total	100.0%	100.0%
4. 按貨幣劃分	By currency	2019	2018
港元	HKD	56.0%	53.8%
美元	USD	36.3%	38.4%
其他	Others	7.7%	7.8%
合計	Total	100.0%	100.0%
5. 貸款賬目數目	Number of loan accounts	2019	2018
		453,651	610,656

畢明強先生
行長兼行政總裁

Mr. Bi Mingqiang
President &
Chief Executive Officer



2019年，信銀國際加大投入固本培元，風險控制、合規管理等基礎管理能力得到明顯提升。與此同時，儘管面臨巨大挑戰，本集團全年實現淨利潤28.1億港元，在收入水平與前一年度基本持平的同時，收入結構獲得明顯優化。

In 2019, China CITIC Bank International increased investments to strengthen its fundamentals, resulting in markedly stronger general management capabilities in risk control, compliance management, etc. Meanwhile, despite significant challenges, the Group achieved net profits of HK\$2.81 billion. While revenues remained largely stable compared with the preceding year, the revenue structure showed noticeable enhancement.

2019年是極具挑戰的一年，中美貿易衝突不斷升級之際，下半年香港持續的社會運動嚴重衝擊銀行經營，尤其是零售銀行業務。中信銀行（國際）有限公司（「信銀國際」或「本行」）暨各附屬公司（統稱「本集團」）迎難而上，經營收入按年基本保持穩定，經營支出則因對業務轉型的持續投入而有所增長。淨利潤28.1億港元，雖然較前一年同比小幅收窄，但仍為本集團的歷史第二高水平。與此同時，集團轉型賦能零售及財資業務，業務結構持續改善。此外，基礎管理、風險管理與內部監控得到進一步強化，為本集團戰勝重重苦難和實現可持續發展奠定堅實基礎。

2019 was an exceptionally challenging year. While China-US trade tensions continued to escalate, persistent social events in the second half of the year caused significant disruptions especially to retail business. **China CITIC Bank International Limited** ("CNCBI" or "the Bank") **and its subsidiaries** (together "the Group") remained undaunted, keeping revenues largely stable while expenses increased as a result of continued investments to drive business transformation. Net profits at HK\$2.81 billion represented a mild setback from the previous year but was still the second highest in the Group's history. Meanwhile, retail and treasury businesses were bolstered by the Group's transformation initiatives, resulting in a better business structure. Moreover, general management, risk management and internal controls have been further strengthened, enhancing the Group's foundations to overcome multiple adversities and achieve sustainable growth ahead.

Management Committee



簡吳秋玉女士
執行董事, 替任行政總裁兼
個人及商務銀行業務總監
Mrs. Helen Kan
Executive Director &
Alternate Chief Executive Officer,
Group Head of Personal &
Business Banking



柏立軍先生
執行董事, 替任行政總裁,
公司業務兼財資及環球市場總監
Mr. Bai Lijun
Executive Director &
Alternate Chief Executive Officer,
Group Head of
Wholesale Banking and
Treasury & Markets



鄧聶斌先生
執行董事, 替任行政總裁兼
風險管理總監
Mr. Tang Nai Pan
Executive Director &
Alternate Chief Executive Officer,
Chief Risk Officer



譚日恭先生
財務總監
Mr. Elton Tam
Chief Financial Officer



邱慧敏女士
監控及合規總監
Ms. Christine Yau
Chief Controls and Compliance Officer



蔡玉玲女士
人力資源總監
Ms. Sylvia Choi
Chief Human Resources Officer



嵇津湘先生
資訊科技總監
Mr. Ji Jinxiang
Chief Information Officer



龐春美女士
營運總監
Ms. Christina Pong
Chief Operations Officer



陳耀強先生
審計總監
Mr. Telly Chan
Chief Auditor

經營環境

2019年，全球經濟增長大幅放緩，預計增幅按年收縮70個基點至2.9%，其中美國與歐元區經濟增長分別較前一年減慢60和70個基點。除結構與週期性因素外，中美貿易衝突及美國與其他國家的貿易摩擦直接打擊全球貿易，加劇市場動盪，降低商業信心。為此，以美國聯儲局為首的大部分央行開啟了新一輪貨幣寬鬆政策。

報告期內，中國內地經濟受中美貿易衝突反覆升級影響而持續走弱。但受中美簽訂第一階段貿易協定的預期支撐，加上寬鬆的貨幣與財政政策效應顯現，2019年四季度經濟增長企穩於6.0%，全年增長6.1%，雖然較上年減緩50個基點，但仍實現了6.0-6.5%的年度增長目標。另一方面，中小民企債務違約事件增多，導致多家金融機構被接管，雖然已受控但潛在風險不容小覷。

2019年香港經濟面臨嚴峻挑戰，上半年受外部環境惡化影響增長大幅放緩，下半年進一步受內部社會事件打擊而陷入衰退。前三季度本地生產總值按年下降2.9%，預計四季度降幅進一步擴大，全年收縮1.2%。香港銀行業經營環境不斷惡化，前三季度銀行業整體稅前利潤僅增長1.8%，而去年同期該指標上升22.4%。

Operating Environment

Global economic growth slowed markedly in 2019 to an estimated 2.9%, 70 basis points weaker than in 2018, with the US and the Eurozone showing slowdown of 60 and 70 basis points respectively. Apart from structural and cyclical factors, the China-US trade war as well as trade frictions between the US and other countries took a toll on global trade flows, heightened market volatility and dented business confidence. In response, led by the US Federal Reserve, most central banks have launched a new round of monetary easing.

During the period under review, China's economy continued to weaken as a result of repeated escalations of the China-US trade war. Expectations of a partial trade agreement between the two countries and emerging benefits of supportive monetary and fiscal policies helped stabilize economic growth at 6.0% for the last quarter of 2019, and full-year growth was 6.1%. While the rate of expansion was 50 basis points lower year on year, it was in line with the annual target of 6.0-6.5%. On the other hand, debt default cases related to small and medium-sized private enterprises increased, resulting in several financial institutions being taken over. Although the situation was under control, the potential risks should not be overlooked.

For the Hong Kong economy, the challenge it faced in 2019 was enormous. Growth in the first half was considerably slower given the impact of external headwinds, while the economy was further badly hit by domestic social events in the second half and plunged into recession. For the first three quarters, gross domestic product (GDP) shrank by 2.9% and with more downside expected for the fourth quarter, Hong Kong's economy is estimated to have contracted by 1.2% for the whole year. The operating environment of the banking industry has therefore been deteriorating. Pre-tax profits for the sector as a whole increased by merely 1.8% in the first three quarters of 2019, compared to 22.4% for the same period in 2018.

財務概覽

本集團2019年股東應佔溢利按年下降6.6%至28.1億港元。平均資產回報率0.79%，平均股東權益回報率7.44%。

2019年經營收入83.5億港元，與前一年基本持平。受存量貸款收縮影響，淨利息收入微跌0.9%至63.4億港元，但淨息差由前一年的1.82%擴大3個基點至1.85%，主要受惠於資產收益率上升，超過存款成本的增加。非利息收入20.1億港元。儘管貸款費用收入與財資產品銷售收入貢獻度下降，保險相關收入顯著上升，債務資本市場業務收入和交易收入亦持續增長。

在強化成本管控的同時，本集團致力推動業務轉型，不斷增加對科技和人力資源的投入。總經營支出按年增加9.2%。

2019年減值撥備12.7億港元，而2018年則為14.0億港元。截至2019年12月31日，不良貸款比率因一筆大額貸款被降級而較前一年有所上升。但憑藉清收不良貸款的不懈努力，不良貸款比率已由年中的1.38%回落至1.20%，不良貸款撥備覆蓋率亦由2019年6月30日的107.7%回升至158.4%。

面對市場的不確定性及日益惡化的企業信貸風險，本集團審慎發放新貸款，主動調整資產組合以提高資本使用效率。截至2019年12月31日，總資產3,612.2億港元，與2018年末水平相若。客戶貸款（包括貿易票據）與總存款（包括存款證）分別較前一年末下降6.2%和3.0%至1,893.8億港元和2,799.9億港元。資產負債結構不斷優化，零售存貸款規模不斷擴大，分別佔總存款與總貸款的57.5%和32.3%。

2019年2月，信銀國際成功發行5億美元二級後償票據用以補充資本。截至2019年12月31日，本集團總資本充足比率、一級資本比率以及普通股權一級資本比率分別為20.0%、17.2%和14.3%，符合監管要求。與此同時，本集團確保維持充足的流動性以應對潛在的市場波動，2019年全年平均流動性覆蓋比率達到225.7%。

Financial Review

The Group's 2019 profit attributable to shareholders decreased 6.6% year on year to HK\$2.81 billion. Return on average assets was 0.79% while return on average shareholders' equity was 7.44%.

Operating income last year remained stable at HK\$8.35 billion. Net interest income was slightly down by 0.9% to HK\$6.34 billion as a result of lower outstanding loans, while net interest margin edged up 3 basis points from 1.82% in the previous year to 1.85% on the back of an increase in assets yields in excess of the rise in funding costs. Non-interest income was maintained at HK\$2.01 billion. Despite lower contribution from loan fees and sale of treasury products, insurance-related income increased noticeably, and the revenues derived from debt capital markets and trading operations also continued to rise.

While strengthening cost controls, the Group remained committed to driving its business transformation, continuing to increase investments in technology and human capital. Total operating expenses were up by 9.2% year on year.

Impairment for 2019 was HK\$1.27 billion, compared with HK\$1.40 billion of the preceding year. Impaired loan balance as at 31 December 2019 increased from a year earlier due to the downgrade of a loan asset. Yet thanks to stronger collection efforts, impaired loan ratio dropped from a peak of 1.38% in the middle of the year to 1.20%, while non-performing loan coverage ratio also improved to 158.4% from a low of 107.7% as at 30 June 2019.

In the face of market uncertainties and rising corporate credit risk, the Group was prudent in granting new loans and proactively adjusted its asset mix to enhance capital efficiency. Total assets as at 31 December 2019 stood at HK\$361.22 billion, similar to the end-2018 level. Customer loans (including trade bills) and total deposits (including certificates of deposit issued) dropped by 6.2% and 3.0% from a year ago respectively to HK\$189.38 billion and HK\$279.99 billion. Balance sheet structure continued to improve with increases in retail deposits and lending, which accounted for 57.5% and 32.3% of total deposits and loans respectively.

In February 2019, CNCBI successfully issued US\$500 million Tier 2 Subordinated Notes to replenish its capital. As at 31 December 2019, the Group's total capital adequacy ratio, tier 1 capital ratio and common equity tier 1 capital ratio stood at 20.0%, 17.2% and 14.3% respectively, meeting regulatory requirements. Meanwhile, the Group continued to maintain ample liquidity to safeguard against potential market volatilities, with an average liquidity coverage ratio of 225.7% for 2019.

業務回顧

公司業務部

過去一年，受中美貿易戰和中資企業跨境併購活動下降等不利因素影響，公司業務部在經歷了幾年快速發展後出現調整。2019年全年營業收入為42.9億港元，同比下降10.5%；貸款和存款規模同比分別下降約16.2%及13.7%。

為盡快重返增長軌道，公司業務部從客戶基礎、產品支撐、管理體系等方面積極轉型。未來將進一步加強與母行中信銀行股份有限公司（「中信銀行」）/中信集團的聯動、與中資非銀金融機構的合作、各產品團隊的客戶互相引流以及客戶經理的營銷能力建設，從多角度拓展客戶，致力扭轉目前基礎客戶不足的問題。同時將加強產品團隊建設，把產品經理營銷前移，建立「客戶經理+產品經理」的專業化營銷體系，大力推動交叉銷售。又將進一步明確各部門的職責邊界，加強客戶經理/產品經理考核，並強化(1)香港總部各團隊之間以及(2)海外分行和總部之間的聯動合作。

財資及環球市場部

2019年財資及環球市場部經營收入按年增長40.8%至12.0億港元。其中債務資本市場費用收入增長26.2%。報告期內，債務資本市場業務團隊為中資企業完成142支債券發行，累計承銷金額575.9億美元。截至2019年末，根據彭博中資離岸債券發行規模排名，信銀國際位居中資金融機構第五，獲FinanceAsia頒發「2019年亞太區最佳高收益債券承銷平台」獎項。固定收益二級市場交易規模按年顯著擴大，帶來可觀收入。

Business Review

Wholesale Banking Group

Last year, due to negative factors such as the China-US trade war and a decline in cross-border mergers and acquisitions activities of Chinese enterprises, Wholesale Banking Group ("WBG") experienced a period of consolidation after rapid growth in the preceding few years. Operating income in 2019 amounted to HK\$4.29 billion, down 10.5% year on year, while loan and deposit balances as at the end of the year were around 16.2% and 13.7% lower respectively versus a year earlier.

In a bid to resume growth quickly, WBG has carried out transformation in its customer base, product support, management system, etc. Going forward, it will further enhance the collaboration with parent bank China CITIC Bank Corporation Limited ("CNCB")/the CITIC Group, the cooperation with Chinese non-bank financial institutions, customer referrals among different product groups and the marketing capabilities of relationship managers, attempting to acquire more customers via multiple channels to resolve the issue of a narrow core customer base at this juncture. Meanwhile, the product teams will be further strengthened, with product managers participating in a marketing pitch at an earlier stage and the establishment of a professional marketing system of "relationship manager + product manager" to spur cross-selling. Moreover, the responsibilities of various units will further be clearly defined, while the performance appraisal of relationship managers/product managers will be improved, and the collaboration (1) across various teams in the Hong Kong headquarters and (2) between overseas branches and the headquarters will be enhanced.

Treasury and Markets Group

Treasury and Markets Group ("TMG") saw a 40.8% year-on-year increase in 2019 operating income to HK\$1.20 billion, with fee income recognized for the debt capital markets ("DCM") business growing by 26.2%. During the period under review, the DCM team completed 142 deals for Chinese issuers with an aggregate issuance size of US\$57.59 billion. As at the end of the year, according to Bloomberg Offshore China Bonds issuance volume, CNCB ranked the fifth among all Chinese financial institutions. The Bank was also awarded the "2019 Best High Yield House in Asia" by FinanceAsia. In the fixed income secondary market, trading volume increased considerably year on year, bringing in substantial revenues.

交易團隊專注打造人民幣及港元做市業務，根據路孚特（前身為「湯森路透」）統計資料，信銀國際2019全年人民幣外匯即期交易量位居亞洲中資銀行前三位，並在8月至11月期間連續位居榜首。信銀國際亦獲路孚特頒發(1)外匯即期交易量（涵蓋所有貨幣）在港排名前5位銀行及(2)香港人民幣即期交易量最高交易員兩個獎項。2019年3月，交易團隊完成本港首筆香港交易所中央結算的離岸人民幣外匯掉期業務，獲香港交易所頒發「定息產品及貨幣市場的主要合作夥伴」及其它多個清算相關獎項，以表彰信銀國際為離岸人民幣市場發展作出的貢獻。

資金運營中心合理管理本集團的流動性期限錯配、外匯掉期與債券組合，整體財務表現令人滿意。信銀國際自2019年10月起獲香港財資市場公會委任為人民幣香港銀行同業拆息的報價行，顯示其對信銀國際在香港離岸人民幣市場地位的認可。

個人及商務銀行部

個人及商務銀行部在營運環境極為不穩定的情況下，仍能刷新經營收入紀錄，達到26.9億港元，較2018年增長7.8%。存款和貸款規模亦創歷史新高，分別按年上升5.3%和18.7%至1,609.6億港元和611.3億港元。零售銀行業務、私人銀行業務和商務銀行業務的勢頭強勁，成為了個人及商務銀行部的多元化收入引擎。

同時，信銀國際啟動inMotion Lab（「動感實驗室」）項目，以inMotion（「動感銀行」）為業務平台推動本行金融科技轉型。繼成為全港首間以手機應用程式推出遙距開戶之銀行，信銀國際在inMotion平台不斷推出更多創新的產品及服務。2019年2月，信銀國際再一次領導市場發展，推出香港首張全虛擬信用卡。11月亦領先同儕，成為全港首家銀行推出智能投資顧問服務（「智投360」）。此外，更推出全功能證券交易平台inVest（「動感投資」）以提升客戶之投資理財體驗。

The trading team focused on building the market-making business of RMB and HKD products. According to Refinitiv (previously "Thomson Reuters"), CNCBI ranked among the top three Chinese banks in Asia for RMB FX spot trading volume throughout 2019 and attained number 1 from August to November 2019 in a row. CNCBI has also received two awards from Refinitiv: (1) 2019 Top 5 Trading Volume in FX Spot (across all currencies) in Hong Kong; (2) Top CNH Spot Trader by volume among all individual traders in Hong Kong. In March 2019, the trading team completed the first HKEx centrally cleared CNH FX swap transaction in Hong Kong and HKEx presented CNCBI with the "Key Business Partner in FIC Market" award as well as various awards in relation to clearing business in recognition of the Bank's contribution to the development of the offshore RMB market.

The Central Treasury Unit ("CTU") carefully managed the mismatch in the Group's liquidity gapping positions, FX funding swaps and debt securities portfolio, delivering satisfactory financial performance. Starting from October 2019, CNCBI has been a CNH HIBOR contributing bank as appointed by the Treasury Markets Association, which is an acknowledgement of the Bank's increasing presence in the CNH market.

Personal and Business Banking Group

Despite an extremely volatile operating environment, Personal and Business Banking Group ("PBG") successfully achieved record-breaking operating income of HK\$2.69 billion, representing a 7.8% increase over 2018. Deposit and loan balances also registered all-time highs, up 5.3% and 18.7% respectively to HK\$160.96 billion and HK\$61.13 billion. Retail banking, private banking and business banking businesses have all performed well, contributing to a diversified income base of PBG.

In the meantime, CNCBI has launched the inMotion Lab, capitalizing on inMotion as the business platform to drive the Bank's Fintech transformation. Further to being the first bank in Hong Kong to provide truly remote account opening services via a mobile app, CNCBI has continued to introduce more innovative products and services on the inMotion platform. In February 2019, CNCBI led the market again by launching the first truly virtual credit card. Later in November, the Bank was also the pioneer among its peers to introduce a robo investment advisory service ("Robo 360"). In addition, a securities trading platform with comprehensive functions, "inVest" was launched to enhance customer experience in investment and wealth management.

風險管理及內部監控

本集團高度重視健全的風險管治，竭力維持穩健的風險管理與內部監控。為此，本集團持續強化「三道防線」，即(1)承受風險的業務單位（包括相關的前中後台人員）、(2)獨立的風險管理和合規部門以及(3)獨立的內部審計部門，有效管理本集團面對的風險，包括定期檢視及更新風險偏好和政策以及監控措施、流程和報告，以確保符合所有相關法律、法規及監管規定，實踐良好的管治。

為符合巴塞爾銀行監督委員會新訂立的標準，金管局對銀行的監管要求日益嚴格。為了加強風險基礎設施及應對持續收緊的監管環境，2019年本集團實施多項風險管理優化措施，同時通過內部努力及聘任外部顧問進行大量準備工作，務求準時完成多個監管類項目，包括銀行帳冊利率風險準則及銀行業（風險承擔限額）規則內有關大額風險的限額監督等。此外，其它將落實項目包括非中央結算場外衍生工具的開倉保證金、交易對手信用風險的標準計算法、有擔保隔夜融資利率代替倫敦銀行同業拆放利率（LIBOR）、利率基準指標改革及《巴塞爾協議三》建議的信用風險加權資產計算法和交易帳冊基本審查要求的市場風險最低資本等。

2019年，本集團亦積極強化多項管理反洗錢風險、網絡安全風險和操作風險的措施，以適應不斷變化的監管要求。

人力資源發展

2019年，為配合戰略發展，本集團全面檢視組織架構並作出適當調整，例如分拆資訊科技及營運部，通過設置獨立的資訊科技部進一步提升IT基礎設施、系統維護和安全，加強防範IT和網絡風險。

Risk Management and Internal Control

The Group attaches great importance to rigorous risk governance and strives to maintain robust risk management and internal control practices. Hence the Group has continued to enhance its “three lines of defence”, namely (1) business units where risks are taken (including related frontline and support staff), (2) independent risk management and compliance functions and (3) an independent internal audit function, in order to effectively manage the risks faced by the Group. The actions taken include regular reviews and updates of risk appetite and policies as well as controls, procedures and reporting to ensure that they remain in line with relevant laws, regulations and regulatory requirements for sound corporate governance.

To match the standards set by the Basel Committee on Banking Supervision, the HKMA has imposed increasingly stringent requirements on the banking industry. With a view to strengthening the risk infrastructure and coping with a tighter regulatory environment, the Group implemented a number of risk management enhancement initiatives in 2019. At the same time, by undertaking extensive preparations internally and engaging external consultants, timely completion of various regulatory projects was ensured. These projects included the new standards of Interest Rate Risk in the Banking Book (“IRRBB”) and the Banking (Exposure Limits) Rules (“BELR”) large exposure limits monitoring. Other key regulatory projects underway comprise initial margining for non-centrally cleared over-the-counter derivatives, standardized approach to counterparty credit risk, central clearing of derivatives related to secured overnight financing rate in lieu of LIBOR, reform of interest rate benchmarks, Basel III reform on the calculation of risk-weighted assets for credit risk and Basel III reform on the fundamental review of the trading book in relation to minimum capital requirements for market risk.

In 2019, the Bank also implemented several initiatives to proactively manage anti-money laundering risk, cybersecurity risk and operational risk in response to evolving regulatory requirements.

Human Resources Development

In line with the Group’s strategic development, its organizational design underwent a holistic review in 2019 with some adjustments made. For instance, Information Technology Group and Operations Management Group have become two individual units. The establishment of an independent Information Technology Group can help further enhance the IT infrastructure, system maintenance and security as well as strengthening the safeguards against IT and cybersecurity risks.

同時，增強績效管理和員工激勵措施以推廣良好的銀行文化。360績效評估覆蓋範圍從部分高級管理人員擴展到中層管理人員，以進行更全面的評估。優化激勵計劃，鼓勵員工遵循正確的行事作風，並為高級管理人員提供培訓課程，倡導其樹立榜樣和以身作則。

本集團亦舉辦多項休閒活動，促進員工工作與生活平衡。為加強跨部門互動和提升團隊合作精神，組建多支隊伍參加體育賽事，在籃球、保齡球、龍舟賽和遠足項目中取得佳績。

企業社會責任

信銀國際一直積極履行良好的企業公民責任，用心經營銀行業務，努力回饋香港社會。報告期內兩個主要企業社會責任項目均取得令人鼓舞的成效。「樂語路」針對語言發展遲緩的學前兒童及小學生，幫助他們盡早通過網上資訊平台、語言遊戲應用程式、家長講座及工作坊和直接言語治療，接受基本但有效的訓練，過去三年已惠及全港超過10,000名兒童。另一項目「畫出香港」通過藝術家駐校計劃、工作坊和展覽及活動日，支援基層學生發掘藝術潛能，提升創造力和自信，並將藝術推廣至香港各階層。700位中小學生通過工作坊接觸到嶄新的藝術創作模式，而2019年3月的展覽及活動日更吸引近30間學校團體和1.8萬名市民及遊客參觀，一同享受繪畫的樂趣。

Meanwhile, to cultivate a sound corporate culture, performance management and incentive systems have been strengthened. The use of 360-degree performance assessment has been extended from a group of senior managers to middle managers for a more comprehensive evaluation, while the staff recognition scheme has been improved to encourage exemplary behaviours. In addition, senior managers have been offered training courses to help them set the tone from the top and lead by example.

The Group has also organized many recreational activities to help its staff achieve a work-life balance. For the sake of promoting interaction across various departments and team spirit, several sports teams have been formed, with a number of awards in basketball, bowling, dragon-boat racing and hiking competitions.

Corporate Social Responsibility

With a commitment to honouring the responsibility of a corporate citizen while conducting its banking business, CNCBI seeks to plough back resources in society. In 2019, two of the Group's key Corporate Social Responsibility ("CSR") programmes delivered encouraging results. "Speak Along", which aimed at providing timely, fundamental and effective training for pre- and primary-school students with speech impediments through an online knowledge platform, a gamified mobile app, seminars and workshops for parents and direct speech therapies, benefited more than 10,000 children over a three-year span ending 2019. Another large-scale CSR programme "Draw HK", which comprised artist-in-residence programmes and workshops, an exhibition as well as an event day, supported underprivileged students to discover their artistic talents, raise their creativity and self-confidence, and promoted art to various layers of our society. The programme put 700 primary and secondary school students in touch with a colourful array of innovative approaches to creativity while the exhibition and event day held in March 2019 attracted 30 education organizations to take part in art tours and inspired 18,000 local and overseas visitors to pick up the pen for the fun of drawing.

展望

2020年，全球經濟在需求疲弱與貿易摩擦的基礎上又面臨新型冠狀病毒肺炎疫情的沉重打擊。儘管以美國為首各國相繼推出強有力的寬鬆政策，主要經濟體增長均將大幅放緩。預計2020年全球經濟增長1.5%，較2019年低1.5個百分點，較2012-18年平均水平低2.1個百分點。中國內地經濟一季度雖受惠於中美達成第一階段貿易協定，但遭肺炎疫情的巨大衝擊而有可能出現負增長；二季度後在疫情基本平息與中央政府寬鬆政策大幅加碼的假設下強勁反彈，預計全年增長4.5%，較2019年低1.6個百分點。香港經濟則於本地社會事件餘波猶在的形勢下受肺炎疫情的嚴重打擊，復甦受阻，預計上半年仍為深度衰退，下半年衰退程度可能減弱，但視乎肺炎疫情的發展，預計全年仍衰退1.5%左右。上半年香港銀行業的經營環境更加惡化，下半年有所好轉但仍然嚴峻。

儘管前路困難重重，本集團仍將繼續堅持4C（文化、客戶、協同、科技）戰略，倡導良好的企業文化，堅持以客為尊，鼓勵協同聯動，實現科技引領，通過扎實的努力，最終達成「最佳綜合金融服務企業」的願景。

面對來自傳統銀行和虛擬銀行日益激烈的競爭，信銀國際將繼續推動inMotion Lab（「動感實驗室」）建設，並以此平台為基礎，堅定推動本行的漸進式金融科技轉型。

Outlook

For 2020, the global economy will be hard hit by persistently weak demand and unabated trade frictions, as well as serious repercussions of the novel coronavirus outbreak. Despite a series of powerful supportive measures introduced by various governments as led by the US, the growth of major economies will slow down markedly. 2020 global economic growth is projected at 1.5%, which is lower than 2019 by 1.5 percentage points and 2.1 percentage points below the average growth rate between 2012 and 2018. Although the partial trade agreement is a boon to China's economy during the first quarter of the year, negative growth is likely to be recorded in light of a severe blow dealt by the virus outbreak. Assuming that the pandemic can generally subside after the second quarter, coupled with the central government launching substantially more stimulus measures, a strong rebound of China's economy may be in store, with full-year growth forecast at 4.5%, which is 1.6 percentage points lower than in 2019. Meanwhile, it will be difficult for the Hong Kong economy to stage a recovery given the significant adverse impact of the virus outbreak while it is in the throes of social events. A deep recession is expected for the first six months. The recession may moderate in the second half, but that depends on the development of the virus outbreak, and GDP for the whole year is still forecast to be down about 1.5%. The banking industry is poised to see tougher operating conditions in the first half of the year. While the prospect of some improvement beckons in the second half, the overall operating environment should remain challenging.

Despite many hurdles ahead, the Group will continue to pursue a 4C strategy (Culture, Customer, Collaboration, Cyberspace), promoting a sound corporate culture, upholding the principle of putting our customers first, encouraging collaboration and achieving technology-led development, in order that the vision of becoming "the best integrated financial services institution" can ultimately be realized by our sustained effort.

In the face of intensifying competition from both traditional and virtual banks, CNCBI will keep developing the inMotion Lab and use this platform as the basis to steadfastly press ahead with the Bank's gradual Fintech transformation.

我們堅信協作的重要性。本集團將繼續與中信集團及母行緊密合作，為有跨境融資需求或離岸資產配置意願的企業和零售客戶提供服務。本集團亦將加強內部跨部門合作，並採取更多激勵措施鼓勵業務部門間的交叉銷售，著力促進本集團收入來源多樣化，增加非利息收入，提高資本使用效率。同時，前台和中後台營運部門將堅持高標準的公司治理和風險管理，聯手合作確保業務的健康發展。

眾人同心，其利斷金。本人藉此機會感謝所有客戶，感謝本行股東和董事會。在如此動盪的市場環境下，是你們持續的信任和支撐，給了我們堅定前行的力量。我更要由衷感謝為本集團的穩健運營勤奮工作、不斷奉獻的全體員工，你們恒久的堅守和擔當，必可成就本行長青的基業。

畢明強

行長兼行政總裁

香港，2020年3月25日

We firmly believe in the importance of collaboration. The Group will continue to work closely with the CITIC Group and parent bank to serve corporate and retail customers with cross-border financing needs or desires for offshore asset allocation. The Group will also step up internal collaboration across various departments and offer more incentives to encourage cross-selling among the business units, focusing on diversifying the Group's income base and generating non-interest income which can contribute to higher capital efficiency. Meanwhile, frontline and mid-and-back office operations will join hands to ensure healthy business development with due regards paid to upholding high standards of corporate governance and risk management.

In union there is strength. I would like to take this opportunity to thank all our customers, the shareholders of the Bank and the Board of Directors. It is your unflinching trust and support that has equipped us with the strength to move on with determination. Moreover, I would like to express my deepest appreciation to the entire staff for the hard work and dedication that has ensured the Group's stable operations. Your unwavering tenacity and sense of responsibility will certainly contribute to the Bank's sustainable success.

Bi Mingqiang

President & Chief Executive Officer

Hong Kong, 25 March 2020

公司業務部

Wholesale Banking Group

柏立軍先生

執行董事、替任行政總裁
公司業務兼
財資及環球市場總監

Mr. Bai Lijun

Executive Director
Alternate Chief
Executive Officer
Group Head of
Wholesale Banking and
Treasury & Markets



- 夯實客戶基礎，多角度拓展客戶，提高總客戶數及核心客戶數
- 建立「客戶經理+產品經理」的專業化營銷體系，推動交叉銷售
- 加強公司業務部的內部管理，積累發展的動能
- Built a solid customer base by acquiring customers via multiple means to increase the quantity of both total and core customers
- Established a professional marketing system of "Relationship Manager + Product Manager" to improve cross-selling
- Strengthened WBG's internal management to reinvigorate growth momentum

過去一年，受中美貿易戰、中資跨境併購活動下降等不利因素影響，公司業務部在經歷過去幾年快速發展後出現調整，2019年全年營業收入為42.9億港元，同比下降10.5%；貸款及存款規模同比分別下降約16.2%及13.7%，經營面臨較大的壓力。為儘快重返增長軌道，公司業務部從客戶基礎、產品支撐、管理體系等方面積極轉型。

夯實客戶基礎，多角度拓展客戶，提高總客戶數及核心客戶數

客戶基礎是公司業務經營的中心目標。公司業務部在2019年進一步明確了與母行各分行對接的分工，成立了集團合作辦公室專職服務集團內客戶；通過金融機構部，加強與中資非銀行金融機構的合作；推動債務資本市場、交易銷售等團隊積極向客戶經理團隊引流客戶；強化客戶經理營銷能力，提高獲客能力。通過多角度拓展客戶，力爭在2020年實現總客戶數及核心客戶數的突破。

建立專業化營銷體系，推動交叉銷售

專業化的產品團隊對營銷具有重要的支援作用，也是交叉銷售的前提。公司業務部2019年成立了交易銀行部，加強存款結算類產品、貿易融資產品及企業網銀產品的開發和

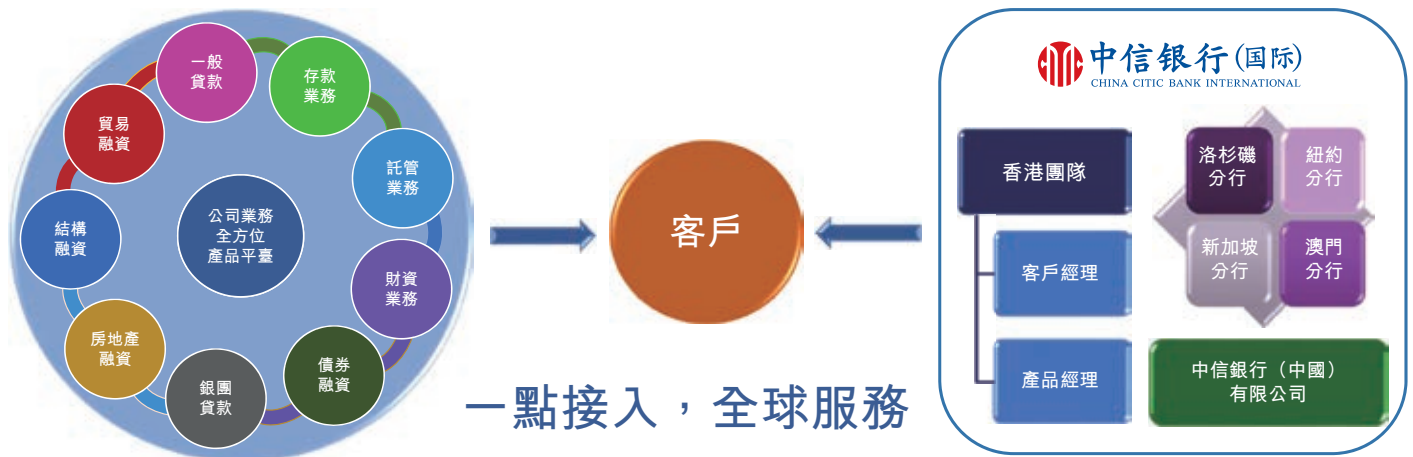
Last year due to negative factors such as the Sino-US trade war and a decline in the number of cross-border mergers and acquisitions, Wholesale Banking Group ("WBG") experienced a period of consolidation after enjoying rapid growth in the preceding years. Operating income for 2019 was HK\$4.29 billion, a decrease of 10.5% year on year, while customer loan and deposit balances as at the end of 2019 were approximately 16.2% and 13.7% lower than a year ago respectively. In a bid to return to the growth track, WBG has launched a transformation programme to strengthen its customer base, product support and management system.

Build a Solid Customer Base, Acquire Customers via Multiple Means, Increase the Quantity of Both Total and Core Customers

Strengthening the customer base is one of the core objectives of WBG. In 2019, WBG further cemented the links with CNCB Branches, set up the Group Cooperation Office to specifically provide services to customers within the CITIC Group, strengthened business collaboration with Chinese non-bank financial institutions through the Financial Institutions Department, improved customer referrals from the DCM and treasury sales team, enhanced relationship managers' marketing skills to improve their customer acquisition capability and expanded the customer base through multiple means, aiming to achieve a breakthrough in the quantity of both total and core customers in 2020.

Established a Professional Marketing System to Improve Cross-selling

Having specialized product teams can not only support marketing campaigns but also spur cross-selling. In 2019, WBG set up the Transaction Banking Department to strengthen the development and marketing of deposit settlement products, trade finance products and corporate online



營銷；明確結構融資部各產品團隊的職責，擴大跨部門雙算機制的範圍；推動產品經理營銷前移，建立「客戶經理+產品經理」的專業化營銷體系。希望2020年實現交叉銷售的突破，提高非利息收入佔比。

banking products. Moreover, the responsibilities of each product team in the Structured Finance Department have been clearly delineated while the scope of the cross-department double-counting mechanism has been expanded. Product managers' involvement in marketing pitches has been brought forward, with a professional marketing system of "Relationship Manager + Product Manager" established. In this way, WBG is likely to achieve a breakthrough in cross-selling in 2020 and accelerate the growth of non-interest income.

加強內部管理，積累發展的動能

公司業務部2019年進一步明確內部各部門職責邊界，強化(1)香港總部各部門之間及(2)海外分行和總部之間的聯動合作；前台團隊全面推行「客戶/產品經理+執行團隊+交易支援團隊」的三層架構，強化客戶經理/產品經理的考核，提高客戶服務的水平 and 信貸報告的專業水平。希望通過這些措施，公司業務部各團隊之間、各海外分行之間能夠形成良性競爭的內部氛圍，為發展積累動能。

Strengthened Internal Management and Gathered Development Momentum

In 2019, WBG further clarified the responsibility boundaries of its different departments and enhanced the collaboration (1) among the departments in Hong Kong headquarters and (2) between the overseas branches and the headquarters. The frontline teams have fully implemented the three-tier structure of "Relationship/Product Manager + Execution Team + Transaction Support Team". The performance assessment of relationship managers and product managers has been enhanced with a view to encouraging improvement in the quality of customer service and credit reports. It is hoped that healthy competition among various teams in the Hong Kong headquarters as well as overseas branches can contribute to greater development momentum.

2020年業務重點

2020年預計將會是充滿挑戰的一年，市場不確定性將加劇，同業競爭將更加激烈。公司業務部將堅定業務轉型的方向，在嚴格遵守合規及監管的要求下積極拓展業務，審慎控制風險，通過「客戶經理+產品經理」、「香港+海外」的綜合營銷體系實現客戶「一點接入，全球服務」的目標，為客戶提供最佳的銀行服務體驗。

Focus of Business Strategy for 2020

In view of an increase in market uncertainties and more intense competition from peer banks, 2020 is expected to be another challenging year. WBG will continue to press ahead with its transformation programme to expand its business while controlling risks by satisfying both internal control and external regulatory requirements. WBG aims to achieve the goal of "One Point of Access for Global Services" through the integrated marketing system of "Relationship Manager + Product Manager" and "Hong Kong + Overseas" so as to provide customers with the best banking service experience.

財資及環球市場部

Treasury and Markets Group

- 受惠於環球市場團隊及資金營運中心的貢獻，經營收入錄得40.8%的增長
- 交易業務做市能力的發展取得突破，並獲得越來越多的市場認可
- Posted a 40.8% increase in operating income, underwritten by contributions from both Global Markets and Central Treasury Unit ("CTU")
- Development of the market-making capability of the trading business achieved a breakthrough and received increasing market recognition

2019年財資及環球市場部的經營收入增長40.8%，由前一年的8.51億港元增加至12.0億港元，這是由於各個業務部門的表現令人鼓舞。

交易業務獲得更多市場認可

交易團隊專注打造人民幣及港元做市業務，並在市場上獲得越來越多的認可。根據路孚特（前身為「湯森路透」）的統計資料，信銀國際2019全年人民幣外匯即期交易量位居亞洲中資銀行前三位，並在8月至11月期間連續位居榜首。信銀國際亦獲路孚特頒發(1)外匯即期交易量（涵蓋所有貨幣）在港排名前5位銀行及(2)香港人民幣即期交易量最高交易員兩個獎項。2019年3月，交易團隊完成本港首筆香港交易所中央結算的離岸人民幣外匯掉期業務，獲香港交易所頒發「定息產品及貨幣市場的主要合作夥伴」及其它多個清算相關獎項，以表彰信銀國際為離岸人民幣市場發展作出的貢獻。此外，信銀國際亦順利加入全球跨境外匯交易結算交收系統，實現多幣種、多邊和即時全球外匯交易同步清算功能。總體交易規模較去年同期實現翻番，收入同比增長73.0%。

代客業務方面，機構銷售團隊一直致力於多緯度和多層次構建客戶群，資金產品從外匯、利率衍生產品拓展至結構性產品等領域，實現盈利來源多樣化。與大型中資銀

Treasury and Markets Group ("TMG") posted a 40.8% increase in operating income in 2019 to HK\$1.20 billion from HK\$850.59 million in the previous year as various business segments showed encouraging performances.

Trading Business Gained More Market Recognition

The trading team focused on building its market-making business on RMB and HKD products and received increasing recognition in the market. According to Refinitiv (previously "Thomson Reuters"), CNCBI ranked among the top three Chinese banks in Asia for RMB FX spot trading volume throughout 2019 and ranked number 1 consecutively from August to November. CNCBI has received two awards from Refinitiv: (1) 2019 Top 5 Trading Volume in FX Spot across all currencies in Hong Kong and (2) Top CNH Spot Trader by volume among all individual traders in Hong Kong. In March 2019, the trading team completed the first HKEx centrally cleared CNH FX swap transaction in Hong Kong and HKEx presented CNCBI with the "Key Business Partner in FIC Market" award and various awards for clearing business in recognition of its contribution to the development of the offshore RMB market. Moreover, CNCBI has successfully joined the Continuous Linked Settlement system (a global clearing and settlement system for cross-border foreign exchange transactions) to achieve multi-currency, multilateral and real-time global FX trade settlement capabilities. The overall trading volume doubled from last year, with a 73.0% year-on-year increase in trading revenue.

For client business, the institutional marketing team has been committed to establishing a customer base in multiple directions and at multiple levels, while the products available range from FX, interest rate derivatives to structured products, contributing to a diversification of revenue sources.

獲路孚特頒發「外匯即期交易量（涵蓋所有貨幣）在港排名前5位銀行」獎項。

“2019 Top 5 Trading Volume in FX Spot across all currencies in Hong Kong” award from Refinitiv.



獲路孚特頒發「香港人民幣即期交易量最高交易員」獎項。

“Top CNH Spot Trader by volume among all individual traders in Hong Kong” award from Refinitiv.

行的合作已大大增加，其重要的里程碑是抓住了與這些銀行的全球外匯和衍生產品交易業務的機會。該團隊的交易量同比增長334.5%。零售商務銀行營銷團隊外匯和固定收益業務相關收入顯著增長67.7%。

固定收益業務在一級和二級市場均十分活躍

2019年，債務資本市場團隊擔任聯席簿記管理人、聯席主承銷商或聯席全球協調人，為中資企業完成142支債券發行，總發行規模達575.9億美元，費用收入同比增長26.2%。當中有73筆交易由信銀國際擔任全球協調人。截至2019年末，根據彭博中資離岸債券發行規模排名，信銀國際位居中資金融機構第五，獲FinanceAsia頒發「2019年亞太區最佳高收益債券承銷平台」獎項。

There has been a significant increase in cooperation with large Chinese banks, marked by an important milestone of capturing the global FX and derivatives trading business opportunities with these banks. There was a surge in trading volume for the team of 334.5% year on year. Meanwhile, the PBG Business Banking marketing team's FX and fixed income business related revenues increased markedly by 67.7%.

Fixed Income Business Was Brisk for Both Primary and Secondary Markets

In 2019, the Debt Capital Markets (“DCM”) team completed 142 deals for Chinese issuers as Joint Lead Manager (“JLM”), Joint Book Runner (“JBR”) or Joint Global Coordinator (“JGC”), with an aggregate issuance size of US\$57.59 billion and fee income growth of 26.2% year on year. There were 73 transactions where CNCBI acted as Global Coordinator. As at the end of the year, according to Bloomberg Offshore China Bonds issuance volume, CNCBI ranked fifth among all Chinese financial institutions and was awarded “2019 Best High Yield House in Asia” by FinanceAsia.

債券銷售團隊於2019年為資產管理、私人銀行和投資公司在內的金融機構成功開設了96個新的債券交易主帳戶。固定收益二級市場客戶交易業務增長顯著，交易量和相關收入分別增長6.4倍和14.2倍。

資金營運中心貢獻良多

資金運營中心合理管理本集團的流動性期限錯配、外匯掉期與債券組合，整體財務表現令人滿意。此外，投資團隊積極地降低債券投資組合的風險，尤其是管控交易對手的信貸風險。信銀國際自2019年10月起獲香港財資市場公會委任為人民幣香港銀行同業拆息的報價行，顯示其對信銀國際在香港離岸人民幣市場地位的認可。信銀國際現為港元及人民幣同業拆息的報價行。

2020年業務重點

財資及環球市場部將繼續專注於強化所有產品的交易和銷售能力，同時建立財資業務自身的特色。除在本地擴展銷售網絡和財資業務外，財資及環球市場部將實現全球業務線

The credit sales team successfully opened 96 new securities trading master accounts in 2019 for financial institutions including asset management, private banking and investment companies. The growth in the trading business for clients in the fixed income secondary market was impressive, with transaction volume and related income jumping 6.4 times and 14.2 times respectively.

CTU Made Multiple Contributions

CTU carefully managed the mismatch in the Group's liquidity gapping positions, FX funding swaps and debt securities portfolio, delivering satisfactory financial performance. Moreover, the investment team proactively reduced the risks in the bond investment portfolio, especially controlling counterparty credit risk. CNCBI has been appointed by the Treasury Markets Association ("TMA") as a CNH HIBOR contributing bank from October 2019, which is an acknowledgement of the Bank's increasing presence in the CNH market. CNCBI is now a contributing bank for both HKD and CNH HIBOR.

Focus of Business Strategy for 2020

TMG will continue to focus on strengthening trading and sales capabilities across all products while building up the treasury business franchise. Apart from expanding the sales network and treasury franchise locally, TMG will adopt the functional business model and global book framework, aiming to



獲香港交易所頒發多個清算相關獎項。
HKEx presented CNCBI with various awards for clearing business.

管理模式和全球帳簿框架，旨在與海外分行及子公司實現更大的協同效應，同時讓大部分支持部門和資源集中在總行。財資及環球市場部一直視維持強有力的合規和風險管理文化為首要任務，也是實施此計劃時的重要考慮因素。

2020年交易業務的另一個重點是推出外匯電子交易平台，此舉不僅有助內部外匯交易工作流程的自動化，也有利於提升外部客戶交易能力。財資及環球市場部還會依靠銀行的inMotion平台，以增加資金產品在手機銀行的滲透率，同時繼續加強固定收益業務，並維持在二級市場銷售和交易的市場份額。

財資及環球市場部計劃通過實現具有最新和創新的科技系統，在2020年上半年開展託管業務，從而為證券投資者實現高水平的自動化和風險管理。本行預計在2020年期間將積累大量託管資產，並為基金經理，保險公司，證券公司和企業投資者在內的客戶提供服務。

此外，財資及環球市場部的營銷隊伍會繼續與公司業務部和個人及商務銀行部緊密合作，交叉銷售財資產品，為客戶提供增值方案以對沖風險和提高收益。財資及環球市場部將致力先透析客戶現有的投資組合及瞭解其需要，才提供合適的產品和服務。另一個成功的關鍵是為資金產品尋找合適的客戶並擴大客戶群，將特別關注擴大非銀行金融機構客戶群。財資及環球市場部將與公司業務部的客戶經理攜手拓展客戶的覆蓋面，製造更多交叉銷售機會。財資及環球市場部和公司業務部建立了一套分享利潤的制度，以鼓勵聯動和交叉銷售。實現本地和全球各業務部門專業團隊的有效協作，將有望推動財資及環球市場部在2020年取得成功。

achieve greater synergy with overseas offices while centralizing the majority of support resources and functions in the Head Office. Upholding a strong compliance and risk management culture has always been the top priority of TMG and will also be an important consideration when implementing this initiative.

Another key focus for the trading business in 2020 is the roll-out of the FX e-trading platform, which is necessary to facilitate not only the automation of internal FX trading work flow but also the trading capabilities with external clients. TMG will also look into increasing the mobile penetration of treasury products by leveraging the Bank's inMotion platform, while continuing to strengthen the fixed income franchise and sustain the market share in fixed income sales and trading in the secondary market.

TMG plans to launch the custody business within the first half of 2020 by implementing a system with the most recent and innovative technology to achieve a high level of automation and risk management for securities investors. The Bank is expecting to accumulate a substantial volume of assets under custody during 2020 and to serve a variety of clients including fund managers, insurance companies, securities firms and corporate investors.

Moreover, TMG's marketing teams will continue to work closely with WBG and PBG in cross-selling treasury products, presenting clients with value-added solutions to hedge against various risks and improve returns. TMG will strive to penetrate existing clients' portfolios and to understand their needs before providing suitable products and services. Targeting the right clientele for expanding the client base for Global Markets products has also been the key to success. There will be a specific focus on expanding the coverage of non-bank FI clients. TMG will be working closely with WBG's relationship managers to expand the coverage of clientele in order to create more cross-selling opportunities. New profit sharing arrangements between TMG and WBG are developed to encourage collaboration and cross-selling. Fruitful collaboration of our expertise both locally across business units and globally is expected to drive the success of TMG in 2020.

個人及商務銀行部

Personal and Business Banking Group

簡吳秋玉女士

執行董事、替任行政總裁
個人及商務銀行業務總監

Mrs. Helen Kan

Executive Director
Alternate Chief Executive Officer
Group Head of Personal &
Business Banking



- 經營收入刷新紀錄達26.9億港元
- 客戶存款錄得1,609.6億港元新高，上升5.3%
- 客戶貸款同樣創歷史新高，達611.3億港元，增加18.7%
- 私人銀行客戶群增長21.4%
- Achieved record-breaking income of HK\$2.69 billion
- Customer deposits registered a new high of HK\$160.96 billion, up 5.3%
- Customer loans also hit another record high of HK\$61.13 billion, up 18.7%
- Private banking customer base grew 21.4%

個人及商務銀行部延續以客為尊的策略並持續取得進展。通過令服務更便利、更可及、更豐富，加深了與客戶的關係，並在關鍵市場中贏取新的商機。截至2019年末，客戶存款及貸款錄得新高，分別達1,609.6億港元及611.3億港元，較2018年末各增加5.3%及18.7%。2019年經營收入創下新高，達26.9億港元，較2018年增長7.8%。

持續投資inMotion，增強及豐富零售銀行業務產品和服務

為加強客戶體驗，個人及商務銀行部持續投資金融科技轉型，2018年推出inMotion動感銀行，成為香港首個虛擬銀行概念手機應用程式，可為客戶提供遙距開戶服務。推出市場後，inMotion多次引領潮流，率先於2019年推出香港首張全虛擬信用卡「Motion虛擬信用卡」，並於同年11月在港首推「智投360」服務，讓客戶以低至100美元價格專享一站式智能投資顧問服務。此外，inMotion亦在外匯交易服務、快速支付服務、24x7開立或延續定期存款及24x7線上對話服務方面為客戶帶來全新體驗。面向專業的股票投資者，信銀國際推出全功能證券交易平台inVest動感投資。

Personal and Business Banking Group ("PBG") continued to make progress with its customer-centric strategy in 2019. Initiatives to enhance service convenience, access and choice deepened existing customer relationships and provided the Bank with new business opportunities in key segments. As at end-2019, customer deposits and loans reported new highs of HK\$160.96 billion and HK\$61.13 billion, representing increases of 5.3% and 18.7% versus end-2018 respectively. Operating income for the year hit a record high at HK\$2.69 billion, up 7.8% over 2018.

Committed to Investing in inMotion, Strengthening Retail Banking by Enriching Product and Service Offerings

PBG continued to invest in Fintech transformation to enhance customer experience. inMotion was Hong Kong's first virtual banking service app to provide truly remote account opening in 2018. Upon this success, inMotion continued to act as the pioneer in the market and launched Hong Kong's first truly virtual credit card "Motion Virtual Credit Card" in 2019. In November of the same year, we were then again the first bank in Hong Kong to introduce "Robo 360", which is an online financial advisory service with minimum investment of US\$100. inMotion also introduced brand new experiences on foreign exchange services, fast payment services, 24X7 time deposit placements/renewals and 24X7 live chat services. For professional stock-trading customers, we have also rolled out a new mobile app "inVest" with full-function securities trading service.



inMotion new product launch ceremony in February 2019
inMotion全新產品發佈會於2019年2月舉行



Comprehensive inMotion mobile app
全方位inMotion手機應用程序

私人銀行及財富管理業務發展勢頭強勁

個人及商務銀行部專注發展高端客戶，透過保險、外匯、單位信託和證券買賣帶動更多手續費收入。同時，私人銀行客戶數量及所管理的客戶資產規模比2018年分別增長21.4%和14.9%。

商務銀行服務規模及收入均創新高

商務銀行業務為客戶經理提供更多資源，從而贏取更多客戶。客戶貸款及存款均錄得增長，較2018年分別增加31.9%及32.7%，加上手續費收入亦增長61%，商務銀行的經營收入亦再創新高。

與母行更緊密的跨境合作

個人及商務銀行部繼續發展跨境業務，深化與母行中信銀行的合作，促進客戶群引流和管理客戶資產的良好增長。去年跨境客戶群和管理客戶資產分別較2018年增長12.1%和30.9%。

Private Banking and Wealth Management Maintained Strong Momentum

PBG maintained its strategy of focusing on high net worth customers to generate higher income from insurance, foreign exchange, unit trust and securities brokerage. The number of private banking customers and customer assets under management for investment grew 21.4% and 14.9% over 2018 respectively.

Business Banking's Scale and Income Reached New High

We have increased the resources provided to Business Banking relationship managers. This enabled us to successfully gain more customers which led to year-on-year loans and deposits growth of 31.9% and 32.7% respectively. As a result of such growth and a 61% surge in fee income, operating income from Business Banking reached a new high.

Closer Cross-Border Collaboration with CNCB

PBG's continued focus on growing cross-border businesses and deepening collaboration with parent bank CNCB led to good growth in referral customer base and customer assets under management. Last year cross-border customer base expanded by 12.1% while customer assets under management increased by 30.9% from the previous year.

創新贏得讚譽

憑藉inMotion動感銀行的創新精神，個人及商務銀行部追求卓越，一再突破，贏得了16個不同的市場榮譽：

- 深港金融科技創新獎「金融科技專項獎(三等獎)」(香港金融管理局及深圳市地方金融監督管理局聯合舉辦)
- 《國際銀行家》大獎2019「年度最佳客戶服務供應商」及「中國零售銀行最佳創新獎」
- Mastercard「最具創意虛擬卡計劃2018/2019」
- 華富財經傑出企業大獎2019「傑出電子商業服務」及「傑出私人銀行服務」
- 新城財經台香港企業領袖品牌2019「卓越私人銀行服務品牌」，「卓越財富管理銀行服務品牌」及「卓越手機銀行品牌」
- 經濟通金融科技大獎2018「傑出創新流動銀行服務」及經濟通金融科技大獎2019「財富投資與管理」
- 第十九屆資本傑出企業成就獎「傑出存款服務銀行」，「傑出新世代銀行服務」及「傑出私人銀行服務」
- 《數位銀行家》環球零售銀行創新獎2019「最佳新產品」及「最佳數碼市場進入策略」

Reputation Gained for Innovation

In view of our innovative spirit to achieve breakthroughs in inMotion and the focus on achieving business excellence, PBG was awarded 16 accolades:

- Shenzhen-Hong Kong Fintech Award "Fintech Initiatives Award (3rd Grade)" (Jointly organized by the Hong Kong Monetary Authority ("HKMA") and the Shenzhen Municipal Financial Regulatory Bureau ("SZ FRB") of the People's Government of Shenzhen Municipality)
- International Banker Awards 2019 "Best Customer Service Provider of the Year (Asia)" and "Best Innovation in Retail Banking China"
- Mastercard "Most Innovative Consumer Virtual Card Program 2018/2019"
- Quamnet Outstanding Enterprise Awards 2019 "Outstanding E-Business Service" and "Outstanding Private Banking Service"
- Metro Finance Hong Kong Leaders' Choice 2019 "Excellent Brand of Private Banking Services", "Excellent Brand of Wealth Management – Banking" and "Excellent Brand of Mobile Banking"
- etnet FinTech Awards 2018 "Outstanding Innovative Mobile Banking Service" and etnet FinTech Awards 2019 "Wealth Investment and Management"
- The 19th Capital Outstanding Enterprise Awards "Outstanding Deposit Service", "Outstanding New Generation Banking Service" and "Outstanding Private Banking Service"
- The Digital Banker's Global Retail Banking Innovation Awards 2019 "Best New Product Launch" and "Digital Innovation Awards: Best Digital Market Entry Strategy"

CNCBI has been awarded several accolades on inMotion, Private Banking and Wealth Management. 信銀國際在inMotion、私人銀行及財富管理均屢獲殊榮。



2020年業務重點

個人及商務銀行部秉承一貫策略，全力打造以客為尊的數碼化銀行。具備強烈創新精神的團隊銳意透過inMotion簡化銀行業務，務求客戶能更容易地使用我們的零售銀行服務。為此，我們將在2020年開始進一步就人才及系統投放資源，以加快金融科技的轉型。

隨著客戶群的增加，個人及商務銀行部亦會繼續投資，增加私人銀行和商務銀行的客戶關係經理，發展更多優化的產品和服務，以滿足客戶的財富和生活需求。為此，我們將繼續擴大保險和投資產品的範圍，並為我們的高端客戶群提供更多貼心的專業意見。對於商務銀行客戶，我們亦會為商務銀行中心進一步增加資源。

加上母行的大力支持以及與中信集團旗下公司的緊密合作，我們相信個人及商務銀行部會不斷壯大。

Focus of Business Strategy for 2020

PBG is committed to remaining customer-centric and digital savvy. We have a strong innovative spirit. With inMotion, we aim to simplify banking and make services accessible anywhere, anytime. To this end, we will further speed up our Fintech transformation initiatives through investing in people and systems in 2020 and beyond.

PBG will also continue to expand its team of relationship managers in both Private Banking and Business Banking as the customer base increases. Our focus is to provide more enhanced products and services to meet customers' wealth & wellbeing needs, including a broader range of investment and insurance products and enhanced specialist advice for our high net worth customers. For Business Banking customers, we will also further increase our resources available at the dedicated Business Banking Centres.

Coupled with the strong support from our parent bank and closer collaboration with CITIC group companies, we are confident that PBG can continue to grow.

企業社會責任

Corporate Social Responsibility

信銀國際一直積極履行良好的企業公民責任，用心經營銀行業務，努力回饋香港社會。報告期內兩個主要企業社會責任項目「樂語路」及「畫出香港」均取得令人鼓舞的成效。同時，信銀國際繼續榮獲香港社會服務聯會頒發15年Plus「商界展關懷」標誌。

With a commitment to honouring the responsibility of a good corporate citizen while putting considerable effort into conducting its banking business, CNCBI seeks to plough back resources in Hong Kong society. During the period, the effectiveness of CNCBI's two signature corporate social responsibility ("CSR") projects "Speak Along" and "Draw HK" was encouraging. Meanwhile, CNCBI also retained The Hong Kong Council of Social Service's 15 Years Plus "Caring Company Logo".





信銀國際將在業務上的創新領先優勢引進到企業社會責任領域，與香港中文大學攜手合作，在2018年7月正式推出香港首個具規模的網上語言發展平台及訓練計劃「樂語路」，涵蓋網上資訊平台、語言遊戲應用程式、家長講座和工作坊以及直接言語治療，主要針對語言發展遲緩的學前兒童及小學生，特別是基層家庭兒童，讓他們可以及早接受基本及有效的訓練。計劃由2017年試行至2019年底已惠及全港超過一萬位兒童，未來會繼續優化工作，長遠目標是讓全港需要言語治療的兒童都能夠及時獲得幫助。

CNCBI brought its leading advantage in innovative technology into CSR areas and co-developed Hong Kong's first comprehensive online platform and training programme for language development "Speak Along" in partnership with The Chinese University of Hong Kong in July 2018. "Speak Along" aims at providing timely, fundamental and effective training primarily for pre- and primary-school students with speech impediments, especially those from an underprivileged background. It includes an online knowledge platform, a gamified mobile app, seminars and workshops for parents and direct speech therapies. Since its pilot run in 2017 until the end of 2019, the programme has benefited more than 10,000 such students. In future, CNCBI will continue to provide support to "Speak Along" enhancement in line with the long-term goal of allowing all the students that require the much needed speech therapies to get timely support.

**「樂語路」惠及
逾萬學童**
"Speak Along"
benefits more than
10,000 students



登記使用語言遊戲應用程式人數
Number of app registrations

>5,700

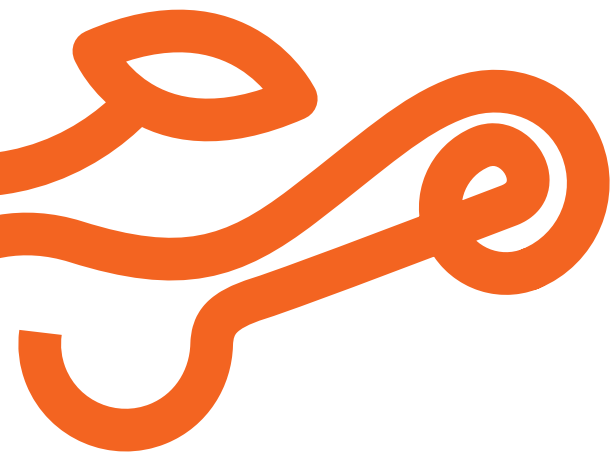


講座及工作坊參與人次
Number of seminar and
workshop participants

>5,700

DRAW HK

畫出香港



「畫出香港」推動藝術及創意

“Draw HK” promotes art and creativity

信銀國際與香港青年藝術協會合作，推出大型社區藝術計劃「畫出香港」。通過藝術家駐校計劃、工作坊和展覽及活動日，支持基層學生發掘藝術潛能，提升創造力和自信，並將藝術推廣至香港各階層。

CNCBI joined hands with Hong Kong Youth Arts Foundation and rolled out large-scale community arts project “Draw HK”. Through a series of artist-in-residence programmes and workshops, an exhibition and an event day, “Draw HK” aimed at supporting students from underprivileged backgrounds to discover their artistic talents, helping them to raise their self-confidence and creativity while promoting art to the wider public.



700位中小學生尤其是基層學生免費參與藝術家駐校計劃及工作坊，接觸嶄新的藝術創作模式。

Seven hundred primary and secondary school students especially those from an underprivileged background got acquainted with innovative creative approaches from free-to-join artist-in-residence programmes and workshops.



學生與教師及藝術家共同創作的作品，於2019年3月1日至12日假PMQ元創方展覽，同場亦展出多位本地著名藝術家包括王天仁、飛天豬、Brainrental等大型畫作。

Exhibition at PMQ from 1 to 12 March 2019 showcased drawings created collectively by participating students, teachers and artists alongside large-scale artworks by local artists such as Wong Tin Yan, Flying Pig and Brainrental.





「畫出香港」活動日於2019年3月10日在PMQ元創方及附近社區舉行，設有12個免費繪畫工作坊，近30間學校團體參與導賞團，總入場人數超過18,000。

“Draw HK” event day held at PMQ and various neighbouring locations on 10 March 2019 featured 12 free drawing workshops with about 30 education organisations joining the art tours, while the number of visitors exceeded 18,000.



信銀國際義工細心協助參加者創作自己的藝術品。

CNCBI volunteers assisted participants with their art creations.

3月10日活動日獲本地嘉賓及信銀國際管理層鼎力支持，包括中信銀行(國際)行長兼行政總裁畢明強先生(後排右六)、香港青年藝術協會創辦人麥蓮茜OBE太平紳士(後排左六)、香港醫學博物館學會董事局主席麥衛炳醫生(後排右三)、元創方管理有限公司總幹事陶威廉先生(後排右四)及中西區民政事務專員黃何詠詩太平紳士(後排左五)。

Mr Mingqiang Bi (back, 6th from right), President and Chief Executive Officer, CNCBI; Ms Lindsey McAlister OBE, JP (back, 6th from left), Founder, Hong Kong Youth Arts Foundation; Dr Wai-Ping Mak (back, 3rd from right), Board Chairman, Hong Kong Museum of Medical Sciences, together with Mr William To (back, 4th from right), Executive Director, PMQ Management Company Limited and Mrs Susanne Wong (back, 5th from left), JP, District Officer, Central and Western District Office, showered support for the event day on 10 March 2019 alongside CNCBI management members.





戮力同心 身體力行 Concerted Efforts in Community Well-being

連續第10年支持由環保團體綠色力量舉辦的「環島行慈善行山比賽」，贊助20名員工組成6支企業隊伍於2019年1月12日參加10公里、25公里及50公里賽事，以協助綠色力量推行本地環保教育工作。

For the 10th consecutive year, CNCBI supported environmental group Green Power's annual Green Power Hike by sponsoring 20 staff to form 6 corporate teams for the 10km, 25km and 50km hikes on 12 January 2019 with all the proceeds going to the organisation's local environmental education programmes.

50 公里
km

25 公里
km

10 公里
km

持續貢獻備受肯定 Token of Acknowledgement

香港社會服務聯會頒發15年Plus「商界展關懷」標誌，表示對信銀國際貢獻弱勢社群的肯定。

The Hong Kong Council of Social Service's 15 years Plus "Caring Company Logo" in recognition of CNCBI's continuous contribution to the underprivileged.



董事簡介

畢明強先生

(執行董事、行長兼行政總裁、信貸及風險管理委員會委員)

於2018年9月28日獲委任為本行董事及行政總裁。畢先生現亦為中信銀行國際(中國)有限公司及信銀國際投資控股有限公司董事長，同時為嘉華國際財務有限公司董事。畢先生擁有超過22年的金融業從業經驗，近10年時間在加拿大、美國和英國出任管理職位，涉獵多個銀行業務範疇，對行業具深厚認識。他的銀行專業始於中國工商銀行，在項目融資、企業貸款、信用風險管理、銷售管理、環球市場、併購以及策略發展等不同領域閱歷豐富，同時在成立並管理海外機構、業務拓展、商業銀行管理、跨文化管理、增強團隊效益和企業管治方面亦擁有豐富經驗。畢先生曾出任多家內地和海外機構的重要職位，包括業務總監、行政總裁和董事長，曾擔任工商銀行總行信貸管理部總經理、中國工商銀行美國區域管理委員會主席、工銀加拿大行長，以及總部位於倫敦的工銀標準銀行有限公司董事長等職務。赴港前，他為中國國際金融有限公司董事總經理。畢先生持有清華大學的本科及研究生學位，以及中國人民大學經濟學博士學位。

簡吳秋玉女士

(執行董事、替任行政總裁兼個人及商務銀行業務總監)

於2013年3月15日獲委任為本行董事兼替任行政總裁。簡太現亦為本行個人及商務銀行業務總監，以及本行多家子公司董事，包括：中信銀行國際(中國)有限公司、CKWB-SN Limited、Security Nominees Limited、中華聯合發展有限公司、香港華人銀行(代理人)有限公司、嘉華銀行(代理)有限公司及恒康香港有限公司，彼亦為諾華誠信有限公司董事。簡太擁有超過30年銀行及金融業經驗，曾出任多個高級職位，涵蓋香港、中國內地、英國以及環球市場，橫跨多個銀行及金融業務範疇。簡太豐富的經驗涵蓋策略變革，業務開拓及發展，多領域個人銀行業務，全球及跨文化管理，人力發展，品質管理及內審。加入本行前，簡太為渣打銀行環球營銷網絡主管。簡太持有香港大學管理及經濟學榮譽學士學位，以及法學碩士學位。於2017年8月，彼獲香港科技大學委任為校董會成員。

Biographies of Directors

Mr. Bi Mingqiang

(Executive Director, President & Chief Executive Officer, Member of the Credit & Risk Management Committee)

Appointed Director and Chief Executive Officer of the Bank on 28 September 2018. Mr. Bi is also Chairman of CITIC Bank International (China) Limited and CNCBI Investment Holdings Limited, as well as Director of Ka Wah International Merchant Finance Limited. He has more than 22 years of multifaceted expertise in the finance industry with about 10 years of that gained while serving various management positions in Canada, the US, and the UK, covering a wide range of banking businesses. He started his banking career with The Industrial and Commercial Bank of China ("ICBC") and progressed through different assignments in project financing, corporate lending, credit risk management, sales management, global markets, mergers and acquisitions, and strategic planning. Mr. Bi has extensive experience in overseas operations setup and management, new business development, commercial banking management, cross-cultural people engagement, team effectiveness building, and corporate governance. Over the years, he has held various important positions including business heads, CEO, and chairmanship of several Mainland and overseas organizations including Head of Credit Management of ICBC group, Country Head of ICBC's US operations, CEO and President of ICBC Canada and Chairman of ICBC Standard Bank Plc headquartered in London. Prior to coming to Hong Kong, he was Managing Director of CICC Capital Management Co Ltd, a subsidiary of China International Capital Corporation Limited. Mr. Bi obtained his undergraduate and postgraduate degrees from Tsinghua University and subsequently a PhD in Finance from Renmin University of China.

Mrs. KAN NG Chau Yuk Helen

(Executive Director, Alternate Chief Executive Officer and Group Head of Personal & Business Banking)

Appointed Director and Alternate Chief Executive Officer of the Bank on 15 March 2013. Mrs. Kan is also Group Head of Personal & Business Banking of the Bank, and Director of various subsidiaries of the Bank, including CITIC Bank International (China) Limited, CKWB-SN Limited, Security Nominees Limited, Sino-Allied Development Limited, The Hongkong Chinese Bank (Nominees) Limited, The Ka Wah Bank (Nominees) Limited and Viewcon Hong Kong Limited. She is also a Director of Nova Credit Limited. Mrs. Kan has more than 30 years of experience in the banking and finance industry. Over the years, Mrs. Kan had held various senior positions across a broad spectrum of banking and finance exposures in Hong Kong, Mainland China, U.K. and other global markets. Mrs. Kan's rich experience covers strategic transformation, new business set up and expansion, diversified consumer banking businesses, global and multi-cultural management, people development, quality management and internal audit. Prior to joining the Bank, she was Standard Chartered Bank's Global Head of Distribution in charge of the strategic development and performance of distribution channels. Mrs. Kan holds an Honours Degree in Management and Economics, and a Master's Degree in Laws from The University of Hong Kong. She was appointed Council Member of The Hong Kong University of Science and Technology in August 2017.

柏立軍先生

(執行董事、替任行政總裁、公司業務兼財資及環球市場總監)

於2018年8月20日獲委任為本行董事，柏先生現為本行執行董事、替任行政總裁、公司業務兼財資及環球市場總監，負責管理本行財資及環球市場業務，加強資金及流動性管理，同時提升公司業務產品實力以及整體業務監控，積極推動本行與中信銀行及中信集團的聯動合作，壯大業務發展。柏先生亦為本行多家子公司的董事，包括：啟福國際有限公司、中信銀行國際(中國)有限公司、CKWB-SN Limited、CKWH-UT2 Limited、信銀國際投資控股有限公司和信銀國際財務顧問有限公司。2006年，他由北京銀行轉投中信銀行總行金融市場部工作。2009年，兼任中信集團董事長助理職務，協助集團董事長處理公司治理、集團項目推動及日常事務。加入本行前，柏先生為中信銀行董事及監事會辦公室副總經理。柏先生持有天津南開大學經濟學院經濟學學士學位及北京中國人民大學財政金融學院金融學碩士學位。

鄧聶斌先生

(執行董事、替任行政總裁兼風險管理總監)

於2020年3月20日獲委任為本行董事兼替任行政總裁。鄧先生亦為本行風險管理總監，以及本行多家子公司董事，其中包括中信銀行國際(中國)有限公司、信銀國際投資控股有限公司及信銀國際資產管理有限公司。鄧先生於銀行界擁有超過30年經驗。加入本行之前，鄧先生為上海商業銀行副行政總裁、替任行政總裁及風險管理總監。他亦曾任職於創興銀行、恒生銀行、上海浦東發展銀行、星展銀行(新加坡總行)和花旗銀行(香港)，工作範疇涵蓋財資、合規及風險管理等，閱歷豐富。鄧先生於美國接受教育，持有美國明尼蘇達大學數學與統計管理學學士及美國芝加哥大學統計學理學碩士學位。鄧先生亦為美國西北大學凱洛格商學院金融博士候選人。

Mr. BAI Lijun

(Executive Director, Alternate Chief Executive Officer, Group Head of Wholesale Banking and Treasury & Global Markets)

Appointed Director of the Bank on 20 August 2018. Mr. Bai is currently Executive Director, Alternate Chief Executive Officer, and Group Head of Wholesale Banking and Treasury & Global Markets of the Bank. Mr. Bai's scope of responsibilities encompasses the overall management of the Bank's Treasury & Markets Group with a view to strengthen funding and liquidity management, in addition to a fortifying wholesale banking products and business controls while driving CNCB- and CITIC Group-related collaboration for enhanced business development for the Bank. He is also Director of various subsidiaries of the Bank, including Carford International Limited, CITIC Bank International (China) Limited, CKWB-SN Limited, CKWH-UT2 Limited, CNCBI Investment Holdings Limited and CNCBI Financial Consultant Limited. Mr. Bai joined China CITIC Bank Corporation Limited's Financial Markets Department from Bank of Beijing in 2006. In 2009, he took up an additional role at the Chairman Office of CITIC Group, assisting the Group's Chairman with corporate governance, group projects and business affairs. Prior to joining the Bank, Mr. Bai was CNCB's Deputy General Manager of the Office of the Board of Directors and Supervisors. Mr. Bai holds a Bachelor of Economics Degree from the School of Economics at Nankai University in Tianjin, and a Master of Finance Degree from the School of Finance at Renmin University of China in Beijing.

Mr. TANG Nai Pan

(Executive Director, Alternate Chief Executive Officer and Chief Risk Officer)

Appointed Director and Alternate Chief Executive Officer of the Bank on 20 March 2020. Mr. Tang is also Chief Risk Officer of the Bank, and Director of various of the Bank's subsidiaries including CITIC Bank International (China) Limited, CNCBI Investment Holdings Limited and CNCBI Asset Management Limited. Mr. Tang has over 30 years of experience in the banking industry. Prior to joining the Bank, Mr. Tang was Deputy Chief Executive, Alternate Chief Executive and Chief Risk Officer of Shanghai Commercial Bank Limited. Over the years, he has accumulated a wealth of experience in treasury, compliance and risk management from banking institutions including Chong Hing Bank, Hang Seng Bank, Shanghai Pudong Development Bank, DBS Bank Singapore and Citibank (Hong Kong). Mr. Tang received his education in the US. He holds a Bachelor of Arts Degree in Mathematics and Statistics from University of Minnesota, Minneapolis, and a Master of Science Degree in Statistics from University of Chicago. Mr. Tang is also a Doctor of Philosophy candidate in Finance at Kellogg School of Management, Northwestern University.

方合英先生

(非執行董事、審計委員會委員、提名委員會和薪酬委員會委員)

於2016年3月24日獲委任為本行董事。方先生現為中信銀行股份有限公司執行董事兼行長，亦為中信國際金融控股有限公司非執行董事。方先生於1996年加入中信銀行股份有限公司，曾任蘇州分行行長、杭州分行行長以及金融市場業務總監，並於2014年11月起擔任副行長職務，至2019年3月獲聘任為行長。方先生為「高級經濟師」，於湖南財經學院畢業，獲金融學學士學位，並於北京大學考獲高級管理人員工商管理專業碩士學位。

郭黨懷先生

(非執行董事)

於2020年4月9日獲委任為本行董事。郭先生現為中信銀行股份有限公司執行董事兼副行長，並同時擔任中信國際金融控股有限公司、信銀（香港）投資有限公司、信銀（香港）資本有限公司以及中信百信銀行股份有限公司董事。郭先生於1986年加入中信銀行股份有限公司，曾任總審計師、總行營業部總經理、天津分行和瀋陽分行行長等職務。郭先生為高級經濟師，畢業於北京大學，獲工商管理碩士學位，擁有三十餘年中國銀行業從業經驗。

李淑賢女士

(獨立非執行董事、審計委員會委員)

於2018年9月28日獲委任為本行獨立非執行董事。李女士為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。李女士自1994年起任職於畢馬威會計師事務所，直至2018年3月榮休前為畢馬威中國金融服務業務審計主管合伙人。李女士擁有豐富的香港和中國會計、資本市場、市場開拓、監管合規相關的內部控制和風險管理經驗。加入畢馬威之前，李女士在英國倫敦一家四大會計師事務所任職並成為特許會計師，以及先後在一家房地產和金融服務集團擔任財務負責人。李女士於英國埃克塞特大學考獲榮譽會計學學位。彼亦為Elite Beam Limited董事。

Mr. FANG Heying

(Non-executive Director, Member of the Audit Committee, the Nomination Committee and the Remuneration Committee)

Appointed Director of the Bank on 24 March 2016. Mr. Fang is currently an Executive Director and President of China CITIC Bank Corporation Limited. He is also a Non-executive Director of CITIC International Financial Holdings Limited. Mr. Fang joined China CITIC Bank Corporation Limited in 1996 and was formerly the President of Suzhou Branch, President of Hangzhou Branch and Business Director of Financial Markets. He served as a Vice President of China CITIC Bank Corporation Limited since November 2014 and was further appointed as its President in March 2019. Mr. Fang was a "Senior Economist". He graduated from Hunan College of Finance and Economics with a Bachelor's Degree in Finance and obtained an Executive Master's Degree in Business Administration from Peking University.

Mr. GUO Danghuai

(Non-executive Director)

Appointed Director of the Bank on 9 April 2020. Mr. Guo is currently an Executive Director and Vice President of China CITIC Bank Corporation Limited. He is also Director of CITIC International Financial Holdings Limited, CNCB (Hong Kong) Investment Limited, CNCB (Hong Kong) Capital Limited and CITIC aiBank Corporation Limited. Mr. Guo joined China CITIC Bank Corporation Limited in 1986 and was formerly its Chief Auditor, General Manager of its Business Department at Head Office, President of its Tianjin Branch and Shenyang Branch. Mr. Guo is a Senior Economist and graduated from Peking University with a Master's Degree in Business Management. He has over 30 years of working experience in the Chinese banking industry.

Ms. LI Shuk Yin

(Independent Non-executive Director, Member of the Audit Committee)

Appointed Independent Non-executive Director of the Bank on 28 September 2018. Ms. Li is a fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. She was formerly with KPMG from 1994 with her last role as the partner in charge of KPMG China's Financial Services Assurance team until her retirement in March 2018. Ms. Li has significant experience in accounting, capital market, market entrance, regulatory compliance related internal control and risk management in Hong Kong and China. Prior to joining KPMG, Ms. Li qualified as a Chartered Accountant with one of the Big Four firms and as controller with a real estate company and a financial services group in London. She graduated from University of Exeter, England with a Honours degree in Accountancy. She is also a Director of Elite Beam Limited.

湯世生先生

(獨立非執行董事、信貸及風險管理委員會、提名委員會和薪酬委員會委員)

於2013年11月13日獲委任為本行獨立非執行董事。湯先生亦為惠生工程技術服務有限公司和重慶三峽銀行股份有限公司獨立董事，擁有豐富金融業及證券業經驗。湯先生畢業於湖南財經學院，獲金融學專業(本科)學士學位，並考獲中國人民銀行總行研究生院經濟學碩士學位和中國社會科學院研究生院經濟學博士學位。湯先生於1993年獲中國人民建設銀行頒授「高級經濟師」之名銜。

曾璟璇女士

(獨立非執行董事、信貸及風險管理委員會主席、提名委員會和薪酬委員會委員)

於2016年12月1日獲委任為本行獨立非執行董事和信貸及風險管理委員會主席。曾女士是亞洲金融界與工商界受認可的一員。於2012年更被《財富》雜誌評選為「中國最具影響力的25位商界女性」的第6位，而2010年至2013年均被列入首25位的榜內。曾女士現為巨溢資本創始人，巨溢是一家專注於大中華市場的資產管理公司，亦為百威亞太控股有限公司獨立非執行董事、Genesis Emerging Markets Fund Limited非執行董事、恒振有限公司及啟能有限公司董事，以及倫敦金融城中國諮詢委員會和上海交通大學校董會成員。曾女士曾於渣打銀行任職逾二十年，她於2014年8月退休前的最後職位是大中華區主席。曾女士於加拿大亞伯達大學考獲商學學士學位。

Mr. TANG Shisheng

(Independent Non-executive Director, Member of the Credit & Risk Management Committee, the Nomination Committee and the Remuneration Committee)

Appointed Independent Non-executive Director of the Bank on 13 November 2013. Mr. Tang is also an Independent Director of Wison Engineering Services Co. Ltd. and Chongqing Three Gorges Bank Co., Ltd. He has extensive experience in finance and securities industries. Mr. Tang graduated from Hunan College of Finance and Economics with a Bachelor's Degree in Finance. He received his Master's Degree in Economics and Doctor's Degree in Economics respectively from the Graduate School of The People's Bank of China and the Graduate School of Chinese Academy of Social Sciences. Mr. Tang was granted the title of "Senior Economist" by The People's Construction Bank of China in 1993.

Ms. TSANG King Suen Katherine

(Independent Non-executive Director, Chairman of the Credit & Risk Management Committee, Member of the Nomination Committee and the Remuneration Committee)

Appointed Independent Non-executive Director and Chairman of the Credit & Risk Management Committee of the Bank on 1 December 2016. Ms. Tsang is a well-recognised member of the Asian financial and business community. Fortune Magazine (China) named her as No. 6 China's Most Influential Businesswomen in 2012 and she was on the top 25 list from 2010 to 2013. Ms. Tsang is the founder of Max Giant, a group of asset management companies with a focus on China. She is also an Independent Non-executive Director of Budweiser Brewing Company APAC Limited, Non-executive Director of Genesis Emerging Markets Fund Limited, Director of Ever Ascent Corporation Limited and Try Door Limited, member of the Advisory Council for China of the City of London, and an honorary board member of Shanghai Jiao Tong University. Ms. Tsang was formerly with Standard Chartered Bank for over 20 years with her last role as Chairperson of Greater China before she retired in August 2014. She attained her Bachelor of Commerce Degree from University of Alberta, Canada.

王國樑先生

(獨立非執行董事、審計委員會主席、信貸及風險管理委員會委員)

於2016年8月12日獲委任為本行獨立非執行董事，並於2016年11月2日獲委任為審計委員會主席。王先生為教授級高級會計師，現為中國太平保險集團有限責任公司及中遠海運集裝箱運輸有限公司獨立董事。王先生亦曾任中國石油天然氣集團公司總會計師及崑崙銀行董事長，擁有豐富金融及會計經驗。王先生畢業於哈爾濱商業大學，獲經濟學學士學位，並於河北大學考獲世界經濟專業碩士研究生資格。

武捷思先生

(獨立非執行董事、薪酬委員會和提名委員會主席、審計委員會委員)

於2013年8月5日獲委任為本行獨立非執行董事，並分別於2016年7月20日和2017年5月25日獲委任為薪酬委員會和提名委員會主席。武先生為深圳市富海銀濤資產管理股份有限公司董事長，亦為北京控股有限公司、中國太平保險控股有限公司、中國工商銀行(亞洲)有限公司以及深圳前海微眾銀行股份有限公司的獨立非執行董事，以及深圳控股有限公司及銀基集團控股有限公司之非執行董事。武先生擁有豐富企業管理、投資及金融業經驗。武先生於中國人民銀行金融研究中心考獲經濟學博士學位，並於中國南開大學完成理論經濟學博士後研究，於2001年獲中國南開大學頒授教授資格。

Mr. WANG Guoliang

(Independent Non-executive Director, Chairman of the Audit Committee, Member of the Credit & Risk Management Committee)

Appointed Independent Non-executive Director of the Bank on 12 August 2016 and elected Chairman of Audit Committee on 2 November 2016. Mr. Wang is a professor-level senior accountant and is currently Independent Director of China Taiping Insurance Group Limited and COSCO Shipping Lines Co., Limited. Mr. Wang worked as Chief Accountant of China National Petroleum Corporation and was Chairman of Bank of Kunlun. He has extensive experience in finance and accounting. Mr. Wang graduated from Harbin University of Commerce with a Bachelor's Degree in Economics. He received his Master's Degree in International Economics from Hebei University.

Mr. WU Jiesi

(Independent Non-executive Director, Chairman of the Remuneration Committee and the Nomination Committee, Member of the Audit Committee)

Appointed Independent Non-executive Director of the Bank on 5 August 2013 and elected Chairman of the Remuneration Committee and the Nomination Committee on 20 July 2016 and 25 May 2017 respectively. Mr. Wu is Chairman of Shenzhen Fuhaiyintao Asset Management Co., Ltd. He is also an Independent Non-executive Director of Beijing Enterprises Holdings Limited, China Taiping Insurance Holdings Company Limited, The Industrial and Commercial Bank of China (Asia) Limited and WeBank, and Non-executive Director of Shenzhen Investment Limited and Silver Base Group Holdings Limited. Mr. Wu has extensive experience in corporate management, investment and finance. He holds a Doctor's Degree in Economics from The Research Institution of The People's Bank of China. Mr. Wu conducted post-doctorate research work in theoretical economics at Nankai University and was conferred a professorship qualification by Nankai University in 2001.

高級行政人員簡介

譚日恭先生

(財務總監)

於2014年12月加入本行為財務總監，同時兼任中信國際金融控股有限公司集團財務總監。譚先生擁有超過30年會計及財務管理經驗，加入本行前，為大新銀行有限公司總經理及集團財務總監。他亦曾於渣打銀行集團香港、中國大陸及台灣地區出任多個高級財務職位，橫跨零售銀行、財資及批發銀行等不同業務範疇。譚先生獲香港大學社會科學學士學位、香港中文大學金融學理學碩士學位、香港城市大學工商管理學博士學位及上海財經大學經濟學博士學位。他為香港會計師公會、英國特許公認會計師公會和英格蘭及威爾斯特許會計師協會資深會員，以及中國註冊會計師協會、美國註冊會計師協會及加拿大特許專業會計師協會會員。

蔡玉玲女士

(人力資源總監)

於2014年6月加入本行為政策及薪酬主管，現任人力資源總監，亦為中信國際金融控股有限公司集團人力資源總監。蔡女士從事人力資源管理逾20年，職業生涯始於香港鐵路有限公司見習管理人員計劃，歷年來在多家大型及國際金融服務公司中擔任人力資源管理職務，包括花旗集團、美林證券、麥格理銀行及畢馬威會計師事務所。加入本行前，蔡女士為威富公司亞太區薪酬及福利總監。蔡女士持有香港中文大學工商管理學士學位，以及香港科技大學工商管理碩士學位。

Biographies of Senior Executives

Mr. Elton TAM

(Chief Financial Officer)

Joined the Bank in December 2014 as Chief Financial Officer. Mr. Tam also serves as Group Chief Financial Officer of CITIC International Financial Holdings Limited. Mr. Tam has more than 30 years of experience in accounting and financial management. Prior to joining the Bank, Mr. Tam was General Manager and Group Financial Controller of Dah Sing Bank, Limited. Before that, he had held various senior finance positions at Standard Chartered Bank Group across different business areas such as consumer banking, treasury and wholesale banking in Hong Kong, Mainland China and Taiwan. Mr. Tam graduated from The University of Hong Kong with a Bachelor of Social Science Degree, The Chinese University of Hong Kong with a Master of Science Degree in Finance, City University of Hong Kong with a Doctor of Business Administration Degree and Shanghai University of Finance and Economics with a Doctorate Degree in Economics. He is a Fellow Member of Hong Kong Institute of Certified Public Accountants, Association of Chartered Certified Accountants of the UK and The Institute of Chartered Accountants of England and Wales. He is also a qualified member of The Chinese Institute of Certified Public Accountants of China, The American Institute of Certified Public Accountants and Chartered Professional Accountants of Canada.

Ms. Sylvia CHOI

(Chief Human Resources Officer)

Joined the Bank in June 2014 as Head of Policy and Compensation. Ms. Choi is currently Chief Human Resources Officer of the Bank and Head of Group Human Resources of CITIC International Financial Holdings Limited. Ms. Choi has over 20 years of experience in human resources management. She started her career with the graduate trainee programme at MTR Corporation Limited and subsequently held a number of HR positions at several large and international financial services organisations including Citigroup, Merrill Lynch, Macquarie Bank and KPMG. Prior to joining the Bank, she was Regional Compensation and Benefits Director of VF Corporation Limited. Ms. Choi holds a Bachelor's degree in Business Administration from The Chinese University of Hong Kong, and a Master's degree in Business Administration from The Hong Kong University of Science and Technology.

嵇津湘先生*(資訊科技總監)*

於2019年9月加入本行出任資訊科技總監，負責管理本行各項資訊科技方向。嵇先生擁有超過20年全面管理資訊科技之豐富經驗，特別擅長於資訊科技架構及資訊科技應用程式開發。加入本行前，嵇先生為梅州客商銀行股份有限公司之首席信息官，為該行之初創發展擔任重要角色。在此之前，嵇先生曾於中國工商銀行出任多個重要職位，包括領導該行的資訊科技團隊完成多個數字化轉型項目，協助推動該行發展金融科技業務。嵇先生持有杭州電子科技大學電子工程學士學位，以及吉林大學軟件工程碩士學位。

龐春美女士*(營運總監)*

於2013年9月加入本行出任操作風險管理總經理，現為營運總監，負責全面管理本行營運，促進服務質素及營運效益。龐女士擁有超過30年營運管理經驗，曾任職於多家國際機構，包括渣打銀行、加拿大帝國商業銀行，並曾參與籌劃中國渤海銀行的成立。加入本行前，龐女士於渣打銀行擔任新項目籌劃及系統投放主管。龐女士持有加拿大滑鐵盧大學數學學士學位。

Mr. Ji Jinxiang*(Chief Information Officer)*

Joined the Bank in September 2019 as Chief Information Officer and is responsible for managing the Bank's information technology functions. Mr. Ji has over 20 years of experience in managing the full spectrum of IT functions with expertise particularly in IT architecture and IT applications development. Prior to joining the Bank, Mr. Ji was Chief Information Officer for Meizhou Hakka Bank Company Limited for which he played a key role in the start-up of its business. Before that, Mr. Ji had held various senior positions in Industrial and Commercial Bank of China Limited where he led IT teams to achieve various digital transformation projects which helped to drive its FinTech business growth. Mr. Ji holds a Bachelor's Degree in Electronic Engineering from Hangzhou Dianzi University and a Master's Degree in Software Engineering from Jilin University.

Ms. Christina PONG*(Chief Operations Officer)*

Joined the Bank in September 2013 as General Manager, Operational Risk Management and is currently Chief Operations Officer responsible for managing the Bank's operations towards enhanced service quality and operational efficiency. Ms. Pong has over 30 years of experience in operations management from various international organisations including Standard Chartered Bank, Canadian Imperial Bank of Commerce, and has participated in the formation of China Bohai Bank. Before joining the Bank, Ms. Pong was Head of New Initiatives and System Delivery, Standard Chartered Bank. Ms. Pong holds a Bachelor's Degree in Mathematics from the University of Waterloo, Canada.

邱慧敏女士*(監控及合規總監)*

於2019年1月加入本行出任監控及合規總監，負責全面管理一般合規、法律、反洗錢和操作風險管理事宜。邱女士同時擔任中信國際金融控股有限公司集團監控及合規總監。邱女士從事亞洲金融服務行業超過20年，在內部監控、審計、風險管理及管治方面擁有豐富經驗，曾出任多間國際機構的重要職位，包括美銀美林集團、澳洲國民銀行、恒生銀行、畢馬威會計師事務所及安永會計師事務所。加入本行前，邱女士為美銀美林集團亞太區操作風險董事總經理。邱女士持有香港理工大學會計學學士學位，並為特許公認會計師公會資深會員及香港會計師公會會員。

陳耀強先生*(審計總監)*

於2017年10月加入本行，現任本行審計總監和中信國際金融控股有限公司集團審計部總監。陳先生從事銀行業逾30年，在內部稽核、財資和環球市場方面擁有豐富經驗。加入本行前，陳先生為渣打銀行（香港）有限公司金融犯罪風險緩釋項目總監；此外，他曾出任渣打銀行多個高級管理職位，包括在香港和中國等地區擔任審計總監及區域審計總監。陳先生持有索爾福德大學科學碩士學位、麥覺理大學會計學深造文憑和澳洲新英格蘭大學工商管理碩士學位。他亦是香港會計師公會和澳洲會計師公會的資深會員。

Ms. Christine YAU*(Chief Controls & Compliance Officer)*

Joined the Bank in January 2019 as Chief Controls & Compliance Officer. Ms. Yau is responsible for managing the Bank's general compliance, legal, anti-money laundering and operational risk management functions. She also serves as Group Chief Controls & Compliance Officer of CITIC International Financial Holdings Limited. Ms. Yau has over 20 years of experience in internal control, audit, risk management and governance in the financial services industry across Asia. She has held various senior positions in banks and professional firms including Bank of America Merrill Lynch, National Australia Bank, Hang Seng Bank, KPMG and Ernst & Young. Prior to joining the Bank, Ms. Yau was Managing Director & Head of Operational Risk, Bank of America Merrill Lynch Asia Pacific. Ms. Yau holds a Bachelor's Degree in Accountancy from the Hong Kong Polytechnic University. She is a Fellow Member of the Association of Chartered Certified Accountants and a Member of the Hong Kong Institute of Certified Public Accountants.

Mr. Telly CHAN*(Chief Auditor)*

Joined the Bank in October 2017 and is currently Chief Auditor of the Bank and Head of Group Audit of CITIC International Financial Holdings Limited. Mr. Chan has over 30 years of experience in the banking industry specialising in internal audit, treasury and global markets. Before joining the Bank, he was Programme Director, Financial Crime Risk Mitigation Programme of Standard Chartered Bank (Hong Kong) Limited. Prior to that, he had held various senior management positions in Standard Chartered including Head of Audit and Regional Head of Audit in different geographic locations including Hong Kong and mainland China. Mr. Chan holds a Master of Science Degree from the University of Salford, a Graduate Diploma in Accounting from Macquarie University, and a Master of Business Administration Degree from the University of New England in Australia. He is a Fellow Member of the Hong Kong Institute of Certified Public Accountants and CPA Australia.

董事會

執行董事

畢明強先生 (行長兼行政總裁)
簡吳秋玉女士 (替任行政總裁)
柏立軍先生 (替任行政總裁)
鄧翺斌先生 (替任行政總裁)

非執行董事

方合英先生
郭黨懷先生

獨立非執行董事

李淑賢女士
湯世生先生
曾璟璇女士
王國樑先生
武捷思先生

董事會轄下委員會

審計委員會

王國樑先生 (主席)
方合英先生
李淑賢女士
武捷思先生

信貸及風險管理委員會

曾璟璇女士 (主席)
畢明強先生
湯世生先生
王國樑先生

提名委員會

武捷思先生 (主席)
方合英先生
湯世生先生
曾璟璇女士

薪酬委員會

武捷思先生 (主席)
方合英先生
湯世生先生
曾璟璇女士

註冊辦事處

香港德輔道中61至65號
電話：(852) 3603 6633
傳真：(852) 3603 4000
www.cncbinternational.com

核數師

羅兵咸永道會計師事務所

Board of Directors

Executive Directors

Mr. BI Mingqiang (*President & Chief Executive Officer*)
Mrs. KAN NG Chau Yuk Helen (*Alternate Chief Executive Officer*)
Mr. BAI Lijun (*Alternate Chief Executive Officer*)
Mr. TANG Nai Pan (*Alternate Chief Executive Officer*)

Non-executive Directors

Mr. FANG Heying
Mr. GUO Danghui

Independent Non-executive Directors

Ms. LI Shuk Yin
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine
Mr. WANG Guoliang
Mr. WU Jiesi

Board Committees

Audit Committee

Mr. WANG Guoliang (*Chairman*)
Mr. FANG Heying
Ms. LI Shuk Yin
Mr. WU Jiesi

Credit & Risk Management Committee

Ms. TSANG King Suen Katherine (*Chairman*)
Mr. BI Mingqiang
Mr. TANG Shisheng
Mr. WANG Guoliang

Nomination Committee

Mr. WU Jiesi (*Chairman*)
Mr. FANG Heying
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine

Remuneration Committee

Mr. WU Jiesi (*Chairman*)
Mr. FANG Heying
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine

Registered Office

61-65 Des Voeux Road Central, Hong Kong
Tel: (852) 3603 6633
Fax: (852) 3603 4000
www.cncbinternational.com

Auditor

PricewaterhouseCoopers

董事會報告書

董事會謹將截至2019年12月31日止年度的報告書及經審核財務報表呈覽。

主要營業地址

中信銀行（國際）有限公司（「本行」）為於香港註冊成立的持牌銀行，並以香港為辦事處所在地，其註冊辦事處位於香港德輔道中61至65號。除了香港，本行在澳門、新加坡、紐約及洛杉磯均設有分行。

主要業務

本行和各附屬公司（「本集團」）的主要業務是在香港提供一般銀行及相關金融服務。本行各主要附屬公司於2019年12月31日的詳情載於財務報表附註23內。

業務審視

有關對本集團業務的中肯審視（包括運用財務關鍵主要指標進行的分析）、對本集團面對的主要風險及不明朗因素的描述、在2019年財政年度終結後發生並對本集團有影響的重大事件的詳情、本集團業務相當可能有的未來發展的揭示、對本集團的環境政策和表現及遵守對本集團有重大影響的有關法律和規例的討論，以及本集團與其僱員、顧客、供應商及其他人士的重要關係（此等關係對本集團有重大影響）的說明，已載於本年報的「財務概況」、「行政總裁報告」、「2019業務回顧」、「財務報表附註」和「企業管治及其他資料」幾節中。上述幾節乃本報告書的一部分。

財務報表

本集團截至2019年12月31日止年度的溢利和本行及附屬公司於該日的綜合收益表載於第56頁的財務報表內。

股息

董事會不建議派發截至2019年12月31日止年度任何股息（2018年：無）。

Report of the Directors

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2019.

Principal Place of Business

China CITIC Bank International Limited (the “Bank”) is a licensed bank incorporated and domiciled in Hong Kong and has its registered office at 61-65 Des Voeux Road Central, Hong Kong. The Bank has branches outside Hong Kong and operating in Macau, Singapore, New York and Los Angeles.

Principal Activities

The principal activities of the Bank and its subsidiaries (the “Group”) are the provision of general banking and related financial services, primarily in Hong Kong. Particulars of the Bank's principal subsidiaries as at 31 December 2019 are set out in note 23 to the financial statements.

Business Review

A fair review of the Group's business (including an analysis using financial key performance indicators), a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of 2019, an indication of likely future development in the Group's business, a discussion on the Group's environmental policies and performance as well as its compliance with the relevant laws and regulations that have a significant impact on it, and an account of the Group's key relationships with its employees, customers, suppliers and others that have a significant impact on it can be found in “Financial Performance”, “Report of the Chief Executive Officer”, “2019 Review of Operations”, “Notes to the Financial Statements” and “Corporate Governance and Other Information” sections. The above sections form part of this report.

Financial Statements

The consolidated profit of the Bank and its subsidiaries for the year ended 31 December 2019 is set out in the consolidated income statement on page 56.

Dividend

The Directors do not recommend the payment of any dividends for the year ended 31 December 2019 (2018: Nil).

股本

本行於本年度內未有發行任何股份（2018年：無）。

額外權益工具

本行於2019年2月發行500,000,000美元的《巴塞爾協定三》次級債券，以增強本行的資本狀況及增強本行的競爭力，為業務可持續發展奠定堅實基礎（2018年：本行於2018年11月，為資金及一般公司業務目的，發行年利率為7.1%的500,000,000美元永續型非累積後償額外一級資本證券）。有關本行發行的債券詳情載於財務報表附註33和35。

股票掛鈎協議

本行於截至2019年12月31日止年度，並無訂立任何股票掛鈎協議（2018年：無）。

董事

(a) 本行董事

截至本報告書日期止，本行董事會成員如下：

執行董事

畢明強先生（行長兼行政總裁）
簡吳秋玉女士（替任行政總裁）
柏立軍先生（替任行政總裁）
鄧肅斌先生（替任行政總裁）（於2020年3月20日獲委任）

非執行董事

方合英先生

獨立非執行董事

李淑賢女士
湯世生先生
曾璟璇女士
王國樑先生
武捷思先生

Share Capital

The Bank did not issue any shares during the year ended 31 December 2019 (2018: Nil).

Debentures Issued

The Bank issued USD500,000,000 Basel III Compliant Tier 2 Subordinated Notes in February 2019 so as to enhance the Bank's capital position and reinforce the Bank's competitiveness towards building a solid foundation for business sustainability (2018: The Bank issued USD500,000,000 7.1% Undated Non-cumulative Subordinated Additional Tier 1 Capital Securities for its funding and general corporate purposes in November 2018). Details of the debentures issued by the Bank are set out in notes 33 and 35 of the financial statements.

Equity-Linked Agreements

The Bank did not enter into any equity-linked agreement during the year ended 31 December 2019 (2018: Nil).

Directors

(a) Directors of the Bank

As at the date of this report, the Board of Directors of the Bank comprises:

Executive Directors

Mr. BI Mingqiang (*President & Chief Executive Officer*)
Mrs. KAN NG Chau Yuk Helen (*Alternate Chief Executive Officer*)
Mr. BAI Lijun (*Alternate Chief Executive Officer*)
Mr. TANG Nai Pan (*Alternate Chief Executive Officer*) (appointed on 20 March 2020)

Non-executive Director

Mr. FANG Heying

Independent Non-executive Directors

Ms. LI Shuk Yin
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine
Mr. WANG Guoliang
Mr. WU Jiesi

根據本行的公司組織章程細則第105條，所有現任董事須在下屆股東週年大會上依章告退，並可膺選連任。

截至2019年12月31日止年度內及截至本報告書日期止，本行董事的變動情況如下：

張小衛先生於2019年5月23日離任非執行董事兼副董事長。

孫德順先生分別於2019年8月7日和2019年9月17日離任董事長兼非執行董事。

本行兩名離任董事，並沒有與董事會存在任何意見分歧，亦沒有與本行事務相關的事宜需要提呈本行股東注意。

(b) 本行附屬公司董事

截至2019年12月31日止年度內及截至本報告書日期止，本行董事畢明強先生、簡吳秋玉女士和柏立軍先生，亦擔任本行若干附屬公司的董事，而本行已離任董事張小衛先生亦擔任本行若干附屬公司的董事職務。

截至2019年12月31日止年度內及截至本報告書日期止，本行附屬公司的其他董事包括：謝俊翔先生、蔡詠贊先生、蔡玉玲女士、葛丹平女士、簡應添先生、鄭寶賢先生、凌濤濤女士、呂向榮先生、麥傑良先生、彭家任先生、邱泉先生、索緒權先生、譚日恭先生、鄧肅斌先生、黃文健先生、胡君博先生、邱慧敏女士和張納新先生。而本行附屬公司已離任董事包括陳祺先生、姚文松先生、關建輝先生、黎沛琪女士、李錫生先生、李武翰先生、梁建文先生及彭建寅先生。

董事權益

本行、其任何控股公司、附屬公司或同系附屬公司於年終時或本年度內任何時間，概無訂立任何就本行的業務而言屬重大的，而本行董事及其關連方亦直接或間接享有重大權益的交易、安排或合約。

本行、其任何控股公司、附屬公司或同系附屬公司均沒有在本年度內任何時間或年終時訂立任何安排，致使本行董事可透過收購本行或任何其他法人公司的股份或債券而獲益。

In accordance with Article 105 of the Bank's Articles of Association, all present Directors shall retire from office by rotation at the next Annual General Meeting and, being eligible, offer themselves for re-election.

During the year ended 31 December 2019 and up to the date of this report, there are movements in the Directors of the Bank as follows:

Mr. ZHANG Xiaowei resigned as Non-executive Director and Vice Chairman on 23 May 2019.

Mr. SUN Deshun resigned as Chairman and Non-executive Director on 7 August 2019 and 17 September 2019 respectively.

Both resigned Directors of the Bank have no disagreement with the Board and nothing relating to the affairs of the Bank needed to be brought to the attention of the shareholders of the Bank.

(b) Directors of the Bank's subsidiaries

During the year ended 31 December 2019 and up to the date of this report, Mr. BI Mingqiang, Mrs. KAN NG Chau Yuk Helen and Mr. BAI Lijun, who are Directors of the Bank, are also directors of certain subsidiaries of the Bank. Mr. ZHANG Xiaowei, an ex-director of the Bank, was also an ex-director of certain subsidiaries of the Bank.

Other directors of the Bank's subsidiaries during the year ended 31 December 2019 and up to the date of this report include Mr. CHIA Choon Siang, Mr. CHOI Wing Tsan Varden, Ms. CHOI Yuk Ling, Ms. GE Danping, Mr. KAN Ying Tim, Mr. KWONG Po Yin Patrick, Ms. LING Taotao, Mr. LYU Xiangrong, Mr. MAK Kit Leung Mathew, Mr. PANG Jiaren, Mr. QIU Quan, Mr. SUO Xuquan, Mr. TAM Yat Kung, Mr. TANG Nai Pan, Mr. WONG Man Kin Jack, Mr. WOO Kwan Pok Alvin, Ms. YAU Wai Man Christine and Mr. ZHANG Naxin. Mr. CHEN Qi, Mr. IU Man Chung Ronald, Mr. KWAN Kin Fai David, Ms. LAI Pui Ki, Mr. LEE Sik Sang John Himeo, Mr. LEE Wu Han, Mr. LEUNG Kin Man Michael and Mr. PENG Jianyin were ex-directors of the Bank's subsidiaries.

Directors' Interests

No transaction, arrangement and contract of significance in relation to the Bank's business to which the Bank, or any of its holding companies, subsidiaries or fellow subsidiaries was a party, and in which a Director of the Bank and the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

At no time during the year or at the end of the year was the Bank, or any of its holding companies, subsidiaries or fellow subsidiaries 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.

管理合約

於本年度內，並無訂立與本行全部或任何重大部分業務的管理及行政相關的合約。

獲准許的彌償條文

截至2019年12月31日止年度內及截至本報告書日期止，獲准許的彌償條文維持有效並惠及本行董事。

遵守銀行業（披露）規則

截至2019年12月31日止年度的財務報表，已符合《銀行業（披露）規則》內有關的披露條例。

核數師

本行截至2019年12月31日止年度之財務報表由羅兵咸永道會計師事務所審核，其任期於即將舉行的股東週年大會結束時屆滿，但已表示願意留任。

承董事會命
畢明強
董事

香港，2020年3月25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 existed during the year.

Permitted Indemnity Provision

During the year ended 31 December 2019 and up to the date of this report, a permitted indemnity provision for the benefit of the Directors of the Bank is in force.

Compliance with the Banking (Disclosure) Rules

The financial statements for the year ended 31 December 2019 have complied with the applicable disclosure requirements of the Banking (Disclosure) Rules.

Auditor

The financial statements for the year ended 31 December 2019 have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment as auditor of the Bank upon expiration of its current term of office at the forthcoming annual general meeting.

On behalf of the Board
Bi Mingqiang
Director

Hong Kong, 25 March 2020

Independent Auditor's Report

To the Members of China CITIC Bank International Limited

(incorporated in Hong Kong with limited liability)

Opinion

What we have audited

The consolidated financial statements of China CITIC Bank International Limited (the "Bank") and its subsidiaries (the "Group") set out on pages 56 to 209, which comprise:

- the consolidated statement of financial position as at 31 December 2019;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

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

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

The key audit matter identified in our audit was:

- Expected credit losses on loans and advances to customers

獨立核數師報告

致中信銀行（國際）有限公司股東
(於香港註冊成立的有限公司)

審計意見

我們已審計的內容

中信銀行（國際）有限公司（以下簡稱「貴行」）及其附屬公司（以下簡稱「貴集團」）列載於第56至209頁的綜合財務報表，包括：

- 於2019年12月31日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表之附注，包括主要會計政策概要。

我們的意見

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2019年12月31日的綜合財務狀況及其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。

審計意見的基礎

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。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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。

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。這些事項的應對是以對整體綜合財務報表進行審計並形成審計意見時進行的處理。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項匯總如下：

- 客戶貸款及墊款的預期信用損失的計量

Key Audit Matters *(continued)*

Nature of the Key Audit Matter

As at 31 December 2019, the Group recorded total gross loans and advances to customers of HK\$189,377 million and expected credit loss ("ECL") on loans and advances to customers of HK\$3,597 million, of which HK\$762 million, HK\$1,750 million and HK\$1,085 million as Stages 1, 2 and 3 allowances respectively. Refer to notes 21(a) and (c), and 40(a) to the consolidated financial statements for details.

The calculation of ECL requires considerable judgements and interpretation. The Group assesses whether its loans and advances fall into Stage 1, 2 or 3 in accordance with HKFRS 9 and estimates the ECL for loans and advances in each stage. The Group assesses whether the credit risk of loans and advances to customers has increased significantly since their initial recognition which would require those loans and advances to be moved from Stage 1 to Stage 2. Stage 1 loans require an ECL of expected losses within 12 months whereas Stage 2 loans require an ECL for the remaining lifetime of the loans or advances.

For loans and advances classified into Stages 1 and 2, the Group assesses ECL using the risk parameter modelling approach that incorporates key parameters, including probability of default, loss given default and exposure at default. The Group is also required to incorporate in the ECL models the forward-looking information, where it identifies the key macroeconomic variables impacting credit risk and ECL. For corporate loans and advances in Stage 3, which are regarded as impaired, the Group assesses the ECL by estimating recoverable cash flows from the loans and advances.

In addition, the Group assesses whether events occurring after the reporting period require adjustment to the ECL for loans and advances at end of reporting period or disclosures in the financial statements.

How our audit addressed the Key Audit Matter

Our audit focused on the measurement of ECL of loans and advances to customers due to significant judgements applied by management and the significant amounts of loans and advances to customers. Specifically we focused on the following:

- (1) Segmentation of business operations sharing similar credit risk characteristics, appropriateness of models and the relevant key measurement parameters;
- (2) Criteria for determining whether or not there was a significant increase in credit risk, or a default or impairment loss had occurred;
- (3) Application of economic indicators projection and determination of economic scenarios and weightings; and
- (4) The estimated future recoverable cash flows for loans and advances in Stage 3.

We obtained an understanding and evaluated the controls that management have established to support their calculation of ECL, including:

- Governance over ECL models, including monitoring the continuing appropriateness of model methodology and parameters and monitoring of significant management's judgements, including portfolio segmentation, significant increase in credit risk, default or credit-impaired, forward looking measurement and estimated recoverable amount;
- Review and challenge over reasonableness of ECL result;

關鍵審計事項 (續)

關鍵審計事項的性質

於2019年12月31日，貴集團就客戶貸款及墊款共計港幣1,893.77億元計提預期信貸損失準備港幣35.97億元，其中第一階段、第二階段及第三階段預期信貸損失準備分別為港幣7.62億元、港幣17.50億元及港幣10.85億元。詳情請參閱合併財務報表附注21(a)、(c)及40(a)。

計算預期信貸損失需要大量的判斷和詮釋。貴集團根據《香港財務報告準則第9號》評估其貸款和墊款處於第一、第二或第三階段，並估算每個階段的貸款和墊款的預期信貸損失。貴集團評估客戶貸款及墊款的信貸風險自初始確認後是否顯著增加，若有顯著增加，則須將該等客戶貸款及墊款從第一階段轉至第二階段。第一階段的貸款需按照未來12個月的預期信貸損失來計量損失準備，而第二階段的貸款需按照貸款或墊款在剩餘存續期內的預期信貸損失來計量損失準備。

對於分類為第一階段和第二階段的貸款和墊款，貴集團使用風險參數建模方法評估預期信貸損失，該方法包含違約概率、違約損失率和違約風險敞口等關鍵參數。貴集團亦須將前瞻性信息納入預期信貸損失模型中，以識別影響信貸風險和預期信貸損失的關鍵宏觀經濟變數。對於被視為已減值的第三階段貸款和墊款，貴集團通過估算該等貸款和墊款的現金流量評估預期信貸損失。

此外，貴集團評估在報告期之後發生的事件是否需要在報告期結束時對貸款和墊款的預期信貸損失進行調整，或在財務報表中進行披露。

我們在審計中如何處理關鍵審計事項

由於涉及管理層作出的重大判斷，且客戶貸款及墊款金額重大，因此我們的審計重點是客戶貸款及墊款的預期信貸損失的計量。我們具體關注以下方面：

- (1) 細分具有類似信貸風險特徵的經營活動，選擇合適的模型並確定相關的主要計量參數；
- (2) 確定信貸風險是否顯著增加或確定是否發生違約或減值損失時採用的標準；
- (3) 選擇用於前瞻性計量的經濟指標，以及經濟場景和權重的應用；及
- (4) 第三階段的貸款和墊款的預計未來現金流量。

我們瞭解並評估了管理層為支援其預期信貸損失計算而實施的控制措施，包括：

- 預期信貸損失模型的管治，包括監管模型方法和參數的持續合理性和監控管理層的重大判斷，包括貸款組合細分、信貸風險顯著增加、違約或信貸減值、前瞻性計量以及預期覆蓋金額；
- 審查和質詢預期信貸損失結果的合理性；

Key Audit Matters *(continued)*

How our audit addressed the Key Audit Matter (continued)

- Regular post draw-down monitoring of the appropriateness of credit quality grading by monitoring units which are independent from the loan initiation units;
- Internal controls over data input for key data used in ECL calculation;
- IT general controls over the information systems for model based measurement and relevant application controls, including interface controls with upstream and downstream systems.

We assessed major model methodologies and assumptions used for Stage 1 and 2 ECL calculation, including reasonableness of the portfolio segmentation and key parameter estimation, with the support of our modelling specialists.

We selected samples, in consideration of the financial information and non-financial information of the borrowers, relevant external evidence and other factors (including events occurring after the reporting period), to assess the appropriateness of the management's identification of significant increase in credit risk, defaults, credit-impaired loans and whether there is adverse change in credit quality grading at end of reporting period.

For forward-looking measurement, we reviewed the reasonableness of management's projection of economic indicators in each economic scenario and scenario weights.

We traced a sample population of key data, including historical data and data at the measurement date, from calculation engine to their source documents or data records maintained in various upstream systems to assess their accuracy and completeness.

For loans and advances in Stage 3, we examined, on a sample basis, forecasted future cash flows prepared by the Group based on financial information of borrowers, latest collateral valuations and other available information in supporting the computation of the expected loss allowance.

We have discussed the reasonableness of the ECL results with management and Audit Committee.

Other Information

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

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

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

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

關鍵審計事項 (續)

我們在審計中如何處理關鍵審計事項 (續)

- 獨立於貸款發起單位的監測部門定期監測貸款提取後的信貸質量評級的適當性；
- 用於計算預期信貸損失準備的重要資料的內部控制；
- 針對模型化計量所用信息系統的信息技術一般控制，以及相關應用控制，包括針對與上游和下游系統之間的介面所實施的介面控制。

在模型專家的協助下，我們評估了計算第一階段和第二階段預期信貸損失使用的主要模型方法和假設，包括貸款組合細分和關鍵參數估計的合理性。

我們根據借款人的財務信息和非財務信息、相關外部證據以及其他因素（包括報告期後發生的事件）選擇了樣本，以評估管理層有關信貸風險顯著增加、違約、發生信貸減值的貸款以及信貸質量等級的評估是否恰當。

對於前瞻性計量，我們審查了管理層就經濟指標和經濟情景的選擇進行的分析，並評估了經濟指標預測的合理性。

我們選取了包括歷史數據和計量日數據在內的關鍵數據樣本，從計算引擎追蹤至原始憑證或各上游系統中保存的數據記錄，以評估其準確性和完整性。

對於第三階段的貸款和墊款，我們以抽樣方式檢查了 貴集團根據借款人財務信息、抵押品最新估值以及其他可用於預期信貸損失準備計算的信息編制的未來現金流量預測。

我們已與管理層及審計委員會討論了預期信貸損失評估結果的合理性。

其他信息

貴行董事須對其他信息負責。其他信息包括截至2019年12月31日的年報內的所有信息及監管披露報告，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭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。

Responsibilities of Directors and Audit Committee 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.

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

The Audit Committee of the Group assists the directors in discharging their responsibilities 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. We report 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

董事及審計委員會就綜合財務報表須承擔的責任

貴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，並對其認為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

貴集團的審計委員會協助董事履行監督 貴集團財務報告過程的職責。

審計師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照香港《公司條例》第405條向 閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水準的保證，但不能保證按照《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匯總起來可能影響綜合財務報表使用者依賴綜合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，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。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。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(continued)*

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner of the audit resulting in this independent auditor's report is Ms. Ng Wai Ying.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 25 March 2020

審計師就審計綜合財務報表須承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計畫的審計範圍、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。

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

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

出具本獨立核數師報告的審計專案合夥人是吳慧瑩女士。

羅兵咸永道會計師事務所

執業會計師

香港，2020年3月25日

綜合收益表

截至2019年12月31日止年度
(以港幣為單位)

Consolidated Income Statement

For the year ended 31 December 2019
(Expressed in Hong Kong dollars)

		附註 Note	2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
利息收入	Interest income	4(a)	12,164,025	11,460,798
利息支出	Interest expense	4(b)	(5,821,254)	(5,060,442)
淨利息收入	Net interest income		6,342,771	6,400,356
費用及佣金收入	Fee and commission income		1,515,893	1,566,356
費用及佣金支出	Fee and commission expense		(115,025)	(107,943)
淨費用及佣金收入	Net fee and commission income	5	1,400,868	1,458,413
淨交易收入	Net trading income	6	600,953	588,969
淨對沖損失	Net hedging loss	7	(2,492)	(1,562)
出售以公允價值計入其他全面收益 的金融資產淨損失	Net loss on disposal of financial assets at fair value through other comprehensive income	8	(21,940)	(70,419)
其他經營收入	Other operating income	9	31,094	34,317
經營收入	Operating income		8,351,254	8,410,074
經營支出	Operating expenses	10	(3,696,362)	(3,385,067)
扣除減值準備前的經營溢利	Operating profit before impairment		4,654,892	5,025,007
金融資產預期信貸損失	Expected credit losses on financial assets	12	(1,216,032)	(1,316,500)
其他資產減值損失	Impairment losses on other assets		(51,711)	(86,155)
減值損失	Impairment losses		(1,267,743)	(1,402,655)
經營溢利	Operating profit		3,387,149	3,622,352
出售物業及設備淨損失	Net loss on disposal of property and equipment		(2,787)	(793)
投資物業重估(損失)/收益	Revaluation (loss)/gain on investment properties	25	(1,459)	190
應佔聯營企業收益	Share of profit of associates	24	841	2,151
出售聯營企業收益	Gain on disposal of interest in associates	24	9,226	–
贖回部分債務資本損失	Loss on partial redemption of loan capital	33	(58,995)	–
稅前溢利	Profit before taxation		3,333,975	3,623,900
所得稅	Income tax	13	(523,674)	(615,542)
本年度溢利	Profit for the year		2,810,301	3,008,358
歸屬於股東的溢利	Profit attributable to shareholders		2,810,301	3,008,358

第61頁到第209頁的附註屬本財務報表一部份。

The notes on pages 61 to 209 form part of these financial statements.

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至2019年12月31日止年度
(以港幣為單位)

For the year ended 31 December 2019
(Expressed in Hong Kong dollars)

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
	附註 Note		
本年度溢利		2,810,301	3,008,358
本年度其他全面收益／(損失)			
	14		
當滿足特定條件時，其後可能重新分類至綜合收益表的項目：	Items that will be reclassified subsequently to consolidated income statement when specific conditions are met		
換算海外企業的財務報表的匯兌差額	Exchange differences on translation of financial statements of foreign operations	(32,073)	(88,425)
以公允價值計入其他全面收益的金融資產	Financial assets at fair value through other comprehensive income		
– 債務工具的公允價值變動	– change in the fair value of debt instruments	743,630	(457,057)
– 出售時轉至收益表	– transfer to income statement on disposal	21,940	70,419
– 與上述有關的遞延稅項	– deferred tax related to the above	(126,372)	49,254
– 減值準備時轉至收益表	– transfer to income statement on impairment	(75,490)	127,858
		563,708	(209,526)
其後不會重新分類至綜合收益表的項目：	Items that will not be reclassified subsequently to consolidated income statement		
物業重估儲備	Property revaluation reserve		
– 其他物業重新分類至投資物業時產生的重估盈餘	– surplus on revaluation of other premises upon reclassification to investment properties	–	76,245
– 出售時轉至遞延稅項	– transfer to deferred tax on disposal	10	–
		10	76,245
以公允價值計入其他全面收益的金融資產	Financial assets at fair value through other comprehensive income		
– 股權工具的公允價值變動	– change in the fair value of equity instruments	12,551	3,625
– 與上述有關的遞延稅項	– deferred tax related to the above	(2,071)	(598)
		10,480	3,027
本年度其他全面收益／(損失)	Other comprehensive income/(loss) for the year	542,125	(218,679)
本年度全面收益總額	Total comprehensive income for the year	3,352,426	2,789,679
歸屬於股東的全面收益總額	Total comprehensive income attributable to shareholders	3,352,426	2,789,679

綜合財務狀況表

Consolidated Statement of Financial Position

於2019年12月31日
(以港幣為單位)

At 31 December 2019
(Expressed in Hong Kong dollars)

		附註 Note	2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
資產	ASSETS			
現金及在銀行、中央銀行及其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	17	26,005,564	29,622,486
在銀行、中央銀行及其他金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	18	54,468,897	52,886,380
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	19(a)	1,908,370	1,440,532
衍生金融工具	Derivative financial instruments	20	6,283,608	6,027,833
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	21	194,251,733	203,829,256
以公允價值計入其他全面收益的金融資產	Financial assets at fair value through other comprehensive income	22	76,668,300	66,977,407
聯營企業	Interest in associates	24	–	352,151
物業及設備	Property and equipment	25		
– 投資物業	– Investment properties		229,130	241,970
– 其他物業和設備	– Other premises and equipment		499,033	492,854
無形資產	Intangible assets	26	584,809	652,210
可收回稅項	Tax recoverable	31(a)	6,842	8,353
遞延稅項資產	Deferred tax assets	31(b)	315,216	413,359
資產總額	Total Assets		361,221,502	362,944,791
負債及權益	LIABILITIES AND EQUITY			
負債	Liabilities			
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	27	7,121,633	2,849,375
客戶存款	Deposits from customers	28	276,872,680	285,492,851
以公允價值計入損益的金融負債	Financial liabilities at fair value through profit or loss	19(b)	146,500	–
衍生金融工具	Derivative financial instruments	20	6,363,156	6,543,351
已發行存款證	Certificates of deposit issued	29	3,112,919	3,133,151
已發行債務證券	Debt securities issued	30	3,346,067	3,408,077
本期稅項負債	Current tax liabilities	31(a)	705,837	600,053
遞延稅項負債	Deferred tax liabilities	31(b)	2,191	7,940
其他負債	Other liabilities	32	10,851,163	8,645,374
債務資本	Loan capital	33	6,249,182	6,283,542
負債總額	Total Liabilities		314,771,328	316,963,714
權益	Equity			
股本	Share capital	34(a)	18,404,013	18,404,013
儲備	Reserves		20,275,749	17,496,484
股東權益總額	Total shareholders' equity		38,679,762	35,900,497
額外權益工具	Additional equity instruments	35	7,770,412	10,080,580
權益總額	Total Equity		46,450,174	45,981,077
權益及負債總額	Total Equity and Liabilities		361,221,502	362,944,791

董事會於2020年3月25日核准並授權發佈。

Approved and authorised for issue by the Board of Directors on 25 March 2020.

畢明強

BI Mingqiang

執行董事、行長兼行政總裁

Executive Director, President and
Chief Executive Officer

簡吳秋玉

KAN NG Chau Yuk Helen

執行董事兼替任行政總裁

Executive Director and
Alternate Chief Executive Officer

第61頁到第209頁的附註屬本財務報表一部份。

The notes on pages 61 to 209 form part of these financial statements.

綜合權益變動表

Consolidated Statement of Changes in Equity

截至2019年12月31日止年度
(以港幣為單位)

For the year ended 31 December 2019
(Expressed in Hong Kong dollars)

		股本	資本儲備	一般儲備	匯兌差額 儲備	物業重估 儲備	投資重估 儲備	法定盈餘 公積	法定一般 儲備	保留溢利	儲備總額	額外權益工具 (附註35) Additional equity (note 35)	權益總額
		Share capital	Capital reserve	General reserve	Exchange differences reserve	Property revaluation reserve	Investment revaluation reserve	Statutory reserve	Regulatory reserve	Retained profits	Total reserves		Total equity
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於2019年1月1日	At 1 January 2019	18,404,013	6,589	100,000	(63,485)	76,300	(225,266)	58,073	149,500	17,394,773	17,496,484	10,080,580	45,981,077
截至2019年的權益變動：	Changes in equity for 2019:												
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	2,810,301	2,810,301	-	2,810,301
本年度其他全面收益	Other comprehensive income for the year	-	-	-	(32,073)	10	574,188	-	-	-	542,125	-	542,125
本年度全面收益總額	Total comprehensive income for the year	-	-	-	(32,073)	10	574,188	-	-	2,810,301	3,352,426	-	3,352,426
出售物業時回撥重估儲備	Release of reserve upon disposal of property	-	-	-	-	(65)	-	-	-	65	-	-	-
轉自保留溢利	Transfer from retained profits	-	-	-	-	-	-	1,089	-	(531,589)	(530,500)	530,500	-
支付額外一級資本證券票息	Distribution payment for Additional Tier 1 Capital Securities ("AT1 Capital Securities")	-	-	-	-	-	-	-	-	-	-	(530,500)	(530,500)
贖回額外一級資本證券	Redemption of AT1 Capital Securities	-	-	-	-	-	-	-	-	(42,661)	(42,661)	(2,310,168)	(2,352,829)
於2019年12月31日	At 31 December 2019	18,404,013	6,589	100,000	(95,558)	76,245	348,922	59,162	149,500	19,630,889	20,275,749	7,770,412	46,450,174
於2018年1月1日	At 1 January 2018	18,404,013	6,589	100,000	24,940	55	(18,767)	58,073	149,500	17,532,144	17,852,534	6,173,252	42,429,799
截至2018年的權益變動：	Changes in equity for 2018:												
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	3,008,358	3,008,358	-	3,008,358
本年度其他全面損失	Other comprehensive loss for the year	-	-	-	(88,425)	76,245	(206,499)	-	-	-	(218,679)	-	(218,679)
本年度全面收益總額	Total comprehensive income for the year	-	-	-	(88,425)	76,245	(206,499)	-	-	3,008,358	2,789,679	-	2,789,679
股息支付	Dividend paid	-	-	-	-	-	-	-	-	(2,808,437)	(2,808,437)	-	(2,808,437)
發行額外一級資本證券	Issue of AT1 Capital Securities	-	-	-	-	-	-	-	-	-	-	3,907,328	3,907,328
轉自保留溢利	Transfer from retained profits	-	-	-	-	-	-	-	-	(337,292)	(337,292)	337,292	-
支付額外一級資本證券票息	Distribution payment for AT1 Capital Securities	-	-	-	-	-	-	-	-	-	-	(337,292)	(337,292)
於2018年12月31日	At 31 December 2018	18,404,013	6,589	100,000	(63,485)	76,300	(225,266)	58,073	149,500	17,394,773	17,496,484	10,080,580	45,981,077

第61頁到第209頁的附註屬本財務報表一部份。

The notes on pages 61 to 209 form part of these financial statements.

綜合現金流量表

截至2019年12月31日止年度
(以港幣為單位)

Consolidated Cash Flow Statement

For the year ended 31 December 2019
(Expressed in Hong Kong dollars)

		附註 Note	2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
來自經營業務的現金淨額	Net cash flow generated from operating activities	36(a)	2,248,791	3,529,837
來自／(用於)投資業務的現金額	Cash flow generated from/(used in) investing activities			
已收權益證券股息	Dividends received from equity securities		4,630	6,221
購入物業及設備及無形資產	Purchase of property and equipment and intangible assets		(222,684)	(516,868)
出售物業及設備所得款項	Proceeds from disposal of property and equipment		9,192	–
購入聯營企業	Payment for purchase of associates		–	(350,000)
出售聯營企業所得款項	Proceeds from disposal of interest in associates		362,218	–
來自／(用於)投資業務的現金淨額	Net cash generated from/(used in) investing activities		153,356	(860,647)
來自／(用於)融資業務的現金額	Cash flow generated from/(used in) financing activities			
股息支付	Dividend paid		–	(2,808,437)
發行債務資本所得款項	Proceeds from loan capital issued		3,908,552	–
發行額外一級資本證券款項	Proceeds from AT1 Capital Securities issued		–	3,907,328
支付贖回債務資本款項	Payment for redemption of loan capital	33	(3,960,618)	–
支付贖回額外一級資本證券款項	Payment for redemption of AT1 Capital Securities	35	(2,358,567)	–
支付額外一級資本證券票息	Distribution paid on AT1 Capital Securities		(530,500)	(337,292)
支付租賃負債款項	Payment of lease liability		(312,213)	–
支付已發行債務證券利息	Interest paid on debt securities issued		(149,655)	(162,523)
支付債務資本利息	Interest paid on loan capital		(324,550)	(424,775)
(用於)／來自融資業務的現金淨額	Net cash (used in)/generated from financing activities		(3,727,551)	174,301
現金及現金等值(減少)／增加淨額	Net (decrease)/increase in cash and cash equivalents		(1,325,404)	2,843,491
於1月1日的現金及現金等值項目	Cash and cash equivalents at 1 January		92,228,603	89,385,112
於12月31日的現金及現金等值項目	Cash and cash equivalents at 31 December	36(b)	90,903,199	92,228,603

第61頁到第209頁的附註屬本財務報表一部份。

The notes on pages 61 to 209 form part of these financial statements.

財務報表附註

(除特別列明外，均以港幣為單位)

1 編製基礎

中信銀行(國際)有限公司(「本行」)及其附屬公司(以下統稱「本集團」)的主要業務是提供銀行及相關金融服務。這些業務對本集團的業績或資產及負債具有重大影響。

中信銀行(國際)有限公司為於香港註冊成立的持牌銀行，並以香港為辦事處所在地，其註冊辦事處位於香港德輔道中61-65號。

(a) 合規聲明

本綜合財務報表是根據香港會計師公會頒佈，所有適用的《香港財務報告準則》，包括所有適用的個別香港財務報告準則、《香港會計準則》及詮釋，香港一般採用的會計原則編製而成。本集團採納的主要會計政策簡列於附註2。

香港會計師公會頒佈數項新增及經修訂的香港財務報告準則，並可於本年度本集團及本行的會計期首次生效或被提早採納。在與本集團有關的範圍內初次應用這些新訂的準則所引致當前和以往會計期間的會計政策變更，已於本財務報表內反映，有關資料載列於附註2.1。

(b) 財務報表編製基礎

除了以下資產與負債項目以公允價值列賬外，編製財務報表時是以歷史成本作為計量基礎。有關詳情已載列於下列會計政策：

- 劃歸為以公允價值計入損益的金融資產、以公允價值計入其他全面收益的金融資產(參閱附註2.2(d)(iv), (v)及(vi))或衍生金融工具(參閱附註2.2(i))
- 投資物業(參閱附註2.2(j))。

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

1 Basis of preparation

The principal activities of China CITIC Bank International Limited ("the Bank") and its subsidiaries (together referred to as "the Group"), which materially affect the results or comprise the assets and liabilities of the Group, are the provision of banking and related financial services.

China CITIC Bank International Limited is a licensed bank incorporated and domiciled in Hong Kong, and has its registered office at 61-65 Des Voeux Road Central, Hong Kong.

(a) Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. A summary of the significant accounting policies adopted by the Group is set out in Note 2.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Bank. Note 2.1 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis, except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as at fair value through profit or loss, at fair value through other comprehensive income (see note 2.2(d)(iv), (v) and (vi)) or derivatives (see note 2.2(i))
- investment property (see note 2.2(j)).

1 編製基礎 (續)

(b) 財務報表編製基礎 (續)

管理層在按照香港財務報告準則編製綜合財務報表時，需要對會計政策的應用和資產及負債、收入及支出的匯報數額等作判斷、估計及假設從而影響政策實施及資產和負債、及收入與支出之呈報金額。有關估計及假設乃按在既定情況下可合理地相信，根據過往之經驗及其他因素，作出判斷那些未能從其他來源確定的資產及負債的賬面值。實際結果可能與此等估計不盡相同。

估計及相關假設會持續作出檢討。如果修訂僅影響該期間，或在修訂期間和未來期間（如果修訂影響當前和未來期間），則會計估計的修訂在修訂估計的期間確認。

管理層在應用香港財務報告準則時作出的判斷對財務報表有重大影響，關於估計的主要來源的不確定性之討論請參閱附註3。

(c) 本集團已採納的新訂及修訂準則

於2019年12月31日止年度，本集團因採用了《香港財務報告準則》第16號「租賃」，而改變其相關會計政策。採納《香港財務報告準則》第16號及有關新訂會計政策之影響於以下附註2.1(a)至(b)披露。

(d) 已頒佈但本集團未採納的準則的影響

香港會計師公會已頒佈若干非於2019年12月31日報告期間強制執行且本集團尚未在本綜合財務報表內提早採納的新準則和詮釋。本集團正在評估這些修訂，新標準及詮釋在初次應用期間的影響。在本年終報告時期，並沒有其他未生效的準則預計會在當前或未來報告期間以及可預見的未來交易中對本集團產生重大影響。

1 Basis of preparation (continued)

(b) Basis of preparation of the financial statements (continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires that management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have a significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) New and amended standards adopted by the Group

During the year ended 31 December 2019, the Group had to change its accounting policies as a result of adopting HKFRS 16, Leases. The impact of the adoption of HKFRS 16 and the related new accounting policies are disclosed in note 2.1(a) to (b) below.

(d) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods 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 amendments, new standards and interpretations is expected to be in the period of initial application. So far there are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2 主要會計政策

這些綜合財務報表編制採用的主要會計政策載列如下。除非另有說明，這些政策適用於所有的年份。

2.1(a) 採納《香港財務報告準則》第16號引致會計政策的修訂

本集團擁有不同財產和設備專案的租賃合同。在採用《香港財務報告準則》第16號之前，本集團在其每宗租約的成立日（作為承租人）列為經營性租約，而租賃物業或設備並沒有資本化，而租賃款項根據租賃期採用直線基礎在損益表中確認為租金開支。在採用《香港財務報告準則》第16號後，本集團對所有租賃均被確認為使用權資產的租賃，以及租賃資產可供集團使用之日的相應負債，採用單一確認和計量方法。每個租賃付款在負債和財務成本之間分配。財務費用計入租賃期間的損益表，以便對每個期間的負債餘額產生固定定期利率。

自2019年1月1日起在本集團的財務報表中採用《香港財務報告準則》第16號及相關的新會計政策。本集團已採用簡化過渡方法，自2019年1月1日起採用《香港財務報告準則》第16號，但不需要重述2018年報告期的比較。截至2019年1月1日，由於新的租賃規則引起的期初調整被認為對集團當前報告期沒有重大財務影響。於2018年12月31日披露的營運租賃承諾為港幣1,092,383,000元，而於2019年1月1日的新營運租賃負債為港幣937,130,000元，主要差異是由於使用隱含利率折現營運租賃負債所致。由於採納《香港財務報告準則》第16號而導致的2019年1月1日的期初調整使資產和負債增加了相同的金額為港幣937,130,000元，但對淨資產或未分配利潤沒有影響。

2 Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been continuously applied to all the years presented, unless otherwise stated.

2.1(a) Changes in accounting policies on adoption of HKFRS 16

The Group has lease contracts for various items of properties and equipment. Before the adoption of HKFRS 16, the Group classified each of its leases (as lessee) at the inception date as operating lease, which the leased property or equipment was not capitalised and the lease payments were recognised as rental expense in the income statement on a straight-line base over the lease term. Upon the adoption of HKFRS 16, the Group applied a single recognition and measurement approach for all leases that leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The adoption of HKFRS 16 on the Group's financial statements and the related new accounting policies has been applied from 1 January 2019. The Group has applied the simplified transition approach and adopted the HKFRS 16 from 1 January 2019, and no restated comparatives required for the 2018 reporting period. The opening adjustment as at 1 January 2019 arising from the new lease rules was considered to have no material financial impact on the Group's current reporting period. The operating lease commitments disclosed as at 31 December 2018 was HK\$1,092,383,000, while the new operating lease liabilities was HK\$937,130,000 as at 1 January 2019, which the major difference was attributed by using the interest rate implicit to discount the operating lease liabilities. The opening adjustment as at 1 January 2019 arising from the adoption of HKFRS 16 increased both assets and liabilities by the same amount of HK\$937,130,000 and with no effect on net assets or retained profits.

2 主要會計政策 (續)

2.1(a) 採納《香港財務報告準則》第16號引致會計政策的修訂 (續)

採納《香港財務報告準則》第16號引致本集團修訂新的會計政策：

使用權資產

集團在租賃開始之日確認使用權資產。使用權資產按成本計量，減去任何累計折舊和減值損失（如有），並對租賃負債的任何重新計量進行調整。使用權資產成本包括已確認的租賃負債金額、發生的初始直接成本以及啟動日期或之前支付的租賃付款減去收到的任何租賃優惠。使用權資產按直線折舊並以其估計使用壽命和租賃期限較短者的時間。

租賃負債

在租賃開始之日，集團確認租賃負債，按租賃期到期的租賃付款的現值計量。租賃付款包括固定付款減去應收的任何租賃優惠、取決於指數或費率的可變租賃付款以及預計根據剩餘價值擔保支付的金額。在計算租賃付款的現值時，如果租賃中隱含的利率不易確定，集團在租賃開始日使用增量借款利率。於2019年1月1日，增量借款利率適用於本行及其子公司的租賃負債（作為租賃），範圍為1.5%至5.0%。租賃開始日期後，如果修改、變更租賃期限、更改實物固定租賃付款，則重新計量租賃負債的帳面金額。

2 Significant Accounting Policies (continued)

2.1(a) Changes in accounting policies on adoption of HKFRS 16 (continued)

The new accounting policies of the Group upon adoption of HKFRS 16:

Right-of-use assets

The Group recognises right-of-use asset at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognised lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantee. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rates applied to the lease liabilities of the Bank and its subsidiaries, as leasees, range from 1.5% to 5.0% on 1 January 2019. After the commencement date, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the substance fixed lease payments.

2 主要會計政策 (續)

2.1(b) 於財務狀況表及收益表中確認的金額

採用《香港財務報告準則》第16號，本集團的使用權資產和租賃負債的賬面金額以及年內的變動：

		使用權資產 Right-of-use assets			租賃負債 Lease liabilities
		租賃物業 Leased properties	辦公室設備 Office equipment	總額 Total	
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於2019年1月1日	At 1 January 2019	937,093	37	937,130	937,130
增加	Additions	40,029	1,093	41,122	41,122
折舊支出	Depreciation expense	(297,563)	(312)	(297,875)	—
利息支出	Interest expense	—	—	—	30,719
付款	Payments	—	—	—	(312,213)
匯兌調整	Exchange adjustments	(890)	20	(870)	(888)
於2019年12月31日	At 31 December 2019	678,669	838	679,507	695,870

截至2019年12月31日止年度收益表中確認的金額：

The amounts are recognised in the income statement for the year ended 31 December 2019:

		2019 港幣千元 HK\$'000
使用權資產的折舊	Depreciation of right-of-use assets	297,875
租賃負債的利息支出	Interest expense on lease liabilities	30,719
		328,594

就採納《香港財務報告準則》第16號的影響而言，使用權資產，租賃負債及相關損益已適當地計入公司資產或負債，以及分類於「其他」分部的分部披露資料的公司開支。

For the impact on the adoption of HKFRS 16, the right-of-use assets, lease liabilities and related profit or loss have been properly included in corporate assets or liabilities, and corporate expenses which grouped under "Others" segment for segmental disclosure information.

2 主要會計政策 (續)

2.2 主要會計政策概要

(a) 收入確認

收入按已收或應收價款的公允價值釐定。收入是在經濟效益很可能會流入本集團，以及能夠可靠地計量收入和成本（如適用）時，根據下列方法在收益表內確認：

(i) 利息收入

所有計息金融工具的利息收入均使用實際利率法以應計基礎在收益表內確認。

實際利率法是計算金融資產的攤銷成本及分配有關期間的利息收入的方法。按照金融資產的賬面淨值折讓未來於金融工具預計有效年期或（如適用）較短期間內估計付出或取得的現金值時，所用比率即為實際利率。本集團在計算實際利率時對現金流量作出估計，並且已考慮金融工具的所有合約條款（如提前還款、認購及類似期權），惟並無考慮未來信貸損失。合約訂約方付出或收取的所有費用（為實際利率的一部份）、交易成本及所有其他溢價或折讓，均在計算之列。因住宅物業按揭貸款所支出的現金回贈會被資本化及按其估計期限於損益表內攤銷。

減值貸款的利息是用以折算未來現金流之利率來確認，以達致計量減值損失。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies

(a) Revenue recognition

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

(i) Interest income

Interest income for all interest-bearing financial instruments is recognised in the 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 and of allocating the interest income 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. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Cash rebates granted in relation to residential mortgage loans are capitalised and amortised to the income statement over their expected life.

Interest on impaired loans is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(a) 收入確認 (續)

(ii) 費用及佣金收入

費用及佣金收入在提供相應服務時確認，但如費用是為彌補持續為客戶提供服務或承受風險的成本而收取，或費用屬於利息性質則除外。在這些情況下，費用在產生成本或承受風險的會計期間確認為收入，或視作利息收入。

因本集團創造或購入金融資產而產生之始創或承擔服務費的收入／支出須根據有效利率遞延及確認。如預計承擔不會引致提取貸款，該服務費需按承擔期限以直線法確認為收入。

(iii) 融資租賃及分期付款合約的財務收入

融資租賃及分期付款的隱含財務收入按租賃年期確認為利息收入，以令每個會計期間剩餘的淨投資回報率大致上相同。因購併融資租賃及分期付款合約而付交易商之佣金，已包含於資產的賬面值及於租賃期內攤銷併入收益表，作為對利息收入的調整。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(a) Revenue recognition (continued)

(ii) Fee and commission income

Fee and commission income 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.

Origination or commitment fees received/paid by the Group which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

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

Finance income implicit in the 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. Commission paid to dealers for the acquisition of finance lease loans or hire purchase contracts is included in the carrying value of the assets and amortised to the income statement over the expected life of the lease as an adjustment to interest income.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(a) 收入確認 (續)

(iv) 經營租賃的租金收入

經營租賃的租金收入會按租賃年期，以等額分期確認於收益表內。經營租賃協議所涉及的激勵措施均在收益表內確認為租賃淨收款總額的組成部分。

(v) 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。

(b) 附屬公司

附屬公司是指受本集團控制的實體。當本集團控制實體時，本集團因參與實體、披露及有權利取得實體的浮動回報，並且有能力行使權力以影響實體的回報。在評估本集團是否具有權力時，只有基本權利（由本集團及其他人士持有）會被考慮。

於附屬公司的投資由控制權開始生效當日起在綜合財務報表中綜合計算，直至控制權終止期間為止。集團內部的結餘、交易及現金流量，及任何集團內部交易所產生的未實現溢利均於編製綜合財務報表時悉數抵銷。除有證據顯示已出現減值的部份外，集團內部交易產生的未實現損失的攤銷方法與未實現收益相同。

集團的權益變化均列作股權交易，不會導致失去附屬公司的控制權，據此在合併資產控制和非控制權益的金額作出調整，以反映變化的相對利益，但不調整商譽及確認收益或損失。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(a) Revenue recognition (continued)

(iv) Rental income from operating lease

Rental income received under operating leases is recognised in the income statement in equal instalments over the periods covered by the lease term. Lease incentives granted are recognised in the income statement as an integral part of the aggregate net lease payments receivable.

(v) 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 is quoted ex-dividend.

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows, and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(b) 附屬公司 (續)

倘本集團失去附屬公司之控制權，有關交易將會當作出售有關附屬公司之全部權益入賬，而所得盈虧將於損益表中確認入賬。於失去控制權當日該前附屬公司仍然保留之任何權益將以公允值確認入賬，而此金額將被視為聯營，合資，金融資產首次確認之公允值。此外，在其他綜合收益就實體以前確認的金額將重新分配當作本集團出售有關的資產或負債。這種方式意味著，以前在其他綜合收益確認金額重新分配至當期損益。

在本行的財務狀況表中，其於附屬公司的投資是按成本減去減值損失（如有）（參閱附註2.2(e)(ii)）後入賬，除非該投資已分類為持有待出售（或已包含在分類為待出售的處置單位內）（參閱附註2.2(u)）。

(c) 聯營公司

聯營公司是指本集團或本公司具有重大影響力但無法控制或共同控制其管理包括參與財務和經營政策決策的實體。

對聯營公司的投資按權益法在綜合財務報表中入賬，根據權益法，投資初步按成本入賬，並就本集團於被收購方可識別淨資產公允價值的任何超出部份超出投資成本（如有）進行調整。其後，投資將根據本集團於聯營公司淨資產中所佔份額的收購後變動及與投資有關的任何減值損失作出調整（見附註2.2(e)(ii)）。任何超過成本的收購日期，本集團收購後的股份，聯營公司的稅後業績以及年度的任何減值損失均於綜合收益表確認，而本集團於收購後分享聯營公司的稅後其他全面收益項目於綜合全面收益表內確認。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(b) Subsidiaries (continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in the income statement. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of the entity are allocated for as if the group had directly disposed of related assets or liabilities. This way means that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

In the Bank's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses, if any (see note 2.2(e)(ii)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2.2(u)).

(c) Associates

An associate is an entity in which the Group or the Company has significant influence, but neither control nor joint control over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, and adjusted for any excess of the Group's share of the acquisition date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post-acquisition change in the Group's share of the associate's net assets and any impairment losses relating to the investment (see note 2.2(e)(ii)). Any acquisition date excess over cost, the Group's share of the post-acquisition, post-tax results of the associates, and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of post-acquisition post-tax items of the associate's other comprehensive income is recognised in the consolidated statement of comprehensive income.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(c) 聯營公司 (續)

當本集團承擔聯營公司的損失份額超過其於聯營公司的權益時，本集團的權益減少至零，並終止確認進一步損失，惟本集團已產生法律或推定責任或代表聯營公司支付款項則除外。就此而言，本集團於聯營公司的權益為根據權益法計算的投資賬面值連同本集團的長期權益，實質上構成本集團於聯營公司的淨投資的一部份。

本集團與其聯營公司之間交易產生的未實現溢利和損失按本集團於聯營公司的權益予以抵銷，除非未實現的損失提供了轉移資產減值的證據，在這種情況下，它們立即在收益表中確認。

當本集團不再對聯營公司具有重大影響力時，將被視為出售該被投資方的全部權益，並在損益表中確認所產生的利益或損失。在重大影響力或共同控制權喪失之前已保留被投資公司的任何權益按公允價值確認，該金額被視為初始確認金融資產時的公允價值（參見附註2.2(d)），或當適當時，初始確認對聯營公司投資的成本。

在本公司的財務狀況表中，其對聯營公司的投資除非歸類為持作出售（或包括在處置組中被歸類為持有待售）（見註2.2(e)(ii)）否則按成本減去減值損失列示（見附註2.2(u)）。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(c) Associates (continued)

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For these purposes, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that, in substance, form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the income statement.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in the income statement. Any interest retained in that former investee at the date when significant influence or joint control ceases to exist is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2.2(d)), or when appropriate, the cost on initial recognition of an investment in an associate.

In the Company's statement of financial position, its investments in associates are stated at cost less impairment losses, if any (see note 2.2(e)(ii)), unless classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2.2(u)).

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(d) 金融工具

(i) 分類

本集團將金融資產分類為以下計量類別：

- 按攤餘成本
- 以公允價值計入其他全面收益；或
- 以公允價值計入損益

分類取決於本集團管理金融資產的業務模式及現金流量的合約條款。

(ii) 確認和終止確認

常規方式購買及出售金融資產於交易日即本集團承諾購買或出售資產的日期進行確認。當從金融資產收取現金流量的合同權利到期，或者金融資產連同所有權的絕大部分風險和報酬已經轉移時，金融資產終止確認。當合同中規定的義務解除，取消或到期時，金融負債將被終止確認。

(iii) 計量

於初步確認時，本集團按公允價值計量金融資產，如果金融資產不以公允價值計量且其變動計入損益，則直接歸屬於收購金融資產的交易費用，如費用和佣金。以公允價值計量且其變動計入當期損益的金融資產的交易費用計入當期損益。內含衍生工具的金融資產在介定現金流是否僅為本金及利息款項時以整體考慮。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(d) Financial instruments

(i) Classification

The Group has classified its financial assets in the following measurement categories:

- Amortised cost
- Fair value through other comprehensive income ("FVOCI"); or
- Fair value through profit or loss ("FVPL")

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the contractual rights to receive the cash flows from the financial asset expire, or when the financial asset together with substantially all the risks and rewards of ownership, have been transferred. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iii) Measurement

At initial recognition, the Group measures financial assets at their fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets, such as fees and commissions. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(d) 金融工具 (續)

(iv) 債務工具

債務工具的後續計量取決於本集團管理金融資產的業務模式及該金融資產的現金流量特徵。本集團對其債務工具進行分類有三種計量類別：

按攤餘成本

為收取合同現金流而持有的資產，如果這些現金流純粹代表支付本金及利息，並且不是指定為以公允價值計入損益，則按攤餘成本計量。該等資產的賬面值乃按本年度財務報告的信貨風險管理部分所述已確認及計量的任何預期信貸損失撥備進行調整。這些金融資產的利息收入採用實際利率法計入「利息收入」。貸款發放費用和成本被視為對貸款收益率的調整，並在承諾期內在信貸費用中確認，因此不大可能要求承諾，否則，它們在貸款期限內確認為利息收入。

以公允價值計入其他全面收益

為收取合同現金流量和出售資產而持有的金融資產，如果資產的現金流量僅代表本金和利息的支付，並且不是指定為以公允價值計入損益，則以公允價值計量其他綜合收益。賬面值變動計入其他綜合收益，惟確認減值，利息收入及匯兌損益除外，該等損益，利息收入及匯兌損益以與按攤銷成本計量的金融資產相同的方式確認於損益。於終止確認時，先前於其他全面收益確認的累計收益及損失將從其他全面收益重新分類至損益。以公允價值計入其他全面收益的債務工具之利息收入採用實際利率法計入「利息收入」。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(iv) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the financial asset and the cash flow characteristics of the financial asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI"), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in the credit risk management section of this annual financial report. Interest income from these financial assets is included in 'interest income' using the effective interest rate method. Loan origination fees and costs are considered to be adjustments to the loan yield and are recognised in credit fees over the commitment period which it is unlikely that the commitment will be called upon, otherwise, they are recognised in interest income over the term of the resulting loan.

Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment, interest revenue and foreign exchange gains and losses which are recognised in profit or loss in the same manner as financial assets measured at amortised cost. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from other comprehensive income to profit or loss. Interest income from debt instruments at FVOCI is included in 'interest income' using the effective interest rate method.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(d) 金融工具 (續)

(iv) 債務工具 (續)

以公允價值計入損益

不符合攤銷成本或以公允價值計入其他全面收益標準的金融資產以公允價值計量且其變動計入當期損益。以公允價值計入損益計量的債務工具的收益或損失在損益中確認，併計入其產生期間的「淨交易收入」。

(v) 金融負債

如果金融負債主要是為了近期回購而發生，或者是一起管理的已識別金融工具組合的一部分，並且有證據證明最近的實際交易模式為短期獲利模式則該金融負債是在交易組合中持有。交易組合負債按交易日確認，並按公允價值入賬，公允價值變動以及任何收益或損失在交易收入或損失中確認。交易成本於產生時支銷。利息按權責發生製確認並計入利息支出。其他金融負債最初按其公允價值確認，其後使用實際利率法按攤餘成本計量。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(iv) Debt instruments (continued)

Fair value through profit or loss ("FVPL")

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at FVPL is recognised in profit or loss and included in 'net trading income' in the period in which it arises.

(v) Financial liabilities

Financial liabilities are held within a trading portfolio if they have been incurred principally for the purpose of repurchasing in the near term, or form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Trading portfolio liabilities are recognised on a trade date basis and are accounted for at fair value, with changes in fair value and any gains or losses recognised in trading income or expense. Transaction costs are expensed as incurred. Interest expense is recognised on an accrual basis and included in interest payable. Other financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(d) 金融工具 (續)

(vi) 權益工具

權益工具是從發行人的角度滿足股權定義的工具。即不包含合同支付義務且具證明發行人淨資產剩餘權益的工具。

除非本集團管理層在初始確認時選擇不可撤銷指定以公允價值計入其他全面收益的股權投資，否則本集團隨後計量所有股權投資按公允價值計量且其變動計入損益。本集團的政策是將股權投資指定為以公允價值計入其他全面收益，而這些投資的目的不是為了產生投資回報。使用該選擇時，公允價值損益在其他綜合收益中確認，隨後包括出售時也不會重新分類至損益。

(e) 資產減值

(i) 按攤餘成本及以公允價值計入其他全面收益的金融資產的減值

本集團以前瞻性方式評估按攤餘成本及以公允價值計入其他全面收益的債務工具資產相關的預期信貸損失，以及貸款承擔及財務擔保合約產生的風險。本集團於每個報告結算日為該損失確認損失準備。預期信貸損失的計量反映：

- (i) 透過評估一系列合理可能結果而釐定的公正及概率加權金額；
- (ii) 貨幣的時間價值；及
- (iii) 於報告日期有關過往事件、現時情況及未來經濟狀況預測的合理及可證明的資料。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

(vi) Equity instruments

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

The Group subsequently measures all equity investments at fair value through profit or loss, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in other comprehensive income and are not subsequently reclassified to profit or loss, including on disposal.

(e) Impairment of assets

(i) Impairment of amortised cost and financial assets through other comprehensive income

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposures arising from loan commitment and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (ii) the time value of money; and
- (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(e) 資產減值 (續)

- (i) 按攤餘成本及以公允價值計入其他全面收益的金融資產的減值 (續)

違約風險承擔代表違約的預期餘額，經計及償還結算日至違約事件期間的本金及利息，以及信貸承諾的任何預期提取金額。違約損失率指在發生違約時的違約風險承擔，經考慮(包括其他特性)預期變現抵押品價值時的緩和影響及金錢的時間價值，違約風險承擔的預期損失。

對於源生或在購買日期執行的金融資產的3階段減值方法總結如下：

- 第1階段：本集團確認相等於12個月預期信貸損失的信貸損失準備。這代表在假設自初始確認後信貸風險未有重大上升下，預期在報告結算日12個月內的違約事件的預期年限信貸損失部份。
- 第2階段：本集團對自初始確認後信貸風險已有重大上升的金融資產確認相等於預期年限信貸損失的信貸損失準備。在此階段的信貸損失準備會較高是因為信貸風險增加及與第1階段中12個月比較較長時段的影響。
- 第3階段：本集團確認相等於預期年限信貸損失的信貸損失準備，反映該金融資產已信貸減值且違約或然率為100%。本集團的違約定義與監管定義一致。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(e) Impairment of assets (continued)

- (i) Impairment of amortised cost and financial assets through other comprehensive income (continued)

The exposure of default ("EAD") represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The loss given default ("LGD") represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

A 3-Stages approach to impairment for financial assets that are performing at the date of origination or purchase. This approach is summarised as follows:

- Stage 1: The Group recognises a credit loss allowance at an amount equal to 12-month expected credit losses. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, assuming that credit risk has not increased significantly after initial recognition.
- Stage 2: The Group recognises a credit loss allowance at an amount equal to lifetime expected credit losses for those financial assets which are considered to have experienced a significant increase in credit risk since initial recognition. Allowances for credit losses are higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.
- Stage 3: The Group recognises a credit loss allowance at an amount equal to lifetime expected credit losses, reflecting that financial assets are credit impaired with 100% probability of default. The Group's definition of default is aligned with the regulatory definition.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(e) 資產減值 (續)

(ii) 非金融資產的減值

在每個結算日審查內部和外部信息來源，以確定以下資產可能發生減值或以前確認的減值損失不再存在或可能減少的跡象：

- 物業及設備 (除了按重估價值列賬的物業)
- 無形資產
- 對子公司和聯營公司的投資
- 使用權資產

如果存在任何此類跡象，則估計資產的可收回金額。

— 可收回金額的計算

資產的可收回金額是其公允價值減去處置費用和使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映當前市場對貨幣時間價值的評估以及資產特有的風險。如果資產不產生大量獨立於其他資產的現金流入，則可收回金額根據獨立產生現金流入的最小資產組合 (即現金產生單位) 確定。

— 確認減值損失

每當資產 (或其所屬的現金生產單位) 的賬面值高於其可收回數額時，便會在收益表內確認減值損失。就現金生產單位確認的減值損失先分配以減少任何分配至現金生產單位 (或單位組別) 的商譽的賬面值，然後按比例減少單位 (或單位組別) 內其他資產的賬面值，惟資產賬面值不會減少至低於其個別公允價值減出售成本 (如可計量) 或使用值 (如可釐定) 所得數額。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(e) Impairment of assets (continued)

(ii) Impairment of non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased:

- property and equipment (other than properties carried at revalued amounts)
- intangible assets
- investments in subsidiaries and associates.
- right-of-use assets

If any such indication exists, the asset's recoverable amount is estimated.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

— Recognition of impairment losses

An impairment loss is recognised in the income statement whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units), and then to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset is not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(e) 資產減值 (續)

- (ii) 非金融資產的減值 (續)
- 減值損失回撥

就資產而言，倘用以釐定可收回金額的估計出現有利變動，則會回撥減值損失(商譽減值除外)。

減值損失的回撥僅限於在以前年度未確認減值損失時已確定的資產賬面金額。減值損失的回撥在確認回撥的年度計入收益表。

(f) 抵銷

倘若存在可依法強制執行的權利可抵銷已確認數額，且有計劃按淨額基準結算或同時變現資產及償付負債，則金融資產及金融負債可予抵銷，淨額在財務狀況表內匯報。依法強制執行的權利必須不能是或有的未來事件，必須是在正常業務過程中，而且發生銀行或對手違約或破產等事件。

(g) 公允價值計量原則

金融工具的公允價值是於結算日根據其市場報價但未扣除將來估計出售的成本計算。金融資產以當時買入價作價，而金融負債則以當時賣出價作價。

如並無最新公開成交價，或未能從認可證券交易所獲得市場報價或從經紀／交易商獲得屬於非通過交易所買賣的金融工具價格，或如市場交投不活躍，則此工具的公允價值以估值模式估值，而該估值模式可根據市場實際交易提供可靠的估計價格。

當採用現金流量折讓價格模式，估計將來現金流量按管理層的最佳估計及採用的折現率是在結算日適用於相近工具條款及條件的市場利率計算。當採用其他定價模式，輸入項目是依據結算日的市場價格資料。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(e) Impairment of assets (continued)

- (ii) Impairment of non-financial assets (continued)
- Reversal of impairment losses

In respect of assets, an impairment loss (except for impairment on goodwill) is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(f) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Bank or the counterpart.

(g) Fair value measurement principles

The fair value of financial instruments is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

If there is no publicly available latest traded price nor a quoted market price on a recognised stock exchange or a price from a broker/dealer for non-exchange-traded financial instruments, or if the market for them is not active, the fair value of the instrument is estimated using valuation techniques that provide a reliable estimate of prices which could be obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions. Where other pricing models are used, input is based on market data at the end of the reporting period.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(h) 購回及反向購回交易

出售的證券如同時附有在某一較後日期以固定價格購回這些證券的協議(購回協議)，會在財務報表內保留，並根據其原有計量原則計量。出售所得款項匯報為負債，並以攤銷成本列賬。

根據轉售協議(反向購回協議)購買的證券不列作購買證券，且不會在財務報表中確認，但該支付的價款則被列作應收賬項，並以攤銷成本在財務狀況表內列賬。

反向購回協議賺取的利息及購回協議產生的利息採用實際利率法，在各協議的有效期內分別確認為利息收入及利息支出。

(i) 衍生及對沖活動

內含衍生工具是一個包括衍生工具及主合約的混合(合併)工具的一部分，這一部分以獨立衍生工具類似的方式改變該合併工具的部分現金流量。當(a)內含衍生工具的經濟特質及風險與主合約並無密切關係；及(b)混合(合併)工具並非以公允價值計量而公允價值變動在收益表內確認，則內含衍生工具從主合約分開，並入賬列作衍生工具。

當內含衍生工具分開，則主合約根據金融工具的會計政策入賬(參閱附註2.2(d)(ii))。

對沖會計法確認對沖工具與被對沖項目的公允價值變動對損益構成的抵銷影響。本集團於開始進行對沖及持續進行對沖時，評估用於對沖交易的金融工具在抵銷與被對沖風險相關的被對沖項目的公允價值或現金流量變動上是否極具效用，並就此制定文件記錄。當(a)對沖工具到期或售出、終止或行使；或(b)對沖不再符合對沖會計法的使用條件；或(c)本集團撤銷對沖關係的指定，本集團將終止在往後採用對沖會計法。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(h) Repurchase and reverse repurchase transactions

Securities sold subject to a simultaneous agreement to repurchase these securities at a certain later date at a fixed price (repurchase agreements) are retained in the financial statements and measured in accordance with their original measurement principles. The proceeds from the sale received are reported as liabilities and are carried at amortised cost.

Securities purchased under agreements to resell (reverse repurchase agreements) are reported not as purchases of the securities and not recognised on the statement of financial position, but the consideration paid is recorded as receivables, and are carried in the statement of financial position at amortised cost.

Interest earned on reverse repurchase agreements and interest incurred on repurchase agreements are recognised as interest income or interest expense, respectively, over the life of each agreement, using the effective interest rate method.

(i) Derivatives and hedging activities

An embedded derivative is a component of a hybrid (combined) instrument that includes both the derivative and a host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. The embedded derivatives are separated from the host contract and accounted for as a derivative when (a) the economic characteristics and risks of the embedded derivative are not closely related to the host contract; and (b) the hybrid (combined) instrument is not measured at fair value, with changes in fair value recognised in the income statement.

When the embedded derivative is separated, the host contract is accounted for in accordance with the accounting policies of financial instruments (see note 2.2(d)(ii)).

Hedge accounting recognises the offsetting effects on profit or loss of changes in the fair values of the hedging instrument and the hedged item. The Group assesses and documents whether the financial instruments that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items attributable to the hedged risks both at hedge inception and on an ongoing basis. The Group discontinues hedge accounting prospectively when (a) the hedging instrument expires or is sold, terminated or exercised; (b) the hedge no longer meets the criteria for hedge accounting; or (c) the Group revokes the designation.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(i) 衍生及對沖活動 (續)

(i) 公允價值對沖

公允價值對沖尋求抵銷已確認資產或負債的公允價值變動的風險，該等風險將導致損益在收益表內確認。

對沖工具以公允價值計量，公允價值變動在收益表內確認。被對沖項目的賬面值按與被對沖風險相關的對沖工具公允價值變動的數額作出調整。此調整在收益表內確認，以抵銷損益對對沖工具構成的影響。

當對沖工具到期或被出售、終止或行使、對沖不再符合對沖會計法的使用條件或本集團撤銷指定的對沖關係時，截至當時為止對採用實際利率法計量的被對沖項目作出的任何調整，均在收益表中攤銷（作為該項目在尚餘期限內重新計算的實際利率一部分）。

(ii) 現金流量對沖

被指定及符合條件可列為現金流量對沖的衍生工具，其公平價值出現變動的有效對沖部分，將於其他全面收益表確認及分別累計於股東權益中列賬。任何公平價值損益而屬對沖無效部分即時在收益表中列賬。

當對沖金融工具到期或售出時，或對沖工具不再符合採用對沖會計法的條件時，股東權益中的任何累積損益仍會繼續保留在股東權益內，直至預計進行的交易最終於收益表確認時，始撥入收益表內。如預計進行的交易預期不會落實進行，其他全面收益內所列的累積損益將立即撥入收益表內。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(i) Derivatives and hedging activities (continued)

(i) Fair value hedge

A fair value hedge seeks to offset the risks of changes in the fair value of a recognised asset or liability that will give rise to a gain or loss being recognised in the income statement.

The hedging instrument is measured at fair value, with fair value changes recognised in the income statement. The carrying amount of the hedged item is adjusted by the amount of the changes in fair value of the hedging instrument attributable to the risk being hedged. This adjustment is recognised in the income statement to offset the effect of the gain or loss on the hedging instrument.

When a hedging instrument expires or is sold, terminated or exercised; the hedge no longer meets the criteria for hedge accounting; or the Group revokes designation of the hedge relationship, any adjustment up to that point, to a hedged item for which the effective interest rate method is used is amortised to the income statement as part of the recalculated effective interest rate of the item over its remaining life.

(ii) Cash flow hedge

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

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 at that time remains in equity until the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income is immediately reclassified to the income statement.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(i) 衍生及對沖活動 (續)

(iii) 對沖效用測試

為符合資格實施對沖會計法，在開始對沖時及預計對沖期內，本集團須進行效用測試以顯示預期對沖成效極具效用（預計效用）。在對沖期內，並必須持續顯示有實際效用（追溯效用）。

有關各種對沖關係的文件載有如何評估對沖的效用。本集團採納的對沖效用評估方法將視乎其風險管理策略而定。

就公允價值對沖關係而言，本集團採用累計價值抵銷法或進取式分析作為測試效用的方法。

就預計效用而言，對沖工具必須被預期為在指定對沖期間內，能高度有效地抵銷被對沖風險的公允價值或現金流量變動。就實際效用而言，公允價值或現金流量變動抵銷額須介乎80%至125%之間才被視為有效。

(j) 投資物業

集團若擁有或以租約業權（參閱附註2.2(m)）持有的土地及／或樓宇，以賺取租金收入及／或作資本增值的目的，列為投資物業。投資物業包括目前未確定將來用途的土地和樓宇。

投資物業按公允價值記入財務狀況表中。投資物業公允價值的變動，或報廢或出售投資物業所產生的任何收益或損失均在收益表中確認。投資物業的租金收入是按照會計政策第2.2(a)(iv)項所述方式入賬。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(i) Derivatives and hedging activities (continued)

(iii) Hedge effectiveness testing

In order to qualify for hedge accounting, the Group carries out prospective effectiveness testing to demonstrate that it expects the hedge to be highly effective (prospective effectiveness) at the inception of the hedge and throughout its life. Actual effectiveness (retrospective effectiveness) also needs to be demonstrated on an ongoing basis.

The documentation of each hedging relationship sets out how the effectiveness of the hedge is assessed. The method which the Group adopts for assessing hedge effectiveness will depend on its risk management strategy.

For fair value hedge relationships, the Group utilises the cumulative dollar offset method or regressive analysis as effectiveness testing methodologies.

For prospective effectiveness, the hedging instrument must be expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated. For actual effectiveness, the changes in fair value or cash flows must offset each other in the range of 80% to 125% for the hedge to be deemed effective.

(j) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2.2(m)) to earn rental income and/or for capital appreciation. These include land and buildings held for a currently undetermined future use.

Investment properties are stated in the statement of financial position 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 income statement. Rental income from investment properties is accounted for as described in note 2.2(a)(iv).

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(j) 投資物業 (續)

如果本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關的權益會按每項物業的基準劃歸為投資物業。劃歸為投資物業的任何物業權益的入賬方式與以融資租賃（參閱附註2.2(m)(ii)）持有的權益一樣，而其適用的會計政策也跟以融資租賃出租的其他投資物業相同。租賃付款的入賬方式載列於附註2.2(a)(iii)。

(k) 其他物業及設備

這些財務報表是按照香港會計師公會頒佈的《香港會計準則》第16號「物業、廠房及設備」第80A段所載的過渡性條文編製，故並無在結算日重估在截至1995年9月30日期間的財務報表內以重估數額列賬的其他物業的公允價值。

下列物業及設備項目以成本減累計折舊及減值損失（如有）（參閱附註2.2(e)(ii)）列賬：

- 於租賃土地中持作自用的樓宇被列作持作經營租賃（參閱附註2.2(m)(iii)）；
- 其他設備項目。

持有自用物業的重估變動一般計入其他全面收益內，並在權益中的物業重估儲備內分開累計。

報廢或出售物業及設備項目所產生的損益以出售所得淨額與項目的賬面值之間的差額釐定，並於報廢或出售當日在收益表內確認。任何相關的重估盈餘將由重估儲備轉入保留溢利，而非重新分類至收益表內。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(j) Investment properties (continued)

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 (see note 2.2(m)(ii)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 2.2(a)(iii).

(k) Other premises and equipment

In preparing these financial statements, advantage has been taken of the transitional provisions set out in paragraph 80A of HKAS 16, Property, plant and equipment, issued by the HKICPA, with the effect that other premises which are carried at revalued amounts in financial statements relating to periods ended before 30 September 1995 have not been revalued to fair value at the end of the reporting period.

The following items of property and equipment are stated at cost less accumulated depreciation and impairment losses, if any (see note 2.2(e)(ii)):

- buildings held for own use which are situated on leasehold land classified as held under operating leases (see note 2.2(m)(iii));
- other items of equipment.

Changes arising in the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve.

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item, and are recognised in the income statement on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to the income statement.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(k) 其他物業及設備 (續)

物業及設備項目按以下方式在估計可用年期內以直線法計算折舊以沖銷其成本或估值 (已扣除估計殘值 (如有))：

- 永久業權土地不予折舊。
- 租賃物業列作融資租賃持有按照租約剩餘年折舊攤銷。
- 樓宇 — 以30年以上或土地租賃剩餘年期兩者中的較短者計算折舊。
- 傢俬、固定裝置及設備 — 3至10年。

倘若物業及設備項目部分的可用年期不同，則項目成本或估值在各部份作出合理分配，而各部分分開計算折舊。資產的可用年期及其餘值 (如有) 每年作出檢討。

(l) 無形資產

無形資產包括所購買的軟件許可證和計算機軟件程序的資本化開發成本。與維護軟件程序相關的成本在發生時確認為費用。開發成本直接歸因於內部使用的可識別和軟件產品的設計和測試，作為軟件的一部份進行資本化，包括員工成本和相關部份的相關管理費用。

具有有限估計可使用年期的軟件的無形資產按成本減攤銷及累計減值損失列賬，並按其估計可使用年期 (5年) 按直線法攤銷。倘有任何減值跡象顯示賬面值可能無法收回，則無形資產須每年進行減值檢討。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(k) Other premises and equipment (continued)

Depreciation is calculated to write off the cost or valuation of items of property and equipment, less their estimated residual value, if any, using the straight line method over the estimated useful lives as follows:

- Freehold land is not depreciated.
- Leasehold land classified as held under finance leases is depreciated over the unexpired term of lease.
- Buildings are depreciated over 30 years or the unexpired terms of the land leases, whichever is shorter.
- Furniture, fixtures and equipment are depreciated over a term of 3 to 10 years.

Where parts of an item of property and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts, and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(l) Intangible assets

Intangible assets include the acquired software licenses and capitalised development costs of computer software programmes. Cost associated with maintaining software programme are recognised as an expense as incurred. Development costs, which directly attributable to the design and testing of identifiable and software products for internal use, are capitalised as part of the software and included employee costs and an appropriate portion of relevant overheads.

Intangible assets for software that have a finite estimated useful life are stated at cost less amortisation and accumulated impairment losses, and are amortised over their estimated useful lives (5 years) on a straight-line basis. Intangible assets are subject to impairment review on an annual basis if there are any impairment indicators present that the carrying amount may not be recoverable.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(m) 租賃及分期付款合約

如果本集團把一項安排 (包括一項交易或一系列交易) 確定為在一段商定期間轉讓一項或一些特定資產的使用權，以換取一筆或多筆付款，則這項安排便包含租賃。確定時是以對有關安排的實質所作評估為準，而不管這項安排是否涉及租賃的法律形式。

(i) 租賃資產分類

本集團承受擁有權帶來的絕大部分風險及回報的資產租賃列為融資租賃。出租人沒有轉移擁有權帶來的絕大部分風險及報酬的租賃列為經營租賃。

(ii) 融資租賃

在本集團是融資租賃的出租人情況下，對在租賃中租出的資產的投資淨額視作客戶貸款及墊款，在財務狀況表列賬。有融資租賃特徵的分期付款合約以同樣方式列作融資租賃。減值損失根據附註2.2(e)(i)所載的會計政策入賬。

(iii) 經營租賃

倘若本集團根據經營租賃租出資產，則資產根據其性質計入財務狀況表，而在適用的情況下，折舊會根據附註2.2(k)所載的本集團折舊政策計算。減值損失根據附註2.2(e)(ii)所載的會計政策入賬。經營租賃的收入會根據附註2.2(a)(iv)所載的本集團收入確認政策確認。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(m) Leases and hire purchase contracts

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and applies regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of leased assets

Assets that are held by the Group under leases and which transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the lessee are classified as operating leases.

(ii) Finance leases

Where the Group is a lessor under finance leases, an amount representing the net investment in the lease is included in the statement of financial position as loans and advances to customers. Hire purchase contracts which have the characteristics of finance leases are accounted for in the same manner as finance leases. Impairment losses are accounted for in accordance with the accounting policy as set out in note 2.2(e)(i).

(iii) Operating leases

Where the Group leases out assets under operating leases, the assets are included in the statement of financial position according to their nature and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in note 2.2(k). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2.2(e)(ii). Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in note 2.2(a)(iv).

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(m) 租賃及分期付款合約 (續)

(iii) 經營租賃 (續)

如本集團使用根據經營租賃持有的資產，該租賃資產可供本集團使用當日確認為使用權資產及相應負債。租賃產生的資產和負債初步按現值計量。租賃負債可能包括各種租賃付款的淨現值，例如固定或可變付款，在剩餘價值擔保下預計本集團應支付的金額，如果本集團可以在租賃期內行使該選擇權而終止租賃的罰款。

租賃付款使用租賃中隱含的利率折現。如果無法輕易確定利率，則使用本集團的增量借款利率，即本集團在類似經濟環境中以具有類似條款，安全性和條件獲得與使用權資產具有類似價值的資產所必需借的資金而支付的利率。

(n) 取回抵押資產

在收回減值貸款及墊款時，本集團可透過法律程序或借款人自願交付而取回持作抵押品的資產。當本集團再不向借款人追索還款，並欲轉為透過有秩序的減值資產變現時，則取回抵押資產會在「其他資產」下匯報。本集團沒有持有取回抵押資產作自用用途。

取回資產在交易日以有關貸款及墊款的賬面值及公允價值減出售成本確認（以較低者為準），不予折舊或攤銷。

初次分類及其後重新計量引致的減值損失在收益表內確認。

(o) 現金等值項目

現金等值項目包括短期以及流動性極高的投資，可隨時兌換為已知的現金數額，而價值變動風險並不重大，並在購入後3個月內到期。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(m) Leases and hire purchase contracts (continued)

(iii) Operating leases (continued)

Where the Group has the use of assets held under operating leases, leases are recognised as a right-of-use asset and a corresponding liability at the date which the lease asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities may include the net present value of various lease payments such as fixed or variable payments, amounts expected to be payable by the Group under residual value guarantees, payments of penalties for terminating the lease if the Group can exercise that option under the lease term.

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

(n) Repossessed assets

In the recovery of impaired loans and advances, the Group may take possession of assets held as collateral through court proceedings or voluntary delivery of possession by the borrowers. Where it is intended to achieve an orderly realisation of the impaired assets and the Group is no longer seeking repayment from the borrower, repossessed assets are reported in "Other assets". The Group does not hold the repossessed assets for its own use.

Repossessed assets are recognised at the lower of the carrying amount of the related loans and advances and fair value less costs to sell at the date of exchange. They are not depreciated or amortised.

Impairment losses on initial classification and on subsequent remeasurement are recognised in the income statement.

(o) Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(p) 僱員福利

(i) 僱員福利及界定供款退休計劃供款

薪金、年度花紅、有薪年假、界定供款計劃供款及非貨幣性福利成本均列入僱員提供相關服務的年度。如果有關付款或結算受到遞延，而其影響將十分重大，則這些金額將以現值列賬。

(ii) 員工退休計劃

本集團設有一項界定供款公積金計劃及一項強制性公積金計劃。有關供款在供款到期時計入收益表內。

(q) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產和負債的變動。本期稅項及遞延稅項資產和負債的變動在收益表內確認，除非與其他全面收益或權益項目有關之遞延稅項變動，則分別在其他全面收益或權益項內確認。

本期稅項為本年度應課稅收入按結算日已頒佈或基本上已頒佈的稅率計算的預計應付稅項，並已包括往年應付稅項的任何調整。

遞延稅項資產及負債是因納稅基礎計算的資產及負債與其賬面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尚未使用的稅項損失及尚未使用的稅項抵免。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(p) Employee benefits

(i) Employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Staff retirement scheme

The Group operates a defined contribution provident fund and a Mandatory Provident Fund scheme. Contributions are charged to the income statement as and when the contributions fall due.

(q) 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 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.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(q) 所得稅 (續)

除了某些有限的例外情況外，所有遞延稅項負債和所有遞延稅項資產（只限於可用來抵銷日後應課稅溢利的部分）均予確認。可支持確認可扣稅暫時性差異所產生的遞延稅項資產的日後應課稅溢利包括因回撥現有應課稅暫時性差異所產生者，惟該等差異必須與同一稅務機關及同一應課稅實體有關，並預期會在預期回撥可扣稅暫時性差異的同一期間或遞延稅項資產所產生的稅務損失可向後期或前期結轉的期間內回撥。在釐定現有應課稅暫時性差異是否支持確認未使用稅務損失及抵免所產生的遞延稅項資產時，會採用同一準則，即如果差異與同一稅務機關及同一應課稅實體有關，便會計算在內，並預期會在可動用稅務損失或抵免的期間內回撥。

根據會計政策附註2.2(j)，按公允價值列賬的投資物業於報告期內出售，遞延稅項會被確認及按照稅率計算該等投資物業的賬面值，除非該投資物業是可供折舊和其商業模式目的是消耗幾乎所有投資物業的經濟利益，而不是出售財產。在所有其他情況下，另遞延稅項是以有關資產及負債賬面值的預期實現或結算金額，按結算日已頒佈或基本上已頒佈的稅率確認。遞延稅項資產及負債不予折現。

於每一結算日，本行將檢討有關的遞延稅項資產的賬面值，對不再有足夠的應課稅溢利以實現相關稅務利益的部分予以扣減。被扣減的遞延稅項資產若於將來出現足夠的應課稅溢利時，應予回撥。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(q) Income tax (continued)

Apart from certain limited exceptions, 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 taxable 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.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 2.2(j), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, 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.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(q) 所得稅 (續)

除非集團有權力回撥遞延稅項負債之臨時差額及有很大可能有關臨時差額會於可預期之未來回撥，否則源於投資附屬公司的應課稅臨時差額需確認為遞延稅項負債。因源於投資於附屬公司所產生的可扣稅之臨時差額則只有很大可能在未來回撥有關臨時差額及有足夠應課稅溢利可用作抵銷臨時差額的情況下確認遞延稅項資產。

因派發股息而產生的額外所得稅在確認支付有關股息的責任時確認。

本期稅項及遞延稅項結餘和其變動會分開列示，而且不予抵銷。當本集團有合法權利並符合以下附帶條件的情況下，本期和遞延稅項資產才可分別抵銷本期和遞延稅項負債：

- 本期稅項資產和負債：本集團計劃按淨額基準結算，或在實現資產的同時清償負債；或
- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每一未來期間，按淨額基準實現本期稅項資產和清償本期稅項負債，或在實現資產的同時清償負債。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(q) Income tax (continued)

Deferred income tax liabilities are provided on taxable temporary differences arising from investment in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are recognised on the deductible temporary differences arising from investments in subsidiaries, only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Additional income tax that arises from the distribution of dividends is recognised when the liability to pay the related dividends is recognised.

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, and only 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.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(r) 外幣換算

(i) 運作貨幣及呈列貨幣

包括在每一個集團個體的財務報表的項目，都以該個營運地區主要經濟體系所採用之貨幣來計量（「運作貨幣」）。本綜合財務報表乃以港幣千元呈列，而港幣乃本銀行之運作貨幣及本集團之呈列貨幣。

(ii) 交易及結餘

本年度內的外幣交易按交易日的匯率換算為港幣。以外幣計算的貨幣資產與負債則按結算日的匯率換算為港幣。匯兌盈虧均在收益表確認。

以歷史成本計量的外幣非貨幣資產與負債是按交易日的匯率換算為港幣。以外幣為單位並以公允價值列賬的非貨幣資產與負債按計量公允價值當日的外幣匯率換算。

有關通過損益以反映公允價值的投資及衍生金融工具的匯兌差額，計入指定為通過損益以反映公允價值的交易用途證券或金融工具的收益減損失中。所有其他有關貨幣項目的匯兌差額在收益表外幣買賣淨盈虧項下列示。因折算以公允價值計入其他全面收益而產生的差額則於其他全面收益內確認，並分別累計在權益之投資重估儲備內。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(r) Translation of foreign currencies

(i) Functional and presentation currency

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 thousands of units of Hong Kong Dollars (HK\$'000), which is the Bank's functional currency and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions during the year are translated into functional currency at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Hong Kong dollars 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 measured.

Exchange differences relating to investments at fair value through profit or loss and derivative financial instruments are included in gains less losses from trading securities or financial instruments designated at fair value through profit or loss. All other exchange differences relating to monetary items are presented as gains less losses from dealing in foreign currencies in the income statement. Differences arising on the translation of fair value through other comprehensive income are recognised in other comprehensive income and accumulated separately in equity in the investment revaluation reserve.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(r) 外幣換算 (續)

(ii) 交易及結餘 (續)

海外企業的業績按交易日的匯率換算為港幣。財務狀況表項目則按結算日的匯率換算。所產生的匯兌差額在其他全面收益內確認，並分別累計在權益之匯兌儲備內。

當出售海外企業的出售收益或損失確認時，與該海外業務相關的累計匯兌差額由權益重新分類而轉入收益表。

(s) 財務擔保簽發、準備及或有負債

(i) 財務擔保簽發

財務擔保合約是指當某一指定債務人不能根據債務工具的條款支付到期債務，發行人（即擔保人）須向擔保受益人（持保人）償付有關款項。

本集團簽發給客戶之財務擔保，初始時按擔保之公允價值確認為遞延收入，列入「其他負債」項下。已簽發的財務擔保在簽發時之公允價值，如可獲取有關資料，則參照類同服務在正常交易中所收取的服務費以釐定；否則，則參照貸方提供擔保時的實際利率與未提供擔保時貸方估計的利率相比較所得的利率差以作出估計，而在該情況下對此資料作出合理估計。本行簽發給子公司之財務擔保，則估計其擔保之公允價值，分別資本化於附屬公司投資成本，及「其他負債」項下之遞延收入內。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(r) Translation of foreign currencies (continued)

(ii) Transactions and balances (continued)

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. Statements of financial position items are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to the income statement when the profit or loss on disposal is recognised.

(s) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the holder) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee to customers, the fair value of the guarantee is initially recognised as deferred income within other liabilities. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services when such information is obtainable, or is otherwise estimated by reference to interest rate differentials by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged had the guarantees not been available, where reliable estimates of such information can be made. Where the Bank issues a financial guarantee to its subsidiaries, the fair value of the guarantee is estimated and capitalised as the cost of investment in subsidiaries and deferred income within other liabilities.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(s) 財務擔保簽發、準備及或有負債 (續)

(i) 財務擔保簽發 (續)

遞延收入按擔保期限於收益表內攤銷，確認為財務擔保簽發收入。此外，如當(a)擔保持保人很可能就擔保合約向本集團追索；及(b)向本集團追索的金額預計超過現行就該擔保列入「其他負債」的金額，即初始確認金額減累計攤銷，會根據附註2.2(s)(ii)確認準備。

(ii) 其他準備及或有負債

倘若本集團或本行須就已發生的事件承擔法律或推定義務，而履行該義務預期很可能會導致經濟效益外流，並可作出可靠的估計，便會就該時間或數額不定的負債計提準備。如果貨幣時間價值重大，則按預計履行義務支出的現值計列準備。

倘若經濟效益外流的可能性不大，或是無法對有關數額作出可靠的估計，便會將該義務披露為或有負債；但倘若經濟效益外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生而確定存在與否的潛在義務，亦會披露為或有負債；但倘若經濟效益外流的可能性極低則除外。

(t) 關聯方

(a) 個人，或與該個人關係密切的家庭成員與本集團相關聯，如果該個人：

- (i) 控制或共同控制本集團；
- (ii) 對本集團具有重大影響；或
- (iii) 是本集團或本集團母公司管理人員的成員。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(s) Financial guarantees issued, provisions and contingent liabilities (continued)

(i) Financial guarantees issued (continued)

The deferred income is amortised in the income statement over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2.2(s)(ii) if and when (a) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (b) the amount of that claim on the Group is expected to exceed the amount currently carried in other liabilities in respect of that guarantee, i.e. the amount initially recognised, less accumulated amortisation.

(ii) Other provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Bank has a legal or constructive obligation arising as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(t) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(t) 關聯方 (續)

(b) 如果符合以下條件，則某實體與本集團相關聯：

- (i) 該實體與本集團受同一母公司控制 (這意味著任何一方的母公司、附屬公司以及同級附屬公司都與另一方相關聯)；
- (ii) 某一實體是另一實體的聯營公司或共同控制公司 (或是另一實體所屬集團的一個成員的聯營公司或共同控制公司)；
- (iii) 兩家實體都是相同第三方的共同控制公司；
- (iv) 某一實體是第三方的共同控制公司並且另一實體是該第三方的聯營公司；
- (v) 該實體是為本集團或與本集團關聯的實體的僱員福利而設的離職後福利計劃；
- (vi) 該實體受(a)項所述個人的控制或共同控制；
- (vii) (a)(i)項所述的個人對該實體實施重大影響或是該實體 (或其母公司) 的關鍵管理人員的成員；
- (viii) 該實體或是其集團中一部分之任何成員而提供主要管理人員服務予本集團或本集團之母公司。

與個人關係密切的家庭成員是指在他們與實體交易中可影響，或受該個人影響的家庭成員。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(t) Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint 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 members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

2 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(u) 持有作出售的非流動資產

如一項非流動資產 (或出售組合) 的賬面值很有可能透過出售交易而非透過持續使用收回，並且該非流動資產 (或出售組合) 能按現況出售，則可被分類為持有作出售。出售組合是指一組資產於單一交易中一併售出，而直接與該等資產相關的負債將於交易中轉移。

當本集團進行一項出售計劃而該計劃牽涉失去一間附屬公司之控制權時，當附合上述可被分類為持有作出售條件，該附屬公司之所有資產與負債應分類為持作出售，而不論本集團於出售後是否保留附屬公司之非控股權益。

在分類為持有作出售類別前，非流動資產 (及在出售組合中所有個別的資產及負債) 的計量按重新分類前適用的會計政策作出更新。非流動資產 (以下所述之若干資產除外) 或出售組合在初始分類為持有作出售類別至售出期間，會以其賬面值及公允價值減銷售成本的較低者列賬。在本集團及本行財務報表中沒有使用此計量政策的主要項目包括遞延稅項資產、因僱員福利所產生的金融資產 (於附屬公司、聯營公司及共同控制公司的投資除外) 及投資物業。這些資產即使持有作出售，亦會繼續按附註2.2其他部分所載的政策計量。

持有作出售資產因初始分類或以後的重新計量而產生的減值損失於收益表內確認。只要分類為持有作出售或包括於出售組合的非流動資產則不會計算折舊或攤銷。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(u) Non-current assets 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 sales 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 financial statements of the Group and the Bank are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments 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 2.2.

Impairment losses on initial classification as held for sale and on subsequent remeasurement while held for sale, are recognised in the 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 主要會計政策 (續)

2.2 主要會計政策概要 (續)

(v) 分部報告

於財務報表中呈列的經營分部及各分部項目金額，是根據定期提供予本集團管理委員會用於資源分配，以及評核本集團各業務部分及區域所在地表現的財務資料辨識出來。

除非分部的經濟特性、在產品和服務性質、生產程序性質、客戶類別和等級、銷售產品和提供服務的方法、及監管環境的性質相近，個別重大的經營分部不會在財務報表內合計。如它們擁有以上大部分的標準，並且個別上不重大，則可能會被合計。

3 關鍵性評估，判斷和錯誤

編制財務報表要求管理層對影響報告的資產和負債金額；披露截至本財務報表日的或有資產和負債；以及所報告的收入和支出金額作出估計和假設。管理層還需要在應用集團的會計政策時作出判斷。本集團已製定程式以確保應用會計政策的一致性，並以適當及合理的方式持續評估變更方法，釐定估計及採用新會計準則的程式。

金融資產的關鍵性評估，判斷和錯誤

(i) 金融資產的分類和計量

業務模式評估

業務模式反映了集團如何管理資產以產生現金流量；也就是說，本集團的目標是否僅僅是從資產中收取合同現金流量，還是收取合同現金流量同時收集出售資產所產生的現金流。如果這些都不適用且為交易目的而持有，則金融資產按以公允價值計入損益進行分類和計量。

2 Significant Accounting Policies (continued)

2.2 Summary of significant accounting policies (continued)

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's management committee members for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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.

3 Critical estimates, judgements and errors

The preparation of financial statements requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosures of contingent assets and liabilities at the date of these financial statements; and the reported amounts of revenues and expenses for the years presented. Management also needs to exercise judgement in applying the Group's accounting policies. The Group has established procedures to ensure that accounting policies are applied consistently and that the processes for changing methodologies, determining estimates, and adopting new accounting standards are continually evaluated and in proper and reasonable manner.

Critical estimates, judgements and errors for financial assets

(i) Classification and measurement of financial assets

Business model assessment

The business model reflects how the Group manages the assets in order to generate cash flows; that is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable and they are held for trading purposes, the financial assets are classified and measured at FVPL.

3 關鍵性評估，判斷和錯誤 (續)

金融資產的關鍵性評估，判斷和錯誤 (續)

(i) 金融資產的分類和計量 (續) 業務模式評估 (續)

本集團在確定一組資產業務模式時考慮的因素包括過去收集這些資產的現金流量的經驗，如何評估資產的績效並向主要管理人員報告，如何評估和管理風險以及如何獲得補償。

僅為本金及利息款項測試

如果業務模式是持有資產以收取合約現金流量或同時收取合約現金流量及出售，則本集團會評估金融工具的現金流量是否純粹為本金及利息的支付（「純粹支付本金及利息規定測試」）。在進行評估時，本集團考慮合約現金流量是否與基本貸款安排一致，即利息僅包括考慮對金錢的時間值，信貸風險，其他基本貸款風險及與基本貸款安排一致的利潤率的考慮。

(ii) 金融資產減值

金融資產的損失準備基於對違約風險和預期損失率的假設。本集團根據本集團過往的歷史，現有市場狀況以及各報告期末的前瞻性估計，使用判斷作出該等假設及選擇減值計算的輸入數據。有關主要假設及輸入的詳情，例如信貸風險大幅增加，預期信貸損失計量，前瞻性資料，已於附註40的信貸風險管理部分披露。

3 Critical estimates, judgements and errors (continued)

Critical estimates, judgements and errors for financial assets (continued)

(i) Classification and measurement of financial assets (continued) Business model assessment (continued)

Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets are collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Solely payments of principal and interest test

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the "SPPI test"). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement.

(ii) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of key assumptions and inputs such as significant increase in credit risk, measurement of expected credit loss, forward-looking information are disclosed in the credit risk management section of note 40.

3 關鍵性評估，判斷和錯誤 (續)

金融資產的關鍵性評估，判斷和錯誤 (續)

(iii) 金融工具的公允價值

公允價值估計通常是主觀的，並且是根據金融工具和相關市場信息的特徵在特定時間點進行的。在可能的情況下，使用市場報價。但如果報價不是來自認可的證券交易所，經紀或非交易所交易的金融工具之經銷商及一個隨時可用的最新交易價格，則使用現值估算第3級金融工具的公允價值或使用當前市場參數的其他估值方法。

所有估值模型在用作財務報告的基礎之前都需要經過驗證。在可能的情況下，本集團將模型得出的估值與類似金融工具的報價進行比較，並與實現時的實際值進行比較，以進一步驗證和校準模型。

這些技術涉及不確定性，並受到所使用的假設以及對各種金融工具的風險特徵、貼現率、未來現金流量估計、未來預期損失經驗和其他因素的判斷的重大影響。而且當假設出現變動亦可能會對這些估計以及由此產生的公允價值產生重大影響。與獨立市場相比，衍生的公允價值估計不一定能夠得到證實，並且在許多情況下，可以通過立即出售這些工具來實現。

(iv) 確定具有續期選擇權的合約的租賃期限的判斷

本集團將租賃期限確定為不可撤銷的租賃期限，以及在合理確定行使時在選擇權所涵蓋的任何期間延長租賃，或如果有必要肯定不行使時在選擇權所涵蓋的任何期間終止租賃。

3 Critical estimates, judgements and errors (continued)

Critical estimates, judgements and errors for financial assets (continued)

(iii) Fair value of financial instruments

Fair value estimates are generally subjective in nature, and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, quoted market prices are used. If a quoted price is not available on a recognised stock exchange, is not from a broker or dealer for non-exchange traded financial instruments or from a readily available latest trading price, the fair value on level 3 financial instruments is estimated using the present value or other valuation techniques using current market parameters.

All valuation models are validated before they are used as a basis for financial reporting. Wherever possible, the Group compares valuations derived from models with quoted prices of similar financial instruments, and with actual values when realised, in order to further validate and calibrate the models.

These techniques involve uncertainties and are materially affected by the assumptions used and judgements made regarding the risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors. Changes in assumptions could materially affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and, in many cases, could be realised in an immediate sale of the instruments.

(iv) Judgement in determining the lease term of contracts with renewal options

The Group determines the lease terms as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is necessary certain not to be exercised.

3 關鍵性評估，判斷和錯誤（續）**金融資產的關鍵性評估，判斷和錯誤（續）****(iv) 確定具有續期選擇權的合約的租賃期限的判斷（續）**

於生效日期後，本集團將作出判斷以評估是否合理行使續約選擇權。也就是說，它考慮所有相關因素，為其進行更新以創造經濟優惠。此外，倘有任何重大事件或變動影響其行使續約選擇權的能力，本集團將重新評估租賃期。

4 利息收入及利息支出**(a) 利息收入**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
上市證券	Listed securities	1,276,535	1,078,719
非上市證券	Unlisted securities	634,645	642,316
在銀行及其他金融機構的 結存及存款	Balances and placements with banks and other financial institutions	1,309,440	1,394,388
墊款及其他賬項（註）	Advances and other accounts (Note)	8,943,405	8,345,375
非按公允價值計入損益的 金融資產的利息收入	Interest income on financial assets that are not at fair value through profit or loss	12,164,025	11,460,798

(b) 利息支出

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
客戶、銀行及其他金融機構的 存款及其他	Deposits from customers, banks and other financial institutions and others	5,181,262	4,409,280
已發行存款證	Certificates of deposit issued	96,764	75,220
已發行債務證券	Debt securities issued	153,701	161,091
已發行債務資本	Loan capital issued	389,527	414,851
非按公允價值計入損益的 金融負債的利息支出	Interest expense on financial liabilities that are not at fair value through profit or loss	5,821,254	5,060,442

註：

截至2019年12月31日止年度，利息收入包括減值金融資產的應計利息收入港幣110,903,000元（2018年：港幣66,339,000元）。

3 Critical estimates, judgements and errors (continued)**Critical estimates, judgements and errors for financial assets (continued)****(iv) Judgement in determining the lease term of contracts with renewal options (continued)**

Subsequent to the commencement date, the Group will need to apply judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. Moreover, the Group will reassess the lease term if there is any significant event or changes that affects its ability to exercise the option to renew.

4 Interest income and interest expense**(a) Interest income****(b) Interest expense**

Note:

For the year ended 31 December 2019, interest income from impaired financial assets was HK\$110,903,000 (2018: HK\$66,339,000).

5 淨費用及佣金收入

5 Net fee and commission income

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
費用及佣金收入：	Fee and commission income:		
票據業務佣金	Bills commission	72,972	82,849
信用卡相關收入	Card-related income	36,898	38,634
銀行服務	Banking services	424,146	372,842
保險	Insurance	585,153	349,931
投資及結構性投資產品	Investment and structured investment products	161,192	164,042
貸款、透支及融資費用	Loans, overdrafts and facilities fees	235,047	557,441
其他	Others	485	617
		1,515,893	1,566,356
費用及佣金支出	Fee and commission expense	(115,025)	(107,943)
		1,400,868	1,458,413
其中：	Of which:		
淨費用及佣金收入（不包括 用作計算實際利率的金額）， 關於並非按公允價值計入 損益賬的金融資產及負債：	Net fee and commission income (other than the amounts included in determining the effective interest rate) relating to financial assets and liabilities not at fair value through profit or loss:		
－ 費用及佣金收入	－ Fee and commission income	344,917	678,924
－ 費用及佣金支出	－ Fee and commission expense	(35,971)	(35,660)
		308,946	643,264

6 淨交易收入

6 Net trading income

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
買賣外幣收益減損失	Gains less losses from dealing in foreign currencies	552,969	604,449
買賣以公允價值計入損益的金融資產的收益減損失	Gains less losses from financial assets at fair value through profit or loss	10,655	(27,480)
買賣衍生工具收益減損失	Gains less losses from derivatives	(47,625)	(72,158)
交易用途資產利息收入	Interest income on trading assets		
— 上市	— Listed	80,467	41,163
— 非上市	— Unlisted	6,977	42,995
交易負債利息支出	Interest expense on trading liabilities		
— 上市	— Listed	(2,490)	—
		600,953	588,969

7 淨對沖損失

7 Net hedging loss

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
公允價值對沖淨(損失)/收益	Net hedging (loss)/gain on fair value hedges		
— 歸屬對沖風險的對沖項目淨收益	— Net gain on hedged items attributable to the hedged risk	134,829	23,735
— 對沖工具淨損失	— Net loss on hedging instruments	(137,321)	(25,297)
		(2,492)	(1,562)

8 出售以公允價值計入其他全面收益的金融資產淨損失

8 Net loss on disposal of financial assets at fair value through other comprehensive income

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
出售以公允價值計入其他全面收益的金融資產淨損失	Net loss on disposal of financial assets at fair value through other comprehensive income	(21,940)	(70,419)

9 其他經營收入

9 Other operating income

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
股息收入	Dividend income		
– 上市	– Listed investments	–	201
– 非上市	– Unlisted investments	4,630	6,020
		4,630	6,221
投資物業租金收入減直接支出： 港幣295,000元 (2018年：港幣1,095,000元)	Rental income from investment properties less direct outgoings of HK\$295,000 (2018: HK\$1,095,000)	4,432	4,553
其他	Others	22,032	23,543
		31,094	34,317

10 經營支出

10 Operating expenses

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
(a) 員工成本	(a) Staff costs		
薪金及其他員工成本	Salaries and other staff costs	2,150,006	1,992,597
退休金成本(附註37)	Retirement costs (note 37)	116,876	107,132
		2,266,882	2,099,729
(b) 折舊及攤銷	(b) Depreciation and amortisation		
物業及設備折舊(附註25)	Depreciation – property and equipment (note 25)	101,493	184,552
使用權資產折舊(附註2.1(b))	Depreciation – right-of-use assets (note 2.1(b))	297,875	–
無形資產攤銷(附註26)	Amortisation – intangible assets (note 26)	181,354	42,299
		580,722	226,851
(c) 其他經營支出	(c) Other operating expenses		
物業及設備支出 (不包括折舊)	Property and equipment expenses (excluding depreciation)		
– 物業租金	– Rental of properties	–	312,105
– 其他	– Others	342,471	290,081
核數師酬金	Auditor's remuneration	8,971	8,718
廣告費	Advertising	90,247	80,740
通訊費、印刷及文儀用品	Communication, printing and stationery	125,544	119,801
法律及專業費用	Legal and professional fees	83,352	56,260
其他	Others	198,173	190,782
		848,758	1,058,487
經營支出總額	Total operating expenses	3,696,362	3,385,067

11 董事酬金

根據香港《公司條例》(第622章)第383條及公司「披露董事利益資料」法規而披露的董事酬金如下：

11 Directors' remuneration

The Directors' remuneration disclosed pursuant to section 383 of the Hong Kong Companies Ordinance (Cap. 622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation is set out as below:

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
董事袍金	Directors' fees	4,355	4,427
薪金、津貼及實物利益 (附註(i)至(ii))	Salaries, allowances and benefits in kind (notes (i) to (ii))	25,541	22,557
酌情花紅	Discretionary bonuses	18,737	18,676
退休計劃供款	Retirement scheme contributions	1,895	1,391
		50,528	47,051

附註：

(i) 實物利益包括房屋津貼及保險。

(ii) 根據長期獎勵計劃(「計劃」)，合資格人士將獲得一定數量的增值權。增值權的支付取決於計算超過3年本集團淨資產的賬面價值升值。根據管理層的最佳估計，於2019年為數港幣38,000,000元(2018年：港幣38,000,000元)已計提在員工成本，並包括向董事發放的數額。

Note:

(i) Benefits in kind mainly include housing allowance and insurance premium.

(ii) Under the long-term incentive scheme ("LTI"), eligible persons are granted a number of Appreciation Rights. Payment for each Appreciation Right is determined by the appreciation in the Group's net asset value over a three-year performance period. In 2019, HK\$38,000,000 (2018: HK\$38,000,000) was accrued in the staff costs, including the amount payable to the Directors based on management's best estimation.

12 金融資產預期信貸損失提撥／(回撥)

12 Expected credit losses charged/(written back) on financial assets

		2019			
		第1階段 Stage 1 港幣千元 HK\$'000	第2階段 Stage 2 港幣千元 HK\$'000	第3階段 Stage 3 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
在銀行、中央銀行及其他 金融機構的結存	Balances with banks, central banks and other financial institutions	(19,037)	–	–	(19,037)
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	4,446	–	–	4,446
客戶貸款及墊款	Loans and advances to customers	130,322	121,567	1,061,904	1,313,793
其他賬項	Other accounts	325	–	–	325
以公允價值計入其他 全面收益的金融資產	Financial assets at fair value through other comprehensive income	33,410	–	(76,907)	(43,497)
貸款承擔及擔保 (包括或有負債 及承擔)	Loan commitments and guarantees (included in contingent liabilities and commitments)	30,512	–	–	30,512
		179,978	121,567	984,997	1,286,542
收回金額	Recoveries				(70,510)
					1,216,032

		2018			
		第1階段 Stage 1 港幣千元 HK\$'000	第2階段 Stage 2 港幣千元 HK\$'000	第3階段 Stage 3 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
在銀行、中央銀行及其他 金融機構的結存	Balances with banks, central banks and other financial institutions	5,738	–	–	5,738
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	(3,345)	–	–	(3,345)
客戶貸款及墊款	Loans and advances to customers	(243,739)	889,282	622,674	1,268,217
其他賬項	Other accounts	(563)	(452)	–	(1,015)
以公允價值計入其他 全面收益的金融資產	Financial assets at fair value through other comprehensive income	(44,784)	(11,667)	184,883	128,432
貸款承擔及擔保 (包括或有負債 及承擔)	Loan commitments and guarantees (included in contingent liabilities and commitments)	(13,593)	–	–	(13,593)
		(300,286)	877,163	807,557	1,384,434
收回金額	Recoveries				(67,934)
					1,316,500

13 綜合收益表所示的所得稅

13 Income tax in the consolidated income statement

(a) 綜合收益表所示的所得稅

(a) Income tax in the consolidated income statement

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
本期稅項 – 香港利得稅	Current tax – Hong Kong Profits Tax		
年內準備	Provision for the year	505,227	616,263
過往年度稅項準備補提	Under-provision in respect of prior years	6,833	359
		512,060	616,622
本期稅項 – 海外稅項	Current tax – Overseas		
年內準備	Provision for the year	50,013	79,927
過往年度稅項準備回撥	Over-provision in respect of prior years	(1,940)	(13,510)
		48,073	66,417
遞延稅項	Deferred tax		
暫時性差額轉回(附註31(b))	Reversal of temporary differences (note 31(b))	(36,459)	(67,497)
		523,674	615,542

2019年度香港利得稅稅項是以年度估計應課稅溢利按稅率16.5%(2018年:16.5%)計算。海外分行及附屬公司的稅項則按照相關國家的適當現行稅率提撥準備。

The provision for Hong Kong Profits Tax for 2019 is calculated at 16.5% (2018: 16.5%) of the estimated assessable profits for the year. Taxation for overseas branches and subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

(b) 稅項支出與會計溢利按適用稅率計算稅款的對賬表

(b) Reconciliation between tax expense and accounting profit at applicable tax rates

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
稅前溢利	Profit before tax	3,333,975	3,623,900
按以有關國家適用利得稅稅率 計算稅前溢利的名義稅項	Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	580,332	629,592
不可扣減支出的稅項影響	Tax effect of non-deductible expenses	73,258	85,397
非應課稅收入的稅項影響	Tax effect of non-taxable revenue	(46,483)	(35,170)
支付額外一級資本證券 票息的稅項影響	Tax effect of distribution payment of AT1 Capital Securities	(87,533)	(55,653)
過往年度稅項準備補提/(回撥)	Under/(over)-provision in prior years	4,893	(13,151)
其他	Others	(793)	4,527
實際稅項支出	Actual tax expense	523,674	615,542

14 其他全面收益

關於其他全面收益各組成部分的稅項影響

14 Other comprehensive income

Tax effects relating to each component of other comprehensive income

		2019			2018		
		稅前數額	稅項支出	除稅後淨額	稅前數額	稅項支出	除稅後淨額
		Before tax	Tax	Net-of-tax	Before tax	Tax	Net-of-tax
		amount	expense	amount	amount	expense	amount
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
換算海外附屬公司的	Exchange differences on translation						
財務報表的匯兌差額	of financial statements of foreign operations	(32,073)	–	(32,073)	(88,425)	–	(88,425)
以公允價值計入其他	Financial assets at fair value through						
全面收益的金融資產	other comprehensive income						
– 債務證券	– debt securities						
– 以公允價值計入其他	– net movements in fair value reserve of						
全面收益的金融資產	financial assets at fair value through						
公允價值儲備淨變動	other comprehensive income	765,570	(126,372)	639,198	(386,638)	49,254	(337,384)
– 減值準備	– impairment loss	(75,490)	–	(75,490)	127,858	–	127,858
物業重估儲備	Property revaluation reserve						
– 物業重估儲備淨變動	– net movement in property revaluation reserve	–	10	10	76,245	–	76,245
以公允價值計入其他	Financial assets at fair value through						
全面收益的金融資產	other comprehensive income						
– 權益工具	– equity instruments						
– 以公允價值計入其他	– net movements in fair value reserve of						
全面收益的金融資產	financial assets at fair value through						
公允價值儲備淨額變動	other comprehensive income	12,551	(2,071)	10,480	3,625	(598)	3,027
其他全面收益	Other comprehensive income	670,558	(128,433)	542,125	(267,335)	48,656	(218,679)

15 支付股息

本行董事會不建議派發截至2019年12月31日止年度的任何股息(2018年：無)。

15 Dividend paid

The Directors do not recommend the payment of any dividends for the year ended 31 December 2019 (2018: Nil).

16 分部資料

分部資料的呈報形式與可報告分部一致，分部資料定期向包括管理委員會成員在內的主要營運決策人報告，以便為各分部分配資源和評估其績效。本集團確認了以下四大主要呈報分部：

公司業務包括香港及海外分行的企業銀行業務。企業銀行業務主要包括公司借貸及銀團貸款、貿易融資及現金管理。海外分行包括於香港的管理辦公室及於海外營運的分行。

個人及商務銀行業務主要包括存款戶口服務、住宅物業按揭、其他消費借貸、信用卡服務及中小企業貸款、財富管理服務及私人銀行。

財資及環球市場業務包括提供外匯交易服務、資金市場活動、管理投資證券及中央現金管理。

其他業務主要包括未能直接歸類任何現有呈報分部的收入及支出，總行及企業支出，於中國的銀行業務主要包括一間於中國的附屬子銀行。

就分部報告而言，經營收入的分配是根據內部轉讓價格機制反映資金的利益分配到業務分部上。成本的分配是根據各業務分部的直接成本及合理基準分配經常費用予各業務分部。使用銀行物業產生的市值租金會反映於「其他」業務下的分部間經營收入及各業務分部的分部間經營支出中。

截至2019年12月31日止年度，本集團已修改其不同業務分部和未分配分部之間的分部分配和某些成本分配方法，以編制向集團高級管理層報告的資訊時達至實現業務績效評估。於中國的銀行業務分部已於2019年從公司業務分部中重新分配至其他業務分部中。相應重述的分部資料數額與2019年12月31日報告期間呈列的一致。

16 Segment reporting

Segment information is prepared consistently with reportable segments. Information is regularly reported to the chief operating decision-maker, including management committee members, to allocate resources to the segments and to assess their performance. The Group has identified the following four main reportable segments:

Wholesale banking business includes wholesale banking business in Hong Kong and overseas branches. Wholesale banking mainly comprises corporate lending and syndicated loans, trade financing deposit account services and cash management. Overseas branches include the management office unit in Hong Kong and the branches operated overseas.

Personal and business banking mainly comprises deposit account services, residential mortgages, other consumer lending, credit card services, and Small and Medium Enterprises ("SMEs") banking business, wealth management services and private banking.

Treasury and markets covers the provision of foreign exchange services, money market activities, the management of investment securities and central cash management.

Others mainly comprises unallocated revenue and expenses, head office and corporate expenses, and China banking which mainly includes a subsidiary bank in China.

For the purpose of segment reporting, the allocation of operating income reflects the benefits of funding resources allocated to the business segments based on the internal funds transfer pricing mechanism. Cost allocation is based on the direct costs incurred by the respective business segments and the apportionment of overheads on a reasonable basis to the business segments. Rental charges at the market rate for the use of bank premises are reflected as inter-segment income for the 'Others' segment and inter-segment expenses for the respective business segments.

During the year ended 31 December 2019, the Group has revised its segment allocation and certain cost allocation methods among different operating units and unallocated unit in preparing the information reported to the Group's senior executive management for the purposes of performance assessment. China banking business is also included in unallocated unit which has been reallocated from wholesale banking business in 2019. Corresponding amounts have been provided on a basis consistent with the revised segment information.

16 分部資料 (續)

(a) 可呈報分部

16 Segment reporting (continued)

(a) Reportable segments

		2019				
		公司業務 Wholesale banking 港幣千元 HK\$' 000	個人及 商務銀行 Personal and business banking 港幣千元 HK\$' 000	財資及 環球市場 Treasury and markets 港幣千元 HK\$' 000	其他 Others 港幣千元 HK\$' 000	綜合 Consolidated 港幣千元 HK\$' 000
淨利息收入	Net interest income	3,604,863	1,714,081	557,235	466,592	6,342,771
其他經營收入／(支出)	Other operating income/(expenses)	682,461	979,780	675,661	(307,479)	2,030,423
出售以公允價值計入其他 全面收益的金融資產 淨(損失)／收益	Net (loss)/gain on disposal of financial assets at fair value through other comprehensive income	(4)	-	(34,794)	12,858	(21,940)
經營收入	Operating income	4,287,320	2,693,861	1,198,102	171,971	8,351,254
經營支出	Operating expenses	(399,227)	(895,003)	(206,924)	(2,195,208)	(3,696,362)
分部間之經營(支出)／收入	Inter-segment (expenses)/income	(44,394)	(144,639)	(21,994)	211,027	-
扣除減值準備前之經營 溢利／(損失)	Operating profit/(loss) before impairment	3,843,699	1,654,219	969,184	(1,812,210)	4,654,892
金融資產預期信貸減值損失	Expected credit losses on financial assets	(1,195,548)	(56,454)	67,411	(31,441)	(1,216,032)
其他資產減值損失	Impairment losses on other assets	-	-	-	(51,711)	(51,711)
經營溢利／(損失)	Operating profit/(loss)	2,648,151	1,597,765	1,036,595	(1,895,362)	3,387,149
出售物業及設備淨損失	Net loss on disposal of property and equipment	(19)	(458)	-	(2,310)	(2,787)
投資物業重估損失	Revaluation loss on investment properties	-	-	-	(1,459)	(1,459)
應佔聯營企業收益	Share of profit of associates	-	-	-	841	841
出售聯營企業收益	Gain on disposal of interest in associates	-	-	-	9,226	9,226
贖回部分債務資本損失	Loss on partial redemption of loan capital	-	-	-	(58,995)	(58,995)
稅前溢利／(損失)	Profit/(loss) before taxation	2,648,132	1,597,307	1,036,595	(1,948,059)	3,333,975
所得稅	Income tax					(523,674)
本年度溢利	Profit for the year					2,810,301
其他分部項目：	Other segment items:					
折舊及攤銷	Depreciation and amortisation	30,460	20,510	3,527	526,225	580,722
分部資產	Segment assets	135,992,312	62,151,038	180,396,357	(17,318,205)	361,221,502
分部負債	Segment liabilities	141,281,253	167,175,470	19,064,935	(12,750,330)	314,771,328
本年度產生的資本開支	Capital expenditure incurred during the year	21,769	52,459	13,174	135,282	222,684

16 分部資料 (續)

(a) 可呈報分部 (續)

16 Segment reporting (continued)

(a) Reportable segments (continued)

2018 (重述)
2018 (Restated)

		公司業務 Wholesale banking 港幣千元 HK\$' 000	個人及 商務銀行 Personal and business banking 港幣千元 HK\$' 000	財資及 環球市場 Treasury and markets 港幣千元 HK\$' 000	其他 Others 港幣千元 HK\$' 000	綜合 Consolidated 港幣千元 HK\$' 000
淨利息收入	Net interest income	3,762,471	1,765,429	375,189	497,267	6,400,356
其他經營收入／(支出)	Other operating income/(expenses)	1,026,506	733,436	557,391	(237,196)	2,080,137
出售以公允價值計入其他 全面收益的金融資產 淨(損失)／收益	Net (loss)/gain on disposal of financial assets at fair value through other comprehensive income	–	–	(81,418)	10,999	(70,419)
經營收入	Operating income	4,788,977	2,498,865	851,162	271,070	8,410,074
經營支出	Operating expenses	(386,008)	(787,290)	(150,091)	(2,061,678)	(3,385,067)
分部間之經營(支出)／收入	Inter-segment (expenses)/income	(36,092)	(124,709)	(18,174)	178,975	–
扣除減值準備前之經營 溢利／(損失)	Operating profit/(loss) before impairment	4,366,877	1,586,866	682,897	(1,611,633)	5,025,007
金融資產預期信貸減值損失	Expected credit losses on financial assets	(1,120,127)	34,297	(148,345)	(82,325)	(1,316,500)
其他資產減值損失	Impairment losses on other assets	–	–	–	(86,155)	(86,155)
經營溢利／(損失)	Operating profit/(loss)	3,246,750	1,621,163	534,552	(1,780,113)	3,622,352
出售物業及設備淨損失	Net loss on disposal of property and equipment	(7)	(531)	–	(255)	(793)
投資物業重估收益	Revaluation gain on investment properties	–	–	–	190	190
應佔聯營企業收益	Share of profit of associates	–	–	–	2,151	2,151
稅前溢利／(損失)	Profit/(loss) before taxation	3,246,743	1,620,632	534,552	(1,778,027)	3,623,900
所得稅	Income tax	–	–	–	–	(615,542)
本年度溢利	Profit for the year	–	–	–	–	3,008,358
其他分部項目：	Other segment items:					
折舊及攤銷	Depreciation and amortisation	5,018	17,069	582	204,182	226,851
分部資產	Segment assets	154,548,668	52,226,341	176,523,533	(20,353,751)	362,944,791
分部負債	Segment liabilities	155,718,075	159,124,190	19,289,708	(17,168,259)	316,963,714
本年度產生的資本開支	Capital expenditure incurred during the year	9,406	62,209	3,960	441,293	516,868

16 分部資料 (續)

(b) 區域資料

區域資料的分析是根據附屬公司的主要業務所在地點，或按負責報告業績或將資產及負債入賬的本行及其分行位置予以披露。

16 Segment reporting (continued)

(b) Geographical information

The geographical information analysis is based on the location of the principal operations of the subsidiaries, or in the case of the Bank itself, of the location of the branches responsible for reporting the results or booking the assets and liabilities.

		2019				
		稅前溢利／ (損失) Profit/(Loss) before taxation 港幣千元 HK\$' 000	總資產 Total assets 港幣千元 HK\$' 000	總負債 Total liabilities 港幣千元 HK\$' 000	經營收入／ (支出) Operating income/ (expenses) 港幣千元 HK\$' 000	或有負債 及承擔 Contingent liabilities and commitments 港幣千元 HK\$' 000
香港	Hong Kong	3,213,613	343,007,576	296,942,701	7,645,619	80,208,797
中國內地	Mainland China	(63,271)	10,947,855	9,558,607	171,999	971,421
美國	United States	164,017	15,820,276	15,609,316	230,402	1,795,241
新加坡	Singapore	(16,516)	14,365,643	14,384,483	236,822	21,846,811
其他	Others	36,155	2,407,534	2,371,791	67,035	211,249
分部間項目	Inter-segment items	(23)	(25,327,382)	(24,095,570)	(623)	–
		3,333,975	361,221,502	314,771,328	8,351,254	105,033,519
		2018				
		稅前溢利／ (損失) Profit/(Loss) before taxation 港幣千元 HK\$' 000	總資產 Total assets 港幣千元 HK\$' 000	總負債 Total liabilities 港幣千元 HK\$' 000	經營收入／ (支出) Operating income/ (expenses) 港幣千元 HK\$' 000	或有負債 及承擔 Contingent liabilities and commitments 港幣千元 HK\$' 000
香港	Hong Kong	3,448,531	350,012,740	304,619,968	7,622,889	68,026,229
中國內地	Mainland China	(76,244)	8,964,339	7,477,234	263,027	418,104
美國	United States	197,890	13,509,382	13,276,532	248,720	1,984,408
新加坡	Singapore	18,163	12,425,457	12,402,980	203,834	18,306,578
其他	Others	35,706	2,790,436	2,749,565	72,266	710,447
分部間項目	Inter-segment items	(146)	(24,757,563)	(23,562,565)	(662)	–
		3,623,900	362,944,791	316,963,714	8,410,074	89,445,766

17 現金及在銀行、中央銀行及其他金融機構的結存

17 Cash and balances with banks, central banks and other financial institutions

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
現金	Cash in hand	472,127	224,723
在中央銀行的結存	Balances with central banks	8,090,649	5,673,768
在銀行的結存	Balances with banks	15,827,346	21,908,657
在其他金融機構的結存	Balances with other financial institutions	1,619,018	1,837,951
		26,009,140	29,645,099
預期信貸損失準備 – 第1階段	Expected credit losses allowances – Stage 1	(3,576)	(22,613)
		26,005,564	29,622,486

截至2019年12月31日包括在中央銀行受到監管限制的餘額是港幣436,310,000元(2018年：港幣457,560,000元)。

Included in the balances with central banks are balances subject to regulatory restrictions, amounting to HK\$436,310,000 at 31 December 2019 (2018: HK\$457,560,000).

截至2019年及2018年12月31日，本集團在銀行及其他金融機構的結存並無減值結存。

There were no impaired cash and balances with banks, central banks and other financial institutions at 31 December 2019 and 2018.

18 在銀行、中央銀行及其他金融機構的存款及墊款

18 Placements with and advances to banks, central banks and other financial institutions

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
在銀行的存款	Placements with banks	54,322,011	50,781,855
在銀行的墊款	Advances to banks	158,158	2,111,352
		54,480,169	52,893,207
預期信貸損失準備 – 第1階段	Expected credit losses allowances – Stage 1	(11,272)	(6,827)
		54,468,897	52,886,380
到期日：	Maturing:		
– 1個月內	– within 1 month	48,321,816	36,216,347
– 1個月至1年內	– between 1 month and 1 year	6,147,081	16,670,033
		54,468,897	52,886,380

截至2019年及2018年12月31日，本集團在銀行及其他金融機構的墊款中並無減值墊款。

There were no impaired placements with and advances to banks, central banks and other financial institutions at 31 December 2019 and 2018.

19 以公允價值計入損益的金融資產／(負債)**(a) 以公允價值計入損益的金融資產**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
債務證券	Debt securities	1,908,370	944,630
國庫券	Treasury bills	–	495,389
投資基金	Investment funds	–	513
		1,908,370	1,440,532
發行機構如下：			
政府機關	Sovereigns	341,717	495,953
銀行及其他金融機構	Banks and other financial institutions	690,114	642,997
企業	Corporate entities	824,619	301,582
公共機構	Public entities	51,920	–
		1,908,370	1,440,532
上市	Listed	1,907,604	931,441
非上市	Unlisted	766	509,091
		1,908,370	1,440,532

(b) 以公允價值計入損益的金融負債

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
債務證券短倉	Short sales of debts securities	146,500	–

19 Financial assets/(liabilities) at fair value through profit or loss**(a) Financial assets at fair value through profit or loss****(b) Financial liabilities at fair value through profit or loss****20 衍生金融工具**

使用衍生工具作自營買賣和出售予客戶作為風險管理產品是本集團經營業務的一個重要部份。作為資產與負債管理流程的一環，這些工具也會用作管理本集團本身所承擔的市場風險。本集團所用的主要衍生工具為與利率和匯率相關的合約，主要為場外交易的衍生工具。本集團也會簽訂場內買賣的衍生工具合約。本集團大多為符合客戶的要求和作對沖及買賣用途而持有衍生工具倉盤。就會計目的而言，衍生工具均劃歸為持作買賣或持作對沖。

20 Derivative financial instruments

The use of derivatives for proprietary trading and sales to customers as risk management products is an integral part of the Group's business activities. These instruments are also used to manage the Group's own exposure to market risk as part of its asset and liability management process. The principal derivative instruments used by the Group are interest and foreign exchange rate-related contracts, which are primarily OTC derivatives. The Group also participates in exchange-traded derivatives. Most of the Group's derivative positions have been entered into to meet customer demand and to hedge these and other trading positions. For accounting purposes, derivatives are classified as either held for trading or held for hedging.

20 衍生金融工具 (續)

(a) 衍生工具的名義金額

衍生工具是指根據一項或多項相關資產或指數的價值來釐定其價值的財務合約。這些工具的名義數額代表未完成的交易額，並不代表風險數額。

以下是本集團各種主要衍生工具的名義金額概要：

20 Derivative financial instruments (continued)

(a) Notional amounts of derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices. The notional amounts of these investments indicate the volume of outstanding transactions and do not represent amounts at risk.

The following is a summary of the notional amounts of each significant type of derivative entered into by the Group:

		2019			2018		
		為對沖持有	其他 (包括持作買賣)	總額	為對沖持有	其他 (包括持作買賣)	總額
		Held for hedging	Others (including held for trading)	Total	Held for hedging	Others (including held for trading)	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
匯率衍生工具	Currency derivatives						
遠期交易	Forwards	-	84,167,658	84,167,658	-	95,174,835	95,174,835
掉期交易	Swaps	-	696,539,371	696,539,371	-	790,579,491	790,579,491
買入期權	Options purchased	-	34,547,603	34,547,603	-	15,197,059	15,197,059
賣出期權	Options written	-	34,563,815	34,563,815	-	14,869,761	14,869,761
利率衍生工具	Interest rate derivatives						
遠期及期貨交易	Forwards/Futures	-	3,858,214	3,858,214	-	23,169,653	23,169,653
掉期交易	Swaps	3,230,287	687,402,549	690,632,836	9,545,458	255,835,562	265,381,020
		3,230,287	1,541,079,210	1,544,309,497	9,545,458	1,194,826,361	1,204,371,819

交易包括本集團的金融工具自營買賣倉盤、由執行客戶的交易指令或從事莊家活動而產生的倉盤，以及為對沖其他交易元素而持有的倉盤。

Trading includes the Group's proprietary positions in financial instruments, positions which arise from the execution of trade orders from customers and market making, and positions taken in order to hedge other elements of the trading book.

20 衍生金融工具 (續)

20 Derivative financial instruments (continued)

(b) 衍生工具的公允價值及信貸風險加權數額

(b) Fair value and credit risk-weighted amounts of derivatives

		2019			2018		
		公允價值 資產 Fair value assets 港幣千元 HK\$'000	公允價值 負債 Fair value liabilities 港幣千元 HK\$'000	信貸風險 加權數額 Credit risk- weighted amount 港幣千元 HK\$'000	公允價值 資產 Fair value assets 港幣千元 HK\$'000	公允價值 負債 Fair value liabilities 港幣千元 HK\$'000	信貸風險 加權數額 Credit risk- weighted amount 港幣千元 HK\$'000
匯率衍生工具	Currency derivatives	5,271,339	5,365,547	6,333,303	5,453,679	6,066,637	7,492,494
利率衍生工具	Interest rate derivatives	1,012,269	997,609	200,143	574,154	476,714	358,462
		6,283,608	6,363,156	6,533,446	6,027,833	6,543,351	7,850,956

信貸風險加權數額是指按照《銀行業(資本)規則》有關資本充足的要求，並取決於交易對手的財政狀況及到期的情況下計算。用於計算匯率、利率和其他衍生工具合約的信貸風險加權數額的風險加權由0%至150%不等(2018年12月31日：0%至150%)。

The credit risk-weighted amount is the amount which has been calculated in accordance with the Banking (Capital) Rules on capital adequacy, and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 150% (2018: 0% to 150%) for exchange rate, interest rate and other derivatives contracts.

本集團沒有在年內訂立任何雙邊淨額結算安排，因此，上述數額是以總額列示。

The Group did not enter into any bilateral netting arrangements during the year, and accordingly, these amounts are shown on a gross basis.

(c) 指定為對沖工具的衍生工具的公允價值

以下是本集團持作對沖用途的衍生工具按產品類別劃分的公允價值概要：

(c) Fair value of derivatives designated as hedging instruments

The following is a summary of the fair value of derivatives held for hedging purposes by product type entered into by the Group:

		2019		2018	
		公允價值資產 Fair value assets 港幣千元 HK\$'000	公允價值負債 Fair value liabilities 港幣千元 HK\$'000	公允價值資產 Fair value assets 港幣千元 HK\$'000	公允價值負債 Fair value liabilities 港幣千元 HK\$'000
利率合約	Interest rate contracts				
— 公允價值對沖	— Fair value hedge	16,280	18,475	109,770	8,944

公允價值對沖主要包括用作保障若干固定利率資產或負債的公允價值因市場利率變動而出現變化的利率掉期。

Fair value hedges principally consist of interest rate swaps that are used to protect against changes in the fair value of certain fixed rate assets or liabilities due to movements in the market interest rates.

20 衍生金融工具(續)

(d) 衍生工具的餘下年期

下表提供本集團根據有關到期類別(按於結算日的餘下結算期間計算)劃分的衍生工具名義金額分析。

20 Derivative financial instruments (continued)

(d) Remaining life of derivatives

The following tables provide an analysis of the notional amounts of derivatives of the Group by relevant maturity grouping, based on the remaining periods to settlement at the end of the reporting period:

		2019 餘下年期的名義金額 Notional amounts with remaining life of			
		總額 Total 港幣千元 HK\$'000	1年或以下 1 year or less 港幣千元 HK\$'000	1年以上至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000
匯率衍生工具	Currency derivatives	849,818,447	814,521,315	35,218,927	78,205
利率衍生工具	Interest rate derivatives	694,491,050	477,501,287	202,708,717	14,281,046
		1,544,309,497	1,292,022,602	237,927,644	14,359,251

		2018 餘下年期的名義金額 Notional amounts with remaining life of			
		總額 Total 港幣千元 HK\$'000	1年或以下 1 year or less 港幣千元 HK\$'000	1年以上至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000
匯率衍生工具	Currency derivatives	915,821,146	885,809,533	30,011,613	–
利率衍生工具	Interest rate derivatives	288,550,673	201,443,738	84,152,843	2,954,092
		1,204,371,819	1,087,253,271	114,164,456	2,954,092

21 客戶貸款及墊款及其他賬項

(a) 客戶貸款及墊款及其他賬項減預期信貸損失／減值準備

21 Loans and advances to customers and other accounts

(a) Loans and advances to customers and other accounts less expected credit losses/impairment allowances

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
客戶貸款及墊款總額	Gross loans and advances to customers	189,377,329	201,819,882
— 預期信貸損失準備	– Expected credit losses allowances	(3,596,987)	(2,658,898)
		185,780,342	199,160,984
其他賬項	Other accounts	7,831,244	4,785,508
— 預期信貸損失準備	– Expected credit losses allowances	(1,480)	(39,036)
— 其他資產減值準備	– Impairment allowances for other assets	(37,880)	(78,200)
		7,791,884	4,668,272
使用權資產 (附註2.1(b))	Right-of-use assets (note 2.1(b))	679,507	–
		194,251,733	203,829,256

21 客戶貸款及墊款及其他賬項 (續)

(b) 按行業分析的客戶貸款及墊款

以下按經濟行業進行的分析是根據香港金融管理局(「金管局」)所採用的分類及定義作出。

21 Loans and advances to customers and other accounts
(continued)

(b) Loans and advances to customers analysed by industry sectors

The following economic sector analysis is based on categories and definitions used by the Hong Kong Monetary Authority ("HKMA").

		2019		2018	
		客戶貸款及 墊款總額 Gross loans and advances to customers 港幣千元 HK\$'000	減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK\$'000	客戶貸款及 墊款總額 Gross loans and advances to customers 港幣千元 HK\$'000	減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK\$'000
工商金融	Industrial, commercial and financial				
— 物業發展	— Property development	2,892,578	—	4,584,774	—
— 物業投資	— Property investment	17,394,845	1,014,756	17,289,899	24,079
— 金融企業	— Financial concerns	16,997,699	—	18,058,392	—
— 股票經紀	— Stockbrokers	1,929,344	—	3,131,658	—
— 批發及零售業	— Wholesale and retail trade	9,427,728	181,098	9,156,964	18,162
— 製造業	— Manufacturing	9,940,067	31,137	12,099,051	36,071
— 運輸及運輸設備	— Transport and transport equipment	1,379,288	—	1,537,234	—
— 娛樂活動	— Recreational activities	2,858,389	—	3,471,434	—
— 資訊科技	— Information technology	6,678,785	—	6,674,493	—
— 其他	— Others	7,154,646	578,791	9,364,279	584,073
個人	Individuals				
— 購買「居者有其屋計劃」、 「私人發展商參建居屋 計劃」及「租者置其屋 計劃」的樓宇貸款	— Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	27,410	304	22,413	468
— 購買其他住宅物業的貸款	— Loans for the purchase of other residential properties	17,848,823	7,729	15,560,640	19,833
— 信用卡墊款	— Credit card advances	452,680	2,837	506,195	2,806
— 其他	— Others	14,725,757	11,093	10,983,726	11,961
在香港使用的貸款及 墊款總額	Gross loans and advances for use in Hong Kong	109,708,039	1,827,745	112,441,152	697,453
貿易融資	Trade finance	5,442,284	37,343	4,325,261	171,706
在香港以外使用的 貸款及墊款總額	Gross loans and advances for use outside Hong Kong	74,227,006	405,677	85,053,469	846,979
客戶貸款及墊款總額	Gross loans and advances to customers	189,377,329	2,270,765	201,819,882	1,716,138

21 客戶貸款及墊款及其他賬項 (續)

21 Loans and advances to customers and other accounts
(continued)(c) 貸款和墊款的賬面總值和預期信貸損失準備
的對賬(c) Reconciliation of gross carrying amount and ECL allowances for
loans and advances to customers

		2019							
		第1階段 Stage 1		第2階段 Stage 2		第3階段 Stage 3		總額 Total	
		賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000
2019年1月1日	At 1 January 2019	184,853,695	631,370	15,250,049	1,628,226	1,716,138	399,302	201,819,882	2,658,898
收益表變動的影響	Movements with income statement impact								
轉移：	Transfer:								
— 轉入第1階段	— Transfer to Stage 1	4,271,544	18,996	(4,271,517)	(18,969)	(27)	(27)	—	—
— 轉入第2階段	— Transfer to Stage 2	(12,958,957)	(90,799)	12,959,477	90,980	(520)	(181)	—	—
— 轉入第3階段	— Transfer to Stage 3	(265,526)	(936)	(1,977,967)	(756,476)	2,243,493	757,412	—	—
階段轉撥產生之預期信 貸損失準備重新計量 淨額	Net remeasurement of ECL allowances arising from transfer between stage	—	(14,989)	—	258,139	—	142,250	—	385,400
金融資產源生／ (終止確認或還款)淨額	Net financial assets originated/ (derecongised or repaid)	(819,283)	200,086	(9,934,951)	3,370	(1,359,013)	(124,206)	(12,113,247)	79,250
風險參數和模型數據變動	Changes in risk parameters and model inputs	—	17,964	—	544,523	—	286,656	—	849,143
貸款減值損失折現回撥	Unwinding of discount on loan impairment losses	—	—	—	—	—	(46,398)	—	(46,398)
沖銷數額	Amounts written-off	—	—	—	—	(329,306)	(329,306)	(329,306)	(329,306)
2019年12月31日	At 31 December 2019	175,081,473	761,692	12,025,091	1,749,793	2,270,765	1,085,502	189,377,329	3,596,987

21 客戶貸款及墊款及其他賬項 (續)

21 Loans and advances to customers and other accounts
(continued)(c) 貸款和墊款的賬面總值和預期信貸損失準備
的對賬 (續)(c) Reconciliation of gross carrying amount and ECL allowances for
loans and advances to customers (continued)

		2018							
		第1階段 Stage 1		第2階段 Stage 2		第3階段 Stage 3		總額 Total	
		賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000
2018年1月1日	At 1 January 2018	186,086,640	875,989	7,736,270	739,345	2,464,012	1,176,687	196,286,922	2,792,021
收益表變動的影響	Movements with income statement impact								
轉移：	Transfer:								
— 轉入第1階段	— Transfer to Stage 1	221,118	26,257	(221,118)	(26,257)	—	—	—	—
— 轉入第2階段	— Transfer to Stage 2	(9,257,475)	(86,059)	9,257,712	86,296	(237)	(237)	—	—
— 轉入第3階段	— Transfer to Stage 3	(284,177)	(2,591)	(1,627,211)	(223,318)	1,911,388	225,909	—	—
階段轉撥產生之預期信 貸損失準備重新計量 淨額	Net remeasurement of ECL allowances arising from transfer between stage	—	(24,599)	—	1,328,039	—	144,954	—	1,448,394
金融資產源生／ (終止確認或還款)淨額	Net financial assets originated/ (derecongised or repaid)	8,088,469	15,225	104,796	(98,691)	(1,302,331)	(166,089)	6,890,934	(249,555)
風險參數和模型數據變動	Changes in risk parameters and model inputs	—	(171,972)	—	(176,788)	—	418,138	—	69,378
貸款減值損失折現回撥	Unwinding of discount on loan impairment losses	—	—	—	—	—	(43,366)	—	(43,366)
沖銷數額	Amounts written-off	(880)	(880)	(400)	(400)	(1,356,694)	(1,356,694)	(1,357,974)	(1,357,974)
2018年12月31日	At 31 December 2018	184,853,695	631,370	15,250,049	1,628,226	1,716,138	399,302	201,819,882	2,658,898

21 客戶貸款及墊款及其他賬項 (續)**21 Loans and advances to customers and other accounts (continued)****(d) 減值客戶貸款及墊款****(d) Impaired loans and advances to customers**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
減值客戶貸款及墊款總額	Gross impaired loans and advances to customers	2,270,765	1,716,138
預期信貸損失準備 – 第3階段	Expected credit losses allowances – Stage 3	(1,085,502)	(399,302)
		1,185,263	1,316,836
減值貸款及墊款總額佔客戶貸款 及墊款總額的百分率	Gross impaired loans and advances as a % of total loans and advances to customers	1.20%	0.85%

經減值客戶貸款及墊款的預期信貸損失準備評估已計算所持抵押品的可變現價值為港幣1,296,240,000元(2018年：港幣1,587,943,000元)。所持抵押品主要包括住宅及商業物業按揭權益及存放於本集團的現金。

Collateral amounts of HK\$1,296,240,000 (2018: HK\$1,587,943,000) have been taken into account in respect of the assessment of the expected credit losses allowances. Collateral mainly comprises mortgages on residential or commercial properties and cash placed with the Group.

(e) 融資租賃和租購合同的淨投資

客戶貸款和墊款包括汽車淨投資，根據融資租賃租賃給客戶的設備和租賃具有融資租賃特徵的購買合同。這些合同通常具20年或以上的初始期，並可選擇以名義價值收購租賃資產。融資租賃及租購合約應收的最低租賃付款總額及年末現值如下：

(e) Net investment in finance leases and hire purchase contracts

Loans and advances to customers include net investment in motor vehicles, and equipment leased to customers under finance leases and hire purchase contracts which have the characteristics of finance leases. These contracts usually run for an initial period of 20 years or above, with an option of acquiring the leased asset at nominal value. The total minimum lease payments receivable under finance leases and hire purchase contracts and their present values at the year end are as follows:

		2019		2018	
		最低租賃 付款的現值 Present value of the minimum lease payments 港幣千元 HK\$'000	最低租賃 付款總額 Total minimum lease payments 港幣千元 HK\$'000	最低租賃 付款的現值 Present value of the minimum lease payments 港幣千元 HK\$'000	最低租賃 付款總額 Total minimum lease payments 港幣千元 HK\$'000
1個月內	Within 1 year	9,471	12,050	11,393	15,157
1年以上至5年	After 1 year but within 5 years	35,575	44,729	44,324	57,285
5年以上	After 5 years	80,960	90,263	112,186	127,423
		126,006	147,042	167,903	199,865
— 預期信貸損失準備	– Expected credit losses allowances	(846)		(111)	
融資租賃和租購 合同的淨投資	Net investment in finance leases and hire purchase contracts	125,160		167,792	

22 以公允價值計入其他全面收益的金融資產

22 Financial assets at fair value through other comprehensive income

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
債務證券	Debt securities		
持有的存款證	– Certificates of deposit held	5,438,918	14,394,029
國庫券	– Treasury bills	21,767,173	15,975,480
其他債務證券	– Other debt securities	49,353,873	36,512,097
		76,559,964	66,881,606
權益證券	Equity securities	108,336	95,801
		76,668,300	66,977,407
發行機構如下：	Issued by:		
政府機關	Sovereigns	23,516,040	16,277,569
銀行及其他金融機構	Banks and other financial institutions	41,724,151	41,427,485
企業	Corporate entities	11,048,234	7,175,580
公共機構	Public entities	379,875	2,096,773
		76,668,300	66,977,407
上市	Listed	43,990,382	31,181,259
非上市	Unlisted	32,677,918	35,796,148
		76,668,300	66,977,407

22 以公允價值計入其他全面收益的金融資產 (續)

通過其他全面收益以公允價值計量金融資產的賬面金額和預期信貸損失準備金的對賬

就本披露而言，總賬面值是指以公允價值計量的債務證券。賬面值的變動計入其他全面收益，但確認預期信貸損失準備，利息收入以及在損益中確認的匯兌損益除外。

22 Financial assets at fair value through other comprehensive income (continued)

Reconciliation of gross carrying amount and ECL allowances for financial assets at fair value through other comprehensive income

For the purposes of this disclosure, the gross carrying amounts refer to the fair values of the debt securities measured at FVOCI. Movements in the gross carrying amount are taken through other comprehensive income, except for the recognition of ECL allowances, interest revenue and foreign exchange gains and losses which are recognised in profit and loss.

		2019							
		第1階段 Stage 1		第2階段 Stage 2		第3階段 Stage 3		總額 Total	
		賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000
2019年1月1日	At 1 January 2019	66,758,117	28,552	-	-	123,489	184,309	66,881,606	212,861
收益表變動的影響	Movements with income statement impact								
轉移：	Transfer:								
— 轉入第1階段	— Transfer to Stage 1	-	-	-	-	-	-	-	-
— 轉入第2階段	— Transfer to Stage 2	-	-	-	-	-	-	-	-
— 轉入第3階段	— Transfer to Stage 3	-	-	-	-	-	-	-	-
階段轉移產生之預期信貸 損失準備重新計量淨額	Net remeasurement of ECL allowances arising from transfer between stage	-	-	-	-	-	-	-	-
金融資產源生／ (終止確認或還款)／ 公允價值變動淨額	Net financial assets originated/ (derecognised or repaid)/ changes in fair value	9,745,807	21,629	-	-	(67,449)	(96,333)	9,678,358	(74,704)
風險參數和模型數據變動	Changes in risk parameters and model inputs	-	11,782	-	-	-	(12,568)	-	(786)
2019年12月31日	At 31 December 2019	76,503,924	61,963	-	-	56,040	75,408	76,559,964	137,371

22 以公允價值計入其他全面收益的金融資產 (續)

通過其他全面收益以公允價值計量金融資產的賬面金額和預期信貸損失準備金的對賬 (續)

22 Financial assets at fair value through other comprehensive income (continued)

Reconciliation of gross carrying amount and ECL allowances for financial assets at fair value through other comprehensive income (continued)

		2018							
		第1階段 Stage 1		第2階段 Stage 2		第3階段 Stage 3		總額 Total	
		賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000	賬面總值 Gross carrying amount 港幣千元 HK\$'000	預期信貸 損失準備 ECL allowances 港幣千元 HK\$'000
2018年1月1日	At 1 January 2018	59,129,934	73,336	125,042	11,668	–	–	59,254,976	85,004
收益表變動的影響	Movements with income statement impact								
轉移：	Transfer:								
– 轉入第1階段	– Transfer to Stage 1	–	–	–	–	–	–	–	–
– 轉入第2階段	– Transfer to Stage 2	–	–	–	–	–	–	–	–
– 轉入第3階段	– Transfer to Stage 3	(205,093)	(3,285)	(125,042)	(11,668)	330,135	14,953	–	–
階段轉移產生之預期信貸 損失準備重新計量淨額	Net remeasurement of ECL allowances arising from transfer between stage	–	–	–	–	–	169,930	–	169,930
金融資產源生／ (終止確認或還款)／ 公允價值變動淨額	Net financial assets originated/ (derecognised or repaid)/ changes in fair value	7,833,276	(9,938)	–	–	(206,646)	(574)	7,626,630	(10,512)
風險參數和模型數據變動	Changes in risk parameters and model inputs	–	(31,561)	–	–	–	–	–	(31,561)
2018年12月31日	At 31 December 2018	66,758,117	28,552	–	–	123,489	184,309	66,881,606	212,861

23 附屬公司

下文列出於2019年12月31日對本集團的業績、資產或負債有重大影響的主要附屬公司詳情。除非另有註明，否則所持股份類別均為普通股。

23 Subsidiaries

The following list contains the particulars of the principal subsidiaries at 31 December 2019 which materially affect the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

公司名稱 Name of company	註冊成立／經營地區 Place of incorporation/ operation	法律實體種類 Kind of legal entity	主要業務 Principal activities	已發行及繳足股本 Particulars of issued share capital	本行直接持有 股份百分率 Proportion of shares directly held by the Bank	本行間接持有 股份百分率 Proportion of shares indirectly held by the Bank
啟福國際有限公司 Carford International Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	物業持有 Property holding	港幣2元 HK\$2	100%	—
中信銀行國際(中國)有限公司 (「中信銀行國際(中國)」) CITIC Bank International (China) Limited ("CBI (China)")	中華人民共和國 (「中國」) People's Republic of China ("Mainland China")	有限責任公司 Limited Liability Company	銀行 Banking	人民幣1,000,000,000元 RMB1,000,000,000	100%	—
中信保險服務有限公司 CITIC Insurance Brokers Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	保險經紀 Insurance broker	港幣5,000,000元 HK\$5,000,000	100%	—
信銀國際投資控股有限公司 CNCBI Investment Holdings Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	投資控股 Investment holding	港幣511,000,000元 HK\$511,000,000	100%	—
香港華人財務有限公司 HKCB Finance Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	消費借貸 Consumer financing	港幣200,000,000元 HK\$200,000,000	100%	—
香港華人銀行(代理人)有限公司 The Hongkong Chinese Bank (Nominees) Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	代理人服務 Nominee services	港幣5,000元 HK\$5,000	100%	—
嘉華銀行(信託)有限公司 The Ka Wah Bank (Trustee) Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	信託服務 Trustee services	港幣3,000,000元 HK\$3,000,000	100%	—
信銀國際資產管理有限公司 CNCBI Asset Management Limited	香港 Hong Kong	有限責任公司 Limited Liability Company	資產管理 Asset management	港幣60,000,000元 HK\$60,000,000	—	100%

24 聯營企業

24 Interest in associates

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
應佔聯營企業淨資產	Share of net assets	-	352,151

截至2019年12月31日止年度，本集團以港幣362,218,000元出售其於聯營企業的權益，出售收益港幣9,226,000元已根據收益表確認。在出售前，截至2019年12月31日止年度，本集團的損益表確認聯營公司利潤份額為港幣841,000元（2018年：港幣2,151,000元）。

During the year ended 31 December 2019, the Group has disposed of its interest in associates at a consideration of HK\$362,218,000, a gain on disposal of HK\$9,226,000 was recognised accordingly to the income statement. Before the disposal, the Group recognised the share of profit of associates of HK\$841,000 (2018: HK\$2,151,000) to the income statement for the year ended 31 December 2019.

25 物業及設備

25 Property and equipment

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、 固定裝置 及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本或估值：	Cost or valuation:				
於2019年1月1日	At 1 January 2019	241,970	666,008	946,708	1,854,686
增加	Additions	–	–	107,376	107,376
出售	Disposals	(11,381)	–	(19,106)	(30,487)
重估損失	Deficit on revaluation	(1,459)	–	–	(1,459)
匯兌調整	Exchange adjustments	–	–	3,262	3,262
於2019年12月31日	At 31 December 2019	229,130	666,008	1,038,240	1,933,378
成本或估值：	Cost or valuation:				
於2018年1月1日	At 1 January 2018	132,780	709,009	1,776,876	2,618,665
增加	Additions	–	–	463,323	463,323
重新分類	Reclassification	109,000	(109,000)	–	–
重新分類至無形資產	Reclassification to intangible assets	–	–	(1,216,852)	(1,216,852)
出售	Disposals	–	–	(73,403)	(73,403)
重估盈餘	Surplus on revaluation	190	76,245	–	76,435
累計折舊沖銷	Elimination of accumulated depreciation on revaluation	–	(10,246)	–	(10,246)
匯兌調整	Exchange adjustments	–	–	(3,236)	(3,236)
於2018年12月31日	At 31 December 2018	241,970	666,008	946,708	1,854,686
累計折舊：	Accumulated depreciation:				
於2019年1月1日	At 1 January 2019	–	342,298	777,564	1,119,862
本年度折舊（附註10(b)）	Charge for the year (note 10(b))	–	15,787	85,706	101,493
因出售而回撥	Written back on disposals	–	–	(18,508)	(18,508)
匯兌調整	Exchange adjustments	–	–	2,368	2,368
於2019年12月31日	At 31 December 2019	–	358,085	847,130	1,205,215
累計折舊：	Accumulated depreciation:				
於2018年1月1日	At 1 January 2018	–	335,909	1,262,407	1,598,316
本年度折舊（附註10(b)）	Charge for the year (note 10(b))	–	16,635	167,917	184,552
累計折舊沖銷	Elimination of accumulated depreciation on revaluation	–	(10,246)	–	(10,246)
重新分類至無形資產	Reclassification to intangible assets	–	–	(574,751)	(574,751)
因出售而回撥	Written back on disposals	–	–	(72,610)	(72,610)
匯兌調整	Exchange adjustments	–	–	(5,399)	(5,399)
於2018年12月31日	At 31 December 2018	–	342,298	777,564	1,119,862
賬面淨值：	Net book value:				
於2019年12月31日	At 31 December 2019	229,130	307,923	191,110	728,163
於2018年12月31日	At 31 December 2018	241,970	323,710	169,144	734,824

25 物業及設備 (續)

(a) 投資物業公允價值計量

(i) 公允價值層級

下表顯示於結算日，本集團按經常性基準以公允價值計量的投資物業，根據《香港財務報告準則》第13號「公允價值計量」分類為三級公允價值層級。公允價值計量的層級分類是根據用於估值模式的輸入數據的可觀察性和重要性來決定：

第1級－參考同一資產於計量日在活躍市場取得的市場報價（未經調整）。

第2級－根據可觀察的輸入數據之估值模式（未能符合第1級），及不採用主要而非可觀察的數據。若沒有市場數據提供，便利用非可觀察的數據。

第3級－公允價值以主要而非可觀察的數據來計量。

25 Property and equipment (continued)

(a) Fair value measurement of investment properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, 'Fair Value Measurement'. The level into which a fair value measurement classified is determined with reference to the observability and significance of the input used in the valuation technique as follows:

Level 1 – Quoted (unadjusted) market price in active markets for identical assets at the measurement date.

Level 2 – Valuation techniques based on observable inputs, which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 – Fair value measured using significant unobservable inputs.

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
第3級	Level 3		
經常性公允價值以主要而非可觀察計量	Recurring fair value measurement using significant unobservable input		
投資物業	Investment properties		
－ 香港	－ Held in Hong Kong	199,000	201,001
－ 香港以外地區	－ Held outside Hong Kong	30,130	40,969
		229,130	241,970

25 物業及設備 (續)

(a) 投資物業公允價值計量 (續)

(i) 公允價值層級 (續)

截至2019年和2018年12月31日，在第1級和第2級之間並無轉移及沒有從第3級轉入或轉出。本集團政策是要於報告期末確認公允價值層級間轉移的發生。

於2019年12月31日，參照獨立測量師行重估本集團的投資物業重估報告。物業估值是以公開市場價值為基準及符合《香港財務報告準則》第13號「公允價值計量」對公允價值的定義。有關本集團的重估損失為港幣1,459,000元(2018年：重估盈餘港幣190,000元)並已計入本集團的收益表中。

(ii) 公允價值層級第3層級的公允價值對賬

第3層級的公允價值計量餘額於年度內的變動如下：

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
於1月1日	At 1 January	241,970	132,780
重新分類自其他物業及設備	Reclassification from other property and equipment	–	109,000
出售	Disposal	(11,381)	–
公允價值調整	Fair value adjustment	(1,459)	190
於12月31日	At 31 December	229,130	241,970

(iii) 第3層級的公允價值計量資料

	估值模式 Valuation technique	非可觀察的數據 Unobservable input	範圍 Range
投資物業 Investment properties	市場比較法 Market comparison approach	物業質量的溢價(折讓) Premium (discount) on quality of properties	-15% to 15%

在香港或香港以外地區的投資物業的公允價值是採用市場比較法釐定，以參考最近相關物業的每平方呎銷售價格為基準，比較近期的銷售價格，從而調整本集團物業質量的溢價或折讓。投資性房地產的賬面價值將按每平方呎的價格而轉變。

25 Property and equipment (continued)

(a) Fair value measurement of investment properties (continued)

(i) Fair value hierarchy (continued)

During the years ended 31 December 2019 and 2018, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All investment properties of the Group were revalued and assessed by the management of the Group at 31 December 2019 with reference to the property valuation report conducted by an independent firm of surveyors. The basis of the property valuation was market value, which is consistent with the definition of fair value under HKFRS 13, 'Fair Value Measurement'. The revaluation deficit of HK\$1,459,000 (2018: a revaluation surplus of HK\$190,000) was recognised by the Group and has been credited to the income statement.

(ii) Reconciliation of fair value measurements in Level 3 of the fair value hierarchy

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

	2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
於1月1日	241,970	132,780
重新分類自其他物業及設備	–	109,000
出售	(11,381)	–
公允價值調整	(1,459)	190
於12月31日	229,130	241,970

(iii) Information about Level 3 fair value measurements

	估值模式 Valuation technique	非可觀察的數據 Unobservable input	範圍 Range
投資物業 Investment properties	市場比較法 Market comparison approach	物業質量的溢價(折讓) Premium (discount) on quality of properties	-15% to 15%

The fair value of investment properties located in or outside Hong Kong is determined by using the market comparison approach by reference to the recent sales price of comparable properties on a price per-square-foot basis, adjusted for a premium or a discount specific to the quality of the Group's or the Bank's properties compared to the recent sales. The carrying amount of the investment properties would be changed according to the price per-square-foot.

25 物業及設備 (續)**(b) 投資物業及其他物業的賬面淨值分析如下：**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
租賃	Leasehold		
香港	Held in Hong Kong		
— 長期租賃 (超過50年未屆滿)	— Long-term leases (over 50 years unexpired)	127,479	131,097
— 中期租賃 (10年至50年未屆滿)	— Medium-term leases (10 to 50 years unexpired)	379,444	393,614
香港以外地區	Held outside Hong Kong		
— 中期租賃 (10年至50年未屆滿)	— Medium-term leases (10 to 50 years unexpired)	30,130	40,969
		537,053	565,680

投資物業產生的租金收入總額為港幣4,727,000元 (2018年：港幣5,648,000元)。

The gross rental income arising from investment properties is HK\$4,727,000 (2018: HK\$5,648,000).

截至2019年12月31日止年度，投資物業的出售損失為港幣2,600,000元 (2018年：無) 已於收益表確認。

During the year ended 31 December 2019, a disposal loss of HK\$2,600,000 (2018: Nil) on investment properties was recognised to the income statement.

本集團若干其他物業曾於過往年度進行重估。如果這些物業是以成本減累計折舊入賬，本集團於2019年12月31日的其他物業賬面淨值應為港幣4,722,000元 (2018年：港幣4,787,000元)。

Some of the other premises of the Group were revalued in previous years. The net book value of such other premises of the Group at 31 December 2019 would have been HK\$4,722,000 (2018: HK\$4,787,000) had they been carried at cost less accumulated depreciation.

(c) 通過經營租賃租出的物業及設備

本集團通過經營租賃的方式租出投資物業。有關物業的最初租賃期一般為2至3年，其後可選擇在該日期之後續約，屆時將重新協商所有條款。

(c) Property and equipment leased out under operating leases

The Group leases out investment properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the leases after that date, at which time all terms are renegotiated.

本集團按不可解除的投資及分租物業的經營租賃應收的未來最低租金總額如下：

The Group's total future minimum lease receivable under non-cancellable operating leases for investment and subletting properties are as follows:

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
1年內	Within 1 year	3,260	3,198
1年以上至5年	After 1 year but within 5 years	3,541	2,884
		6,801	6,082

26 無形資產

26 Intangible assets

電腦軟件
Software
港幣千元
HK\$' 000

成本：	Cost:	
於2019年1月1日	At 1 January 2019	1,270,593
增加	Additions	115,308
出售	Disposals	(100)
匯兌調整	Exchange adjustments	(4,810)
於2019年12月31日	At 31 December 2019	1,380,991
成本：	Cost:	
於2018年1月1日	At 1 January 2018	—
由2018年10月1日起重新分類自傢俬、 固定裝置及設備	Reclassification from furniture, fixtures and equipments since 1 October 2018	1,216,852
增加	Additions	53,545
匯兌調整	Exchange adjustments	196
於2018年12月31日	At 31 December 2018	1,270,593
累計攤銷：	Accumulated amortisation:	
於2019年1月1日	At 1 January 2019	618,383
本年度攤銷(附註10(b))	Charge for the year (note 10(b))	181,354
出售	Disposals	(100)
匯兌調整	Exchange adjustments	(3,455)
於2019年12月31日	At 31 December 2019	796,182
累計攤銷：	Accumulated amortisation:	
於2018年1月1日	At 1 January 2018	—
由2018年10月1日起重新分類自傢俬、 固定裝置及設備	Reclassification from furniture, fixtures and equipments since 1 October 2018	574,751
本年度攤銷(附註10(b))	Charge for the year (note 10(b))	42,299
匯兌調整	Exchange adjustments	1,333
於2018年12月31日	At 31 December 2018	618,383
賬面淨值：	Net book value:	
於2019年12月31日	At 31 December 2019	584,809
於2018年12月31日	At 31 December 2018	652,210

27 銀行及其他金融機構的存款及結存**27 Deposits and balances of banks and other financial institutions**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
銀行的存款及結存	Deposits and balances from banks	7,121,633	2,849,375

28 客戶存款**28 Deposits from customers**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
活期及往來賬戶存款	Demand deposits and current deposits	24,280,861	28,122,134
儲蓄存款	Savings deposits	52,480,417	45,642,418
定期、即期及短期通知存款	Time, call and notice deposits	200,111,402	211,728,299
		276,872,680	285,492,851

29 已發行存款證**29 Certificates of deposit issued**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
按攤銷成本計算	At amortised cost	3,112,919	3,133,151

30 已發行債務證券**30 Debt securities issued**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
按攤銷成本計算	At amortised cost	3,346,067	3,408,077

債務證券於2017年由本行發行，票息利率為年息率4.4%，並將於2020年到期。

The debt securities were issued by the Bank in 2017, bear a coupon interest rate at 4.4% per annum and will mature in 2020.

31 綜合財務狀況表所示的所得稅

(a) 財務狀況表所示的本期稅項為：

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
香港利得稅	Hong Kong Profits Tax	698,549	574,204
海外稅項	Overseas Taxation	446	17,496
		698,995	591,700
其中：	Of which:		
可收回稅項	Tax recoverable	(6,842)	(8,353)
本期稅項	Current taxation	705,837	600,053
		698,995	591,700

(b) 已確認的遞延稅項資產及負債

已於財務狀況表確認的遞延稅項（資產）／
負債的組合及本年度內的變動如下：

31 Income tax in the consolidated statement of financial position

(a) Current taxation in the statement of financial position represents:

(b) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the statement of financial position and the movements during the year are as follows:

		折舊免稅額 超過有關 折舊 Depreciation allowances in excess of related depreciation 港幣千元 HK\$'000	貸款及墊款 減值準備 Impairment allowances for loans and advances 港幣千元 HK\$'000	物業重估 調整 Revaluation adjustments for properties 港幣千元 HK\$'000	以公允價值計入 其他全面收益的 金融資產的 減值準備和 重估調整 Impairment allowances and revaluation adjustments for FVOCI 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
遞延稅項源自：	Deferred tax arising from:	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於2019年1月1日	At 1 January 2019	118,357	(438,235)	7,951	(84,688)	(8,804)	(405,419)
綜合收益表內回撥 （附註13(a)）	Credited to income statement (note 13(a))	(11,525)	(16,168)	(5,976)	-	(2,790)	(36,459)
儲備內撇銷／（回撥）	Charged/(Credited) to reserves	-	-	(10)	128,443	-	128,433
匯兌及其他調整	Exchange and other adjustments	194	226	-	-	-	420
於2019年12月31日	At 31 December 2019	107,026	(454,177)	1,965	43,755	(11,594)	(313,025)
於2018年1月1日	At 1 January 2018	65,786	(308,877)	1,639	(36,032)	(11,778)	(289,262)
綜合收益表內撇銷／ （回撥）（附註13(a)）	Charged/(credited) to income statement (note 13(a))	52,510	(129,159)	6,312	-	2,840	(67,497)
儲備內回撥	Credited to reserves	-	-	-	(48,656)	-	(48,656)
匯兌及其他調整	Exchange and other adjustments	61	(199)	-	-	134	(4)
於2018年12月31日	At 31 December 2018	118,357	(438,235)	7,951	(84,688)	(8,804)	(405,419)

31 綜合財務狀況表所示的所得稅 (續)**(b) 已確認的遞延稅項資產及負債 (續)**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
在綜合財務狀況表確認的 淨遞延稅項資產	Net deferred tax assets recognised on the consolidated statement of financial position	(315,216)	(413,359)
在綜合財務狀況表確認的 淨遞延稅項負債	Net deferred tax liabilities recognised on the consolidated statement of financial position	2,191	7,940
		(313,025)	(405,419)

(c) 未確認的遞延稅項資產

由於未來可能沒有適用於有關稅務機關的應課稅溢利以彌補有關損失，本集團並未確認累計稅項損失的遞延稅項資產為港幣761,000元（2018年：港幣706,000元）。根據現時稅務條例，這些稅項損失沒有到期日。

31 Income tax in the consolidated statement of financial position (continued)**(b) Deferred tax assets and liabilities recognised (continued)****(c) Deferred tax assets not recognised**

The Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$761,000 (2018: HK\$706,000), as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

32 其他負債

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
應計及其他應付賬項及準備	Accruals and other payables and provisions	10,155,293	8,645,374
租賃負債	Lease liabilities	695,870	—
		10,851,163	8,645,374

於2019年12月31日，以上賬項包含對貸款承擔及擔保的第1階段預期信貸損失準備合計港幣70,663,000元（2018年：港幣40,151,000元）。

32 Other liabilities

At 31 December 2019, included above is the provision for expected credit losses (Stage 1) on loan commitments and guarantees amounted to HK\$70,663,000 (2018: HK\$40,151,000).

33 債務資本

33 Loan capital

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
後償票據，以攤銷成本進行 公允價值套期調整：	Subordinated notes, at amortised cost with fair value hedge adjustments:		
於2020年到期年息率為6.875%， 面值500,000,000美元的後償票據*	US\$500 million Subordinated Fixed Rate Notes at 6.875%, due 2020*	2,384,710	3,943,791
於2024年到期年息率為6.000%， 面值300,000,000美元的後償票據**	US\$300 million Subordinated Fixed Rate Notes at 6.000%, due 2024**	–	2,339,751
於2029年到期年息率為4.625%， 面值500,000,000美元的後償票據***	US\$500 million Subordinated Fixed Rate Notes at 4.625%, due 2029***	3,864,472	–
		6,249,182	6,283,542

* 根據於2007年12月發行的2,000,000,000美元中期票據計劃（「中期票據計劃」）及於2010年6月頒佈的發售通函，本行於2010年6月24日發行每半年派息年息率為6.875%及面值500,000,000美元（等值港幣3,888,900,000元）的後償票據。這些票據在新加坡交易所有限公司上市，並將於2020年6月24日到期。截至2019年12月31日止年內，這些票據部分由本行贖回，面值為195,616,000美元（相當於港幣1,535,833,000元），代價為204,548,000美元（相當於港幣1,605,959,000元），截至2019年12月31日止於收益表確認的贖回部分債務資本的損失為港幣58,995,000元。

** 本行根據以上的中期票據計劃及於2013年10月發出的發售通函，於2013年11月7日發行面值300,000,000美元（等值港幣2,325,800,000元）的後償票據，該後償票據符合《巴塞爾協定三》的二級資本要求。後償票據的票面年利率定於6.000%，每半年派息至2019年5月7日止，若屆時未有行使贖回權，票據的票面利率將根據當時5年期美國國庫債券孳息率加4.718%年率重新釐訂。這些票據在香港聯合交易所有限公司上市，並於2024年5月7日到期，及於2019年5月7日可選擇提前贖回。截至2019年12月31日止年內，本行已全額贖回票據。

*** 本行根據以上的中期票據計劃及於2019年2月發出的補充發售通函，於2019年2月28日發行面值500,000,000美元（等值港幣3,925,600,000元）的後償票據，該後償票據符合《巴塞爾協定三》的二級資本要求。後償票據的票面年利率定於4.625%，每半年派息至2024年2月28日止，若屆時未有行使贖回權，票據的票面利率將根據當時5年期美國國庫債券孳息率加2.25%年率重新釐定。這些票據在香港聯合交易所有限公司上市，並於2029年2月28日到期，及於2024年2月28日可選擇提前贖回。

* Under a US\$2 billion Medium Term Note Programme ("the Programme") issued in December 2007 and the Offering Circular issued in June 2010, the Bank issued subordinated fixed rate notes on 24 June 2010 with a face value of US\$500 million (equivalent to HK\$3,888.9 million). The notes bear an interest rate of 6.875% per annum, payable semi-annually. The notes are listed on the Singapore Exchange Securities Trading Limited and mature on 24 June 2020. The notes were redeemed partially by the Bank with a face value of US\$195,616,000 (equivalent to HK\$1,535,833,000) at a consideration of US\$204,548,000 (equivalent to HK\$1,605,959,000) during the year ended 31 December 2019, and a loss of partial redemption of HK\$58,995,000 was recognised accordingly to the income statement for the year ended 31 December 2019.

** Under the Programme and the Offering Circular issued in October 2013, the Bank issued subordinated notes on 7 November 2013 with a face value of US\$300 million (equivalent to HK\$2,325.8 million) and which qualified as Basel III-compliant Tier-2 capital. The notes bore interest at a fixed rate of 6.000% per annum, payable semi-annually until 7 May 2019, and thereafter fixed at the interest rate of the prevailing five-year US Treasury bonds yield plus 4.718% per annum would the notes were not redeemed on the call date. The notes were listed on The Stock Exchange of Hong Kong Limited and mature on 7 May 2024 with an optional redemption date falling on 7 May 2019. The notes were fully redeemed by the Bank during the year ended 31 December 2019.

*** Under the Programme and supplemental offering circulars released in February 2019, the Bank issued subordinated notes on 28 February 2019 with a face value of US\$500 million (equivalent to HK\$3,925.6 million) and which qualified as Basel III-compliant Tier-2 capital. The notes bear interest at a fixed rate of 4.625% per annum, payable semi-annually until 28 February 2024, and thereafter fixed at the interest rate of the prevailing five-year US Treasury bonds yield plus 2.25% per annum if the notes are not redeemed on the call date. The notes are listed on The Stock Exchange of Hong Kong Limited and mature on 28 February 2029 with an optional redemption date falling on 28 February 2024.

34 資本及儲備**(a) 股本**

(i) 已發行及繳足普通股：

		2019		2018	
		股本數目	股本 Share capital	股本數目	股本 Share capital
		Number	港幣千元 HK\$'000	Number	港幣千元 HK\$'000
		of shares		of shares	
於1月1日／12月31日	At 1 January/31 December	12,111,121,568	18,404,013	12,111,121,568	18,404,013

(ii) 年內發行的股份

截至2019年12月31日止年度，本行並無發行任何股份（2018年：無）。

(b) 股息

普通股持有人有權收取不時宣派的股息，亦有權於本行的股東大會上按每股一票的方式投票。所有普通股均有同等地位享有本行的剩餘資產。

(c) 儲備性質及目的

(i) 資本儲備

資本儲備乃不可分派予股東。

(ii) 一般儲備

一般儲備是從保留溢利轉出一部份來設立，並且可分派予股東。

(iii) 匯兌差額儲備

匯兌差額儲備包括所有因換算海外業務的財務報表而產生的匯兌差額，並根據附註2.2(r)所載的會計政策處理。

34 Capital and reserves**(a) Share capital**

(i) Ordinary shares, issued and fully paid:

		2019		2018	
		股本數目	股本 Share capital	股本數目	股本 Share capital
		Number	港幣千元 HK\$'000	Number	港幣千元 HK\$'000
		of shares		of shares	
於1月1日／12月31日	At 1 January/31 December	12,111,121,568	18,404,013	12,111,121,568	18,404,013

(ii) Shares issued during the year

The Bank did not issue any shares during the year ended 31 December 2019 (2018: Nil).

(b) Dividend

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 shareholders' meetings of the Bank. All ordinary shares rank equally with regard to the Bank's residual assets.

(c) Nature and purpose of components of reserves

(i) Capital reserve

The capital reserve is not available for distribution to shareholders.

(ii) General reserve

The general reserve was set up from the transfer of retained earnings, and is available for distribution to shareholders.

(iii) Exchange differences reserve

The exchange differences reserve comprises all foreign exchange differences arising from the translation of the financial statement of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.2(r).

34 資本及儲備 (續)**(c) 儲備性質及目的 (續)****(iv) 物業重估儲備**

物業重估儲備是根據附註2.2(k)所載的會計政策處理，並且不可分派予股東，因為根據新的香港《公司條例》(第622章)第6部的定義，這些儲備不屬於已實現溢利。

(v) 投資重估儲備

投資重估儲備包括於結算日持有的以公允價值計入其他全面收益的金融資產的累計淨公允價值變動，並根據附註2.2(d)(iv)所載的會計政策處理。

(vi) 法定盈餘公積

根據中國相關法例規定，中信銀行國際(中國)需要從其每年的稅後溢利中轉撥10%作為不能分派予股東的法定盈餘公積，直至法定盈餘公積達至法定股本之50%的水平。

(vii) 法定一般儲備

根據中國銀行法規，中信銀行國際(中國)需設法定一般儲備，透過從當年度的利潤分配，直接轉撥提取一般準備以彌補未被認定的潛在損失風險，提取的考慮是基於風險資產在結算日的總賬面值的1%計算。法定一般準備是組成本集團權益的其中一部分。

(viii) 保留溢利

為符合香港《銀行業條例》有關審慎監管的規定，本行需在規管儲備中維持超過已經確認減值損失的將會或可能產生的貸款及墊款的減值損失金額。經諮詢金管局後，儲備的變動已直接在保留溢利內劃定。於2019年12月31日，保留溢利中包括與此有關並屬可派發予本行股東的金額為港幣243,313,000元(2018年：港幣855,457,000元)。但於派發前本行須諮詢金管局。

34 Capital and reserves (continued)**(c) Nature and purpose of components of reserves (continued)****(iv) Property revaluation reserve**

The property revaluation reserve is dealt with in accordance with the accounting policies set out in note 2.2(k) and is not available for distribution to shareholders because it does not constitute realised profits within the meaning of Part 6 of the new Hong Kong Companies Ordinance (Cap. 622).

(v) Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income held at the end of the reporting period and is dealt with in accordance with the accounting policies in note 2.2(d)(iv).

(vi) Statutory reserve

Under the relevant legislation of Mainland China, the Bank's wholly-owned PRC subsidiary, CBI (China) is required to transfer 10% of its profit after taxation to a non-distributable statutory reserve until such reserve has reached 50% of its registered share capital.

(vii) Regulatory general reserve

Pursuant to the banking regulations of Mainland China, CBI (China) is required to set up a regulatory general reserve through a direct transfer from the current year's profit appropriation, as determined based on the 1% of the total risk assets at the end of the reporting period to cover its unidentified potential loss exposures. The regulatory general reserve forms part of the equity of the Group.

(viii) Retained profits

A regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes by earmarking amounts in respect of impairment losses recognised which the Bank will or may incur on loans and advances. Movements in the reserve are earmarked directly through retained profits and in consultation with the HKMA. At 31 December 2019, HK\$243,313,000 (2018: HK\$855,457,000) was included in the retained profits in this respect, which is distributable to equity holders of the Bank subject to consultation with the HKMA.

34 資本及儲備 (續)**(d) 儲備的可分派性**

於2019年12月31日，根據新的香港《公司條例》(第622章)第6部的規定作為計算，可供分派予本行股東的儲備總額為港幣18,467,461,000元(2018年：港幣15,678,163,000元)。以上可供分派的儲備港幣18,467,461,000元(2018年：港幣15,678,163,000元)與根據附註46(b)所報告本行的保留溢利港幣18,797,022,000元(2018年：港幣16,621,868,000元)之間的差額主要是包含一般儲備及剔除投資物業的未實現重估收益及上述的本行監管儲備。可分配儲備總額包括監管儲備港幣243,313,000元(2018年：港幣855,457,000元)，該金額於派發前本行須諮詢金管局。

35 額外權益工具**34 Capital and reserves (continued)****(d) Distributability of reserve**

At 31 December 2019, the aggregate amount of reserves available for distribution to equity shareholders of the Bank, as calculated under the provision of Part 6 of the new Hong Kong Companies Ordinance (Cap. 622), was HK\$18,467,461,000 (2018: HK\$15,678,163,000). The difference between the aggregate distributable reserves of HK\$18,467,461,000 (2018: HK\$15,678,163,000) and the Bank's retained profits of HK\$18,797,022,000 (2018: HK\$16,621,868,000) as reported in note 46(b) mainly represents the inclusion of general reserves and the exclusion of unrealised revaluation gains on investment properties and the above regulatory reserve of the Bank. Included in the Bank's retained profits was an amount of HK\$243,313,000 (2018: HK\$855,457,000), which was regulatory reserve and the distribution was subject to consultation with the HKMA.

35 Additional equity instruments

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
面值300,000,000美元的永續型 非累積後償資本證券*	Undated non-cumulative subordinated capital securities with US\$300 million*	—	2,310,168
面值500,000,000美元的永續型 非累積後償資本證券**	Undated non-cumulative subordinated capital securities with US\$500 million**	3,863,084	3,863,084
面值500,000,000美元的永續型 非累積後償資本證券***	Undated non-cumulative subordinated capital securities with US\$500 million***	3,907,328	3,907,328
		7,770,412	10,080,580

* 根據於2007年12月發行的中期票據計劃(「中期票據計劃」)和於2014年4月頒佈的新發售通函，本行於2014年4月22日發行符合《巴塞爾協定三》面值300,000,000美元(等值港幣2,313,470,000元)的永續型非累積後償額外一級資本證券(「額外一級資本證券」)並在香港聯合交易所有限公司上市。此額外一級資本證券並無固定到期日及於2019年4月22日首個提前贖回日期前，票面年利率為7.250%。若屆時未有行使贖回權，票面年利率將按當時5年期美國國庫債券息率加年利率5.627%每五年一次重新釐訂。

* Under the Medium Term Note Programme ("the Programme") issued in December 2007 and the new Offering Circular release in April 2014, the Bank issued Basel III compliant Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities (the "AT1 Capital Securities") on 22 April 2014 with a face value of US\$300 million (equivalent to HK\$2,313.47 million). The AT1 Capital Securities are perpetual and listed on The Stock Exchange of Hong Kong Limited, and bear a coupon of 7.250% per annum for the first 5 years from the date of issue to the optional redemption date falling on 22 April 2019. The coupon will be reset every five years, if the AT1 Capital Securities are not redeemed, at a fixed rate equivalent to the then-prevailing five-year US Treasury rate plus 5.627% per annum.

35 額外權益工具 (續)

根據條款及條件，額外一級資本賦予持有人按本金收取非累計分派的權利（受已既定的非可行性情況出現時須作調整），包括自發行日的適用分派率，及於每年的4月22日和10月22日派半年息一次。本行可以自行決定，選擇取消分派付款或贖回額外一級資本，但需得到金管局的事先書面同意。於2019年4月22日的分派付款的支付為10,875,000美元（等值港幣85,365,000元）（2018年12月31日：21,750,000美元（等值港幣170,607,000元））。截至2019年12月31日止年內，本行已全額贖回票據。

** 根據中期票據計劃和於2016年8月及9月各自頒佈的新發售通函和補充通函，本行於2016年9月29日為符合《巴塞爾協定三》價值500,000,000美元的永續型非累積後償額外一級資本證券（「額外一級資本證券」）進行定價，並簽署具有法律約束力的認購協議。此面值及本金500,000,000美元（等值港幣3,877,860,000元）額外一級資本證券於香港聯合交易所有限公司上市及無固定到期日，於2021年10月11日首個提前贖回日期前的分派息率為年利率4.25%。若屆時未有行使贖回權，此分派息率的年利率將按當時5年期美國國庫債券息率加年利率3.107%每五年一次重新釐訂。

根據條款及條件，額外一級資本賦予持有人按本金收取非累計分派（每次分派）的權利，包括自發行日的適用分派率，及於每年的4月11日和10月11日派半年息一次。本行可以自行決定，選擇取消分派付款或贖回額外一級資本，但需得到金管局的事先書面同意。本行可根據既定的非可行性情況出現時及所載條款及條件減值未償還額外一級資本證券的總額。根據香港《金融機構（處置機制）條例》（第628章）中賦予自救權力，當非可行性事件發生時，香港處置機制當局可行使相關香港處置機制當局權決定調整未償還額外一級資本證券總額。截至2019年12月31日年內的分派付款的支付為21,250,000美元（等值港幣166,745,000元）（2018年：21,250,000美元（等值港幣166,685,000元））。

35 Additional equity instruments (continued)

According to the terms and conditions, the AT1 Capital Securities confer a right to receive non-cumulative distributions (each a Distribution) on the principal amount (subject to adjustments following the occurrence of a non-viability event as defined) from, and including, the issue date at the applicable distribution rate, payable semi-annually in arrears on 22 April and 22 October each year. The Bank may, at its sole discretion, elect to cancel the distribution payment or redeem the AT1 Capital Securities, which are subject to prior written consent of the HKMA. A distribution payment of US\$10,875,000 (equivalent to HK\$85,365,000) was paid on 22 April 2019 (for the year ended 31 December 2018: US\$21,750,000, equivalent to HK\$170,607,000). The notes were fully redeemed by the Bank during the year ended 31 December 2019.

** Under the Programme and the new and supplemental offering circulars release in August and September 2016, respectively, the Bank priced its US\$500 million Basel III compliant Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities with the legal binding subscription agreements signed on 29 September 2016. The AT1 Capital Securities with a face value and principal amount of US\$500 million (equivalent to HK\$3,877.86 million) are perpetual and listed on The Stock Exchange of Hong Kong Limited, and bear a coupon of 4.25% per annum for the first 5 years from the date of issue to the optional redemption date falling on 11 October 2021. The distribution rate will be reset every five years if the AT1 Capital Securities are not called by the Bank at a fixed rate equivalent to the then-prevailing five-year US Treasury rate plus 3.107% per annum.

According to the terms and conditions, the AT1 Capital Securities confer a right to the holders to receive non-cumulative distributions on the principal amount from, and including, the issue date at the applicable distribution rate, payable semi-annually in arrears on 11 April and 11 October in each year. The Bank may, at its sole discretion, elect to cancel the distribution payment or redeem the AT1 Capital Securities subject to prior written consent of the HKMA. The outstanding amount of AT1 Capital Securities can be written down by the Bank following the occurrence of a non-viability event as defined and set out in the terms and conditions. At the sole discretion of the relevant Hong Kong Resolution Authority following a non-viability event, the outstanding amount of AT1 Capital Securities can be adjusted upon the exercise of Hong Kong Resolution Authority Power in accordance with the Hong Kong Financial Institutions (Resolution) Ordinance (Cap.628). A distribution payment of US\$21,250,000 (equivalent to HK\$166,745,000) was paid during the year ended 31 December 2019. (2018: US\$21,250,000, equivalent to HK\$166,685,000).

35 額外權益工具 (續)

*** 根據中期票據計劃和2018年10月發佈的補充發行通函，本行於2018年11月6日為符合《巴塞爾協定三》發行了定價為500,000,000美元的永續型非累積後償額外一級資本證券。此面值及本金500,000,000美元（等值港幣3,916,900,000元）額外一級資本證券於香港聯合交易所有限公司上市及無固定到期日，於2023年11月6日首個提前贖回日期前的分派息率為年利率7.10%。若屆時未有行使贖回權，此分派息率的年利率將按當時5年期美國國庫債券息率加年利率4.151%每五年一次重新釐訂。

根據條款及條件，額外一級資本證券賦予持有人按本金收取非累計分派（每次分派）的權利，包括自發行日的適用分派率，及於每年的5月6日和11月6日派半年息一次。本行可以自行決定，選擇取消分派付款或贖回額外一級資本，但需得到金管局的事先書面同意。本行可根據既定的非可行性情況出現時及所載條款及條件減值未償還額外一級資本證券的總額。根據香港《金融機構（處置機制）條例》（第628章）中賦予自救權力，當非可行性事件發生時，香港處置機制當局可行使相關香港處置機制當局權決定調整未償還額外一級資本證券總額。截至2019年12月31日年內的分派付款的支付為35,500,000美元（等值港幣278,390,000元）。

35 Additional equity instruments (continued)

*** Under the Programme and supplemental offering circulars released in October 2018, the Bank issued the US\$500 million Basel III compliant Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities on 6 November 2018. The AT1 Capital Securities with a face value and principal amount of US\$500 million (equivalent to HK\$3,916.90 million) are perpetual and listed on the Stock Exchange of Hong Kong Limited, and bear a coupon of 7.10% per annum distribution rate until the first call date on 6 November 2023. The distribution rate will be reset every five years if the AT1 Capital Securities are not called by the Bank to a fixed rate equivalent to the then-prevailing five-year US Treasury rate plus 4.151% per annum.

According to the terms and conditions, the AT1 Capital Securities confer a right to the holders to receive non-cumulative distributions on the principal amount from, and including, the issue date at the applicable distribution rate, payable semi-annually in arrear on 6 May and 6 November in each year. The Bank may, at its sole discretion, elect to cancel the distribution payment or redeem the AT1 Capital Securities subject to prior written consent of the HKMA. The outstanding amount of AT1 Capital Securities can be written down by the Bank following the occurrence of a non-viability event as defined and set out in the terms and conditions. At the sole discretion of the relevant Hong Kong Resolution Authority following a non-viability event, the outstanding amount of AT1 Capital Securities can be adjusted upon the exercise of Hong Kong Resolution Authority Power in accordance with the Hong Kong Financial Institutions (Resolution) Ordinance (Cap.628). A distribution payment of US\$35,500,000 (equivalent to HK\$278,390,000) was paid during the year ended 31 December 2019.

36 綜合現金流量表附註

36 Notes to consolidated cash flow statement

	2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
(a) 經營溢利與經營業務之現金淨額的對賬		
經營業務		
稅前溢利	3,333,975	3,623,900
非現金項目調整：		
金融資產預期信貸損失	1,216,032	1,316,500
其他資產減值損失	51,711	86,155
出售以公允價值計入其他全面收益的金融資產淨損失	21,940	70,419
出售物業及設備淨損失	2,787	793
投資物業重估損失／(收益)	1,459	(190)
應佔聯營企業收益	(841)	(2,151)
出售聯營企業收益	(9,226)	–
贖回部分債務資本損失	58,995	–
遞延支出攤銷	48,274	39,780
無形資產攤銷	181,354	42,299
物業及設備折舊	101,493	184,552
使用權資產折舊	297,875	–
權益證券股息收入	(4,630)	(6,221)
債務資本及已發行債務證券利息支出	543,228	575,942
匯兌差額	(193,428)	(247,721)
營運資金變動前的經營溢利	5,650,998	5,684,057
經營資產淨減少／(增加)		
原到期日超過3個月的在銀行、中央銀行及其他金融機構的存款及墊款	(3,976,052)	733,226
原到期日超過3個月的國庫券	(863,149)	(5,484,589)
原到期日超過3個月的持有存款證	8,726,213	(3,948,355)
以公允價值計入損益的金融資產	(467,838)	(411,488)
衍生金融工具	(255,775)	(1,257,338)
客戶貸款及墊款及其他賬項	8,882,524	(7,438,155)
以公允價值計入其他全面收益的金融資產	(12,163,713)	(18,967)
	(117,790)	(17,825,666)

36 綜合現金流量表附註 (續)

36 Notes to consolidated cash flow statement (continued)

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
(a) 經營溢利與經營業務之現金淨額的對賬 (續)	(a) Reconciliation of operating profit to net cash flow from operating activities (continued)		
經營負債淨 (減少)/ 增加	Net (decrease)/increase in operating liabilities		
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	4,272,258	(2,337,944)
客戶存款	Deposits from customers	(8,620,362)	14,020,795
衍生金融工具	Derivative financial instruments	(180,195)	1,718,868
已發行存款證	Certificates of deposit issued	1,848	(370,894)
其他負債	Other liabilities	1,669,777	3,191,783
		(2,856,674)	16,222,608
來自經營業務的現金金額	Cash generated from operating activities	2,676,534	4,080,999
已付所得稅	Income tax paid		
已付香港利得稅	Hong Kong Profits Tax paid	(366,897)	(496,288)
已付海外稅項	Overseas tax paid	(60,846)	(54,874)
來自經營業務的現金淨額	Net cash flow generated from operating activities	2,248,791	3,529,837
經營業務產生的現金包括：	Cash flows from operating activities included:		
已收利息	Interest received	11,862,060	11,082,654
已付利息	Interest paid	(5,239,643)	(3,713,760)
(b) 現金及現金等值項目的結存分析	(b) Analysis of the balances of cash and cash equivalents		
現金及在銀行、中央銀行及其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	25,572,830	29,187,539
在銀行、中央銀行及其他金融機構的存款及墊款 (原於3個月內到期)	Placements with and advances to banks, central banks and other financial institutions with original maturity within 3 months	49,913,849	52,324,189
國庫券及持有的存款證 (原於3個月內到期)	Treasury bills and certificates of deposit held with original maturity within 3 months:		
— 以公允價值計入其他全面收益的金融資產	— Financial assets at fair value through other comprehensive income	15,416,520	10,716,875
		90,903,199	92,228,603

36 綜合現金流量表附註(續)

(c) 融資業務產生的負債變化

		2019		2018	
		已發行 債務證券 Debt securities issued	貸款資金 Loan capital	已發行 債務證券 Debt securities issued	貸款資金 Loan capital
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
融資業務的負債	Liabilities from financing activities				
於1月1日	At 1 January	3,408,077	6,283,542	3,584,064	6,340,192
於本年度內新發行	New issue during the year	–	3,908,552	–	–
贖回	Redemption	–	(3,902,486)	–	–
匯兌差額	Foreign exchange differences	(66,364)	(39,742)	(180,709)	14,398
其他非現金調整	Other non-cash adjustments	4,354	(684)	4,722	(71,048)
於12月31日	At 31 December	3,346,067	6,249,182	3,408,077	6,283,542

36 Notes to consolidated cash flow statement (continued)

(c) Changes in liabilities arising from financing activities

37 僱員退休計劃

本集團設有一項界定供款公積金計劃(「該退休計劃」)；據此，本集團須作出相當於僱員基本薪金10%的供款。該退休計劃是一個強積金豁免計劃，涵蓋範圍遍及本集團的所有全職僱員。僱員毋須作出任何供款。如果僱員在獲得全數供款前離職，本集團不得將僱員所放棄的供款用作減少現時的供款額，而需將有關供款撥入一個獨立的福利基金，作為該退休計劃成員的福利金。

除了該退休計劃外，本集團自2000年12月1日起，也參與一項認可強積金計劃，為現有及新聘的僱員提供計劃選擇。本集團已根據強積金計劃提供等同強制部分的福利。

本年度內，本集團就這些計劃作出的供款約為港幣116,876,000元(2018年：港幣107,132,000元)(附註10(a))。

37 Staff retirement scheme

The Group has a defined contribution provident fund scheme ("the Retirement Scheme") under which it contributes 10% of the employees' basic salaries. The Retirement Scheme is a Mandatory Provident Fund ("MPF") exempted scheme and covers all permanent full-time employees of the Group. No employee contributions are required. Contributions forfeited by leavers prior to vesting fully may not be used by the Group to reduce the existing level of contribution, but are transferred to a separate welfare fund which shall be applied for the welfare of the Retirement Scheme's members.

In addition to the Retirement Scheme, the Group has also participated in an approved MPF scheme effective from 1 December 2000 to provide a choice of schemes to both existing and new employees. Mandatory benefits are provided under the MPF Scheme.

During the year, the Group contributed approximately HK\$116,876,000 (2018: HK\$107,132,000) (note 10(a)) to these schemes.

38 用作抵押的資產

38 Assets pledged as security

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
用作抵押的資產	Assets pledged as security		
現金及在銀行、中央銀行及其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	–	4
以公允價值計入其他全面收益的金融資產的法定存款(附註)	Financial assets at fair value through other comprehensive income pledged as statutory deposits (Note)	202,408	195,795
		202,408	195,799

附註：

用作抵押的資產是指本行的海外分行抵押予美國貨幣監理處的法定存款。

Note:

The assets pledged represented statutory deposits pledged by the overseas branches of the Bank to the Office of the Comptroller of the Currency in the United States.

39 重大關聯方交易

39 Material related party transactions

除在本財務報表其他部份披露的交易及結餘外，本集團進行了以下重大關聯方交易。

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

(a) 與集團公司的交易

本年度內，本集團在其日常銀行業務過程中與關聯方進行了多項交易，其中特別包括借貸、接受及存放同業存款、參與銀團貸款、往來銀行交易和外匯交易。這些交易的合約定價是按照每次進行交易時的相關市場利率而定，並與提供給本集團其他交易方及客戶的條款相同。董事會認為，這些交易是按正常商業條款進行。

(a) Transactions with group companies

During the year, the Group entered into a number of transactions with related parties in the normal course of its banking business; including, inter alia, lending, acceptance and placement of interbank deposits, participation in loan syndicates, correspondent banking transactions and foreign exchange transactions. The transactions were priced based on relevant market rates at the time of each transaction, and were under 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.

39 重大關聯方交易 (續)

(a) 與集團公司的交易 (續)

本年度內，關聯方交易的數額及於結算日的結欠如下：

39 Material related party transactions (continued)

(a) Transactions with group companies (continued)

The amount of related party transactions during the year and outstanding balances at the end of the year are set out below:

		最終控股及 中間控股母公司 Ultimate holding and intermediate parents		直接控股母公司 Immediate parent		同系附屬公司 Fellow subsidiaries		聯營公司 (附註(i)) Associates (note (i))		關聯公司 (附註(ii)) Related companies (note (ii))	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
利息收入	Interest income	69,534	70,942	-	-	27,199	21,875	24,978	41,796	96,364	84,832
利息支出	Interest expense	(47,883)	(130,427)	(20,394)	(8,565)	(91,762)	(76,984)	(65,326)	(29,489)	(5,922)	(10,874)
費用及佣金收入／ (支出)	Fee and commission income/ (expenses)	(41)	(1,854)	-	-	-	-	-	10	-	-
經營支出	Operating expenses	(1)	-	-	-	(19,391)	(17,938)	(40)	-	-	-
交易用途衍生收益／(損失)	Trading gain/(loss) on derivatives	60,058	(4,367)	-	-	(10,946)	(12,837)	(7,488)	1,609	749	561
資產		Assets									
以公允價值計入其他全面 收益的金融資產	Financial assets at fair value through other comprehensive income	-	-	-	-	119,037	116,472	-	172,030	-	-
衍生金融工具	Derivative financial instruments	157,696	44,166	-	-	3,416	457	11,197	16,089	-	-
其他應收賬項	Other receivables	86,401	19,935	-	-	3,897	5,261	2,265	3,417	311	286
負債		Liabilities									
衍生金融工具	Derivative financial instruments	163,006	99,174	-	-	44,965	2,192	-	-	-	-
其他應付賬項	Other payables	56,086	28,142	1,716	1,556	12,515	16,954	6,895	6,539	140	1,078
貸款活動：		Lending activities									
於12月31日	At 31 December	6,631,306	2,117,136	-	-	869,691	406,322	359,981	698,432	2,200,000	2,200,000
本年度平均金額	Average for the year	3,866,934	2,287,736	-	-	592,714	407,017	590,446	1,090,609	2,200,000	2,200,000
接受存款：		Acceptance of deposits									
於12月31日	At 31 December	417,758	5,343,632	1,404,767	640,805	6,579,461	5,018,275	3,277,237	3,906,657	578,447	805,082
本年度平均金額	Average for the year	2,810,036	6,647,241	1,097,447	544,538	5,326,533	6,028,214	3,553,411	5,283,659	738,046	819,537
財務狀況表外項目		Off-statement of financial position items									
承兌匯票、擔保及信用證 — 應付合約金額	Acceptances, guarantees and letters of credit — contract amounts payable	-	-	-	-	(3,000)	(3,000)	-	-	-	-
其他承擔	Other commitments	-	-	-	-	311,465	156,661	1,167,021	1,596,552	-	-
衍生金融工具 — 名義金額	Derivative financial instruments — notional amounts	65,959,440	19,771,836	-	-	1,892,832	727,497	192,964	191,097	-	-

39 重大關聯方交易 (續)**(a) 與集團公司的交易 (續)**

並無就上述關聯方貸款及存款作出減值準備。

附註：

- (i) 本集團的聯營公司包括屬於最終控股公司及直接控股母公司的聯營公司。
- (ii) 關聯公司是指與中間控股母公司擁有共同股東。以及中間控股母公司股東的子公司。

(b) 與主要管理人員的交易

本集團主要管理人員酬金總額包括附註11所披露已付予本行董事的款項，詳情如下：

39 Material related party transactions (continued)**(a) Transactions with group companies (continued)**

No impairment allowances were made in respect of the above loans to and placements with related parties.

Note:

- (i) Associates of the Group include the associates of the ultimate controlling party and immediate parent respectively.
- (ii) Related companies refers to companies which are common shareholder, and subsidiaries of shareholders of the intermediate parent.

(b) Transactions with key management personnel

The aggregate amount of remuneration of key management personnel of the Group, including the amount paid to the Bank's Directors as disclosed in note 11, are as follows:

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
短期僱員福利	Short-term employee benefits	96,505	87,904
離職後福利	Post-employment benefits	4,241	3,666
		100,746	91,570

酬金總額已計入「員工成本」(附註10(a))。

Total remuneration is included in 'staff costs' (note 10(a)).

本年度內，本行向本行內部及其控股公司的主要管理人員和他們的近親及由他們控制或受他們重大影響的公司提供信貸融資。信貸融資是在日常業務過程中提供，並與身份類似人士或(如適用)與其他僱員進行可比較交易的條款大致相同。

During the year, the Bank provided credit facilities to key management personnel of the Bank and its holding companies and their close family members, as well as to companies controlled or significantly influenced by them. The credit facilities were provided in the ordinary course of business and on substantially the same terms as for comparable transactions with persons of a similar standing, or where applicable, with other employees.

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
於1月1日的結餘	At 1 January	16,247	17,444
於12月31日的結餘	At 31 December	12,832	16,247
年內最高結欠總額	Maximum amount during the year	18,003	28,203

39 重大關聯方交易 (續)**(b) 與主要管理人員的交易 (續)**

於年內的主要管理人員結欠額毋須確認任何減值損失，也沒有就主要管理人員和他們的近親於年末的結欠額提撥個別評估的減值準備。

(c) 行政人員貸款

根據《香港公司條例》(第622G章)第17條「披露董事利益資料」，披露截至2019和2018年12月31日行政人員的貸款資料如下。

39 Material related party transactions (continued)**(b) Transactions with key management personnel (continued)**

No impairment losses were recorded against outstanding balances with key management personnel during the year, and no individually assessed impairment allowance was made on balances with key management personnel and their immediate relatives at the year end.

(c) Loans to directors

Particulars of loans to directors disclosed pursuant to Section 17 of the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G) for the year ended 31 December 2019 and 2018 are shown as below.

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
於12月31日本行提供的有關 貸款結欠總額	Aggregate amount of relevant loans made by the Bank at 31 December		
— 發放貸款及墊款	– Loans and advances	7,218	11,232
— 承諾信貸額	– Committed facility	19,593	26,745
本年度內本行提供的有關貸款 最高結欠總額	Maximum aggregate amount of relevant loans made by the Bank during the year		
— 發放貸款及墊款	– Loans and advances	12,507	12,432

於2019年及2018年12月31日，毋須為這些貸款提撥減值準備。

There were no impairment allowances made against these loans at 31 December 2019 and 2018.

40 金融風險管理

本集團透過董事會及其授權的委員會密切監督以管理各類型的風險。本集團的風險管理部獲授權擔當持續的管理職責，推動和執行集團的風險管理框架和管治，包括識別、量化、監測、報告和緩解風險。

40 Financial risk management

The Group manages its risks under the oversight of the Board of Directors and its delegated committees. The Risk Management Group ("RMG") has been entrusted with the ongoing responsibilities of driving and implementing the Group's risk management framework and governance encompassing the identification, quantification, monitoring, reporting, and mitigation of the risks to which the Group is exposed.

40 金融風險管理 (續)

本集團採用「標準方法」計算信貸及市場風險，而業務操作風險則採用「基本指標法」。本集團已制定了政策、程序和流程以識別和建立適當的風險限額來分析、控制和監測這些風險。本集團不斷提升其風險管理框架和基礎設施，以緊貼市場、產品提供和國際最佳風險管理程序。本集團的內部審計亦會定期進行獨立審核，以確保遵守內部政策和監管要求。

本集團管理的風險主要包括以下各類：

(a) 信貸風險管理

信貸風險是客戶或交易對手不能履行其合約責任所招致財務損失的風險。信貸風險主要來自貸款及墊款、債務證券、國庫券、交易衍生產品及資產負債表外業務，如貸款承諾。本集團已建立一系列標準、政策及程序以量度、監控及減低借貸業務的風險。本集團會按要求而評估有關政策及程序，以便能夠在急速轉變的市場環境下作快速的回應及更有效反映在信貸考慮中的風險因素。

為積極加強風險基礎設施及應對持續加劇的監管要求，本集團實施了多個監管類項目並提高其主動性。自2019年以來，本集團啟動了各種監管專案以全面符合新規則和監管標準，包括《銀行業（風險承擔限度）規則》、初始保證金標準、交易對手信用風險的標準化方法和對《巴塞爾協定三》的計算法改革。此外，本集團繼續加強對其風險框架和指標的現有管治、控制流程、報告、披露和差異分析。

信貸風險管理及監控集中於信貸委員會轄下之風險管理部，並每季在董事會向信貸及風險管理委員會匯報。該委員會對本集團的風險管理程序提供合適的監察，確定集團的政策及風險取態，並為風險管理部提供方法以執行措施來減低因集團已採納的策略而產生的信貸風險。

40 Financial risk management (continued)

The Group adopts the Standardised Approach for credit and market risk measurement, and the Basic Indicator Approach for operational risk measurement. The Group has established policies, procedures and processes to identify and set appropriate risk limits, as well as to analyse, control and monitor these risks. The Group continually strives to enhance its risk management framework and infrastructure in keeping with the market, product offerings and international best practices. The Group's internal auditor performs regular independent audits to ensure due compliance with internal policies and regulatory requirements.

The Group manages the following main types of risk:

(a) Credit risk management

Credit risk is the risk of financial loss due to the failure of a customer or counterparty to fulfill its contractual obligations. Credit exposure principally arises in loans and advances, debt securities, treasury bills and trading derivatives, as well as in the credit risk from financial arrangements in off-balance sheet financial positions such as loan commitments. The Group has developed standards, policies and procedures to measure, monitor and mitigate the risk of its lending business. The policies and procedures are reviewed as required, to respond quickly to the changing market environment and to better reflect the risk factors for the Group's credit considerations.

To proactively strengthening the risk infrastructure and combat the intensifying regulatory environment, the Group has implemented a number of risk management projects and enhancement initiatives. Since 2019, the Group has implemented various regulatory projects to achieve full compliance with the new rules and regulatory standards, including Banking (Exposure Limits) Rules, Initial Margin Standard, Standardized Approach to Counterparty Credit Risk, and Basel III reform on the calculation of risk-weighted assets for credit risk. Furthermore, the Group continues to enhance the existing governance, control process, reporting, disclosure and variance analysis on its risk framework and metrics.

Credit risk is controlled and managed by the Risk Management Group ("RMG") under the oversight of the Credit Committee, and is reported to the Credit & Risk Management Committee ("CRMC") at the board level on a quarterly basis. These committees provide appropriate oversight of the Group's risk management practices by defining the Group's policies and risk appetite, and providing the RMG with the means to implement measures to mitigate credit risk arising from the Group's adopted strategy.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

產品的信貸風險會在產品計劃以及正在進行的審查和評估過程中得以識別及計量。各交易對手的信貸風險由信貸人員根據本集團內部之風險評級模型以識別及計量。信貸申請之批核會因情況而定，並由指定職權的信貸人員或信貸委員會負責。

本集團通過取得抵押品和與借款人或交易對手訂立可依法執行的可抵銷或按淨額基準結算的協議，以減低信貸風險。

當地理、經濟或行業因素的變動對各交易對手團體產生類似影響，而這些團體的信貸風險合計起來對本集團的總體風險而言屬重大時，便會產生信貸風險集中的問題。本集團的金融工具組合分散在不同的地區、行業和產品類別。

財資交易信貸風險的管理方式，與本集團管理企業風險的方式相同，並根據各債券發行人和交易對手的風險評級，設定個別風險額度。

有關國家及金融機構的信貸及交易對手風險會根據本集團的國家風險及金融機構風險政策作出評估及定期監察。這些政策的共同實施對處於同一國家風險額度函蓋底下的各國相關金融機構能作出有效的評估及控制信貸額度和期限。

本集團對或有負債採用與財務狀況報表內記錄的金融工具相同的信貸政策，根據貸款審批程序，使用限額以減低風險及進行監察。信貸風險亦因透過向借款人及第三者取得以抵押資產形式的抵押品及擔保而減低。

40 Financial risk management (continued)

(a) Credit risk management (continued)

Credit risk embedded in products is identified and measured in product programmes and on-going review and assessment process. Credit risk pertaining to individual customers is identified and measured by credit officers utilising internal risk rating models. Credit applications are approved by credit officers under delegated authorities or by the Credit Committee.

The Group mitigates credit risk by taking collateral and entering into offsetting or netting agreements with borrowers and counterparties, as the case may be, should such clauses and agreements be legally established and enforceable.

Concentration of credit risk exists when changes in geographic, economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is material in relation to the Group's total exposures. The Group's portfolio of financial instruments is diversified among geographic, industry and product sectors.

Credit risk for treasury transactions is managed in the same way as the Group manages its corporate risk. Risk grading is applied to the debt issuers and the counterparties, with individual credit limits set.

Credit and counterparty risks related to countries and financial institutions are assessed and monitored regularly according to the Group's Country Risks and Financial Institution Risks policies. The policies are implemented together to effectively assess and control credit limits and tenors made available to the respective financial institutions under an umbrella country risk limit for each country.

The Group applies the same credit policy in respect of contingent liabilities as in respect of financial instruments recorded on the statement of financial position, based on loan approval procedures, use of limits to reduce risk and monitoring. Credit risk is also mitigated by obtaining collateral in the form of pledged assets and guarantees from borrowers and third parties.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(i) 信貸質量

本集團已採用一套對應外部信貸評級機構主要級別的24級內部風險評級系統(其中G01至G21級為正常金融資產，G22至G24級為不良金融資產)。這系統與本集團匯報架構的整合能確保信貸風險報告更為細化，從而提升本行的內部管理水平。風險評級工具均按照不同客戶行業(製造業、貿易業、物業發展／投資等)作分配，確保本集團能為每位客戶的信貸質量評級，並決定本行對個別客戶或交易對手的信貸敞口。

每位客戶的風險評級均會作定期檢討，並按需要作及時修改，尤其在波動的市場情況下，本集團亦有委員會負責定期監察較弱的信貸(即風險評級為G19至G21級)以鞏固本集團貸款組合的質素。下表列示本集團的評級基準相對應的外部信貸機構評級：

債務人級別 Obligor Grade	參考ECAI評級 Reference ECAI Rating			評級說明 Rating Description
	穆迪 Moody's	標準普爾 S&P	惠譽國際 Fitch	
G01	Aaa	AAA	AAA	債務被認為本身具有最高的獨立財務實力，即使可能在沒有任何關聯機構或政府的特殊支持的情況下，所承受的信用風險水平為最低。 Obligations are judged to have the highest intrinsic, or standalone, financial strength, and thus subject to the lowest level of credit risk absent any possibility of extraordinary support from an affiliate or government.
G02 – G04	Aa1/Aa2/Aa3	AA+/AA/AA-	AA+/AA/AA-	債務被認為本身具有較高的獨立財務實力，即使可能沒有任何關聯公司或政府提供特別支持的情況下，所承受的信用風險非常低。 Obligations are judged to have high intrinsic, or standalone, financial strength, and thus subject to very low credit risk absent any possibility of extraordinary support from an affiliate or government.

40 Financial risk management (continued)

(a) Credit risk management (continued)

(i) Credit quality

The Group has adopted a granular 24-grade internal risk rating system (Grades G01-G21 for performing financial assets and Grades G22-G24 for non-performing financial assets) that maps to external credit rating agencies' rating scales. The integration of this framework into the Group's reporting structure has enabled more granular credit risk reporting, thus enhancing the internal management. The risk rating are assigned according to differing customer segments (manufacturing, trading, property development/investment, etc.) which enables the ranking of the credit quality of each customer and the governing of the credit exposure for individual customers or counterparties.

Customers' risk ratings are reviewed regularly and amendments, where necessary, are implemented promptly, particularly in times of fluctuating market conditions. The Group also maintains a committee to regularly oversee weaker credits (which have lower risk ratings of G19-G21) to preserve the Group's quality portfolio. The table below outlines the Group's rating scale benchmarked against external credit agencies:

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(i) 信貸質量 (續)

債務人級別 Obligor Grade	參考ECAI評級 Reference ECAI Rating			評級說明 Rating Description
	穆迪 Moody's	標準普爾 S&P	惠譽國際 Fitch	
G05—G07	A1/A2/A3	A+/A/A-	A+/A/A-	債務被認為本身具有中高等級別的獨立財務實力，即使可能沒有任何關聯公司或政府的特別支持的情況下，所承受的信用風險為低風險。 Obligations are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or government.
G08—G10	Baa1/Baa2/Baa3	BBB+/BBB/BBB-	BBB+/BBB/BBB-	債務被認為本身具有中等或獨立的財務實力，即使可能擁有某些投機性信貸因素，而沒有任何關聯機構或政府提供特別支持的情況下所承受的信用風險為適度。 Obligations are judged to have medium-grade intrinsic, or standalone, financial strength, and thus subject to moderate credit risk and, as such, may possess certain speculative credit elements absent any possibility of extraordinary support from an affiliate or government.
G11—G13	Ba1/Ba2/Ba3	BB+/BB/BB-	BB+/BB/BB-	債務被認為本身具有投機性或獨立的財務實力，即使可能沒有任何關聯機構或政府提供特別支持的情況下，將會面臨較大的信用風險。 Obligations are judged to have speculative intrinsic, or standalone, financial strength, and are subject to substantial credit risk absent any possibility of extraordinary support from an affiliate or government.
G14—G16	B1/B2/B3	B+/B/B-	B+/B/B-	債務被認為本身具有投機性或獨立的財務實力，但可能在沒有任何關聯機構或政府提供特別支持的的情況下，會承受高信用風險。 Obligations are judged to have speculative intrinsic, or standalone, financial strength, and are subject to high credit risk absent any possibility of extraordinary support from an affiliate or government.

40 Financial risk management (continued)

(a) Credit risk management (continued)

(i) Credit quality (continued)

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(i) 信貸質量 (續)

債務人級別 Obligor Grade	參考ECAI評級 Reference ECAI Rating			評級說明 Rating Description
	穆迪 Moody's	標準普爾 S&P	惠譽國際 Fitch	
G17—G18	Caa1/Caa2	CCC+/CCC	CCC+/CCC	債務被認為本身具有投機性或獨立的財務實力，但可能沒有來自關聯公司或政府的任何特別支持的情況下，會承受非常高的信用風險。 Obligations are judged to have speculative intrinsic, or standalone, financial strength, and are subject to very high credit risk absent any possibility of extraordinary support from an affiliate or government.
G19 需要關注 G19 Special Mention	Caa3	CCC-	CCC-	債務被認為本身具有高度的投機性，並且很可能處於或接近違約，但仍有一定的本金和利息回收的前景。 Obligations are judged to have highly speculative intrinsic, and are likely in, or near, default, with some prospect of recovery of principal and interest.
G20 需要關注 G20 Special Mention	Ca	CC	CC	債務被認為本身具有高度投機性，並且很可能處於違約或非常接近違約的狀態，但仍有一定的本金和利息回收的前景。 Obligations are judged to have highly speculative intrinsic, and are likely in, or very near, default, with some prospect of recovery of principal and interest.
G21 需要關注 G21 Special Mention	C	C	C	債務評級為最低，通常達致違約，回收本金或利息的可能性很小。 Obligations are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.
G22 次級 G22 Substandard	D	D	D	次級。根據資產質量分類政策。 Substandard. In accordance with the Asset Quality Classification Policy.
G23呆滯 G23 Doubtful	D	D	D	呆滯。根據資產質量分類政策。 Doubtful. In accordance with the Asset Quality Classification Policy.
G24損失 G24 Loss	D	D	D	損失。根據資產質量分類政策。 Loss. In accordance with the Asset Quality Classification Policy.

40 Financial risk management (continued)

(a) Credit risk management (continued)

(i) Credit quality (continued)

40 金融風險管理 (續)**(a) 信貸風險管理 (續)****(ii) 信貸風險上限**

於結算日承受的信貸風險上限，未計及任何持有的抵押品或其他信用提升，為財務狀況表中每項金融資產於扣除任何減值準備後的賬面金額。信貸風險上限概述如下：

		2019	2018
		港幣千元	港幣千元
		HK\$'000	HK\$'000
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	25,533,437	29,397,763
在銀行、中央銀行及其他 金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	54,468,897	52,886,380
以公允價值計入損益的 金融資產	Financial assets at fair value through profit or loss	1,908,370	1,440,019
衍生金融工具	Derivative financial instruments	6,283,608	6,027,833
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	193,065,725	203,501,746
以公允價值計入其他全面 收益的金融資產	Financial assets at fair value through other comprehensive income	76,559,964	66,881,606
財務擔保及其他與信貸 有關的或有負債	Financial guarantees and other credit-related contingent liabilities	18,340,871	7,721,683
貸款承擔及其他與信貸 有關的承擔	Loan commitments and other credit-related commitments	86,692,648	81,724,083
		462,853,520	449,581,113

按信貸質量及階段分佈的金融資產的進一步分析呈列於財務報表附註40(a)(vii)。

40 Financial risk management (continued)**(a) Credit risk management (continued)****(ii) Exposure of credit risk**

The maximum exposure to credit risk at the end of the reporting period, without considering any collateral held or other credit enhancements, is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowances. A summary of the maximum exposure is as follows:

Further detailed analyses of the credit quality of financial assets by credit quality and stage distribution are provided in the note 40(a)(vii) of the financial statements.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(iii) 主要淨額結算協議

本集團與其他交易方訂下主要淨額結算協議。假如發生違約，所有與其他交易方未完成的交易將被終止及所有未償還款項將以按淨額基準結算。除了違約情況，所有與其他交易方未完成的交易是按總額結算，及一般不會在財務狀況表的資產和負債抵銷。本集團披露信息是為了讓財務報告使用者評估淨額結算協議於本集團的財務狀況的潛在影響，其中包括抵銷本集團已確認金融資產和金融負債的相關權利。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(iii) Master netting arrangement

The Group enters into enforceable master netting arrangements with counterparties. If an event of default occurs, all outstanding transactions with the counterparty are terminated and all amounts outstanding are settled on a net basis. Except for the event of default, all outstanding transactions with the counterparty are settled on a gross basis and generally do not result in offsetting the assets and liabilities in the statement of financial position. The Group discloses information for financial statement users to evaluate the effect or potential effect of netting arrangements, including the rights of set-off associated with the Group's recognised financial assets and recognised financial liabilities, on the Group's financial position.

		2019			
		在財務狀況表內 沒有抵銷的相關數額			
		Related amounts that are not offset in the statement of financial position			
		在財務狀況表 內匯報的衍生 金融工具	持有 現金抵押		淨額
		Derivative financial instruments presented in the statement of financial position	金融工具 Financial instruments	Cash collateral received	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
金融資產	Financial assets				
－ 衍生金融工具 (附註20)	－ Derivative financial instruments (note 20)	6,283,608	(4,103,014)	(1,644,063)	536,531
金融負債	Financial liabilities				
－ 衍生金融工具 (附註20)	－ Derivative financial instruments (note 20)	6,363,156	(4,103,014)	–	2,260,142

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(iii) 主要淨額結算協議 (續)

		2018			
		在財務狀況表內 匯報的衍生 金融工具	在財務狀況表內 沒有抵銷的相關數額 Related amounts that are not offset in the statement of financial position	持有 現金抵押 Cash collateral	淨額 Net amount
		Derivative financial instruments presented in the statement of financial position	金融工具 Financial instruments	港幣千元 HK\$'000	港幣千元 HK\$'000
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
金融資產	Financial assets				
－ 衍生金融工具 (附註20)	－ Derivative financial instruments (note 20)	6,027,833	(3,046,261)	(1,828,798)	1,152,774
金融負債	Financial liabilities				
－ 衍生金融工具 (附註20)	－ Derivative financial instruments (note 20)	6,543,351	(3,046,261)	–	3,497,090

(iv) 緩減信貸風險 – 抵押品及其他信用提升

本集團致力投放資源以不同方式減緩信貸風險。一般而言，本集團以抵押品及其它信用提升以減緩最終信貸敞口的風險。本集團將繼續提升減緩信貸風險的水平。

本集團用作貸款及墊款而持有的抵押品主要包括按揭、現金抵押、於主要指數或認可的交易所上市的股權、應收賬款賦值、備用信用證及本集團可接受的上市債務證券。在一些情況下，本集團將視乎客戶的狀況和申請的信貸產品類別，批核由企業或個人作擔保的貸款。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(iii) Master netting arrangement (continued)

(iv) Mitigation of credit risk – Collateral and other credit enhancements

The Group is dedicated to mitigating credit risk, and this takes many forms. In general, risk to the Group's ultimate credit exposure is mitigated by recognised collateral and credit risk enhancement. The Group continuously seeks to enhance its level of credit risk mitigation.

The principal collateral received to secure loans and advances includes mortgages, cash collateral, equities listed on a main index/recognised exchanges, accounts receivable assignments, standby letters of credit and listed debt securities acceptable to the Group. In some cases, depending on the customer's position and the types of credit products, some loans may be granted and backed by corporate or personal guarantees only.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(iv) 緩減信貸風險 – 抵押品及其他信用提升 (續)

本集團有一套特定的準則以評核特定級別的抵押品及信用提升的可接受度及其估值參數。該估值參數傾向保守並會作定期檢討。本集團對結構性證券及契約 (財務及非財務) 作定期檢討以確保它們均能符合有關協定情況。儘管抵押品在減緩信貸風險上十分重要，本集團政策以評估個人客戶或交易對手的還款能力為本而並非單純依靠抵押品。

本集團於2019年及2018年12月31日含抵押品的信貸風險分佈 (扣除減值的風險承擔後) 如下：

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
貸款及墊款總額及持有作抵押金融資產之抵押品及其他信用提升的公允價值兩者之較低者為：	Lower of gross loans and advances and fair value of collateral and other credit enhancements held against financial assets that are:		
– 沒有逾期或減值	– neither past due nor impaired	87,080,130	85,998,378
– 逾期但沒有減值	– past due but not impaired	1,554,412	1,472,429
		88,634,542	87,470,807

(v) 貸款組合管理及風險集中度 貸款組合管理

本集團採用以風險為本的定價制度模型作為貸款組合管理的其中一組措施。本集團希望透過採用這個模型，考慮客戶信用額的風險亦就是用來支持貸款敞口及其它成本所需資本，務求改善銀行的整體回報。本集團定期進行風險壓力測試。結果由相關委員會批准，並由董事會於信貸及風險管理委員會通過。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(iv) Mitigation of credit risk – Collateral and other credit enhancements (continued)

The Group has guidelines on the acceptability of specific classes of collateral or credit risk enhancements accompanied by the determination of valuation parameters. Such parameters are expected to be conservative and reviewed regularly. Security structures and covenants (financial and non-financial) are subject to regular review to ensure they comply with the stipulated conditions. The collateral is important to mitigate credit risk, but it is the Group's policy to assess the repayment ability of individual customers or counterparties rather than just solely relying on securities.

The Group's collateralised credit risk at 31 December 2019 and 31 December 2018, excluding impaired exposure, is broken down as follows:

(v) Portfolio management and risk concentration Portfolio management

As part of the Group's portfolio management practices, a Risk-based Pricing Model has been adopted with the aim of improving the overall return for the Group, after taking into account the risks of the customers and facilities, and thus the capital required to support the loan exposure and other costs. Stress tests on the Group's credit risk are conducted regularly. The result is approved by the relevant committees and is endorsed by the Board through the CRMC.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(v) 貸款組合管理及風險集中度 (續)

風險集中度

本集團已推行風險集中度管理政策並經常檢視貸款敞口以監控客戶、國家、市場分佈及產品上有關信貸集中的風險。

當一組交易對手同時受相同地區、經濟或行業因素影響，而該組別之信貸風險承擔對本集團的總體風險承擔至關重要時，便會產生信貸風險集中的問題。本集團的金融工具組合分散在不同的地區、行業和產品類別。

(vi) 預期信貸損失計量

所有分類為按攤餘成本或以公允價值計入其他全面收益的債務工具金融資產及不以公允價值計入損益的貸款承擔及財務擔保都需要確認預期信貸損失準備。預期信貸損失準備的釐定是基於無偏頗的情況並已考慮一系列可能結果、時間值及有關聯的過往事件、現時狀況及預測未來經濟狀況的合理預測。而前瞻性資料和其相關的專業判斷更是預期信貸損失準備模型的一個重要因素。

量度預期信貸損失

預期信貸損失準備的計量是：(i) 12個月預期信貸損失；或(ii) 自初始確認後經歷信貸風險重大上升的金融工具以預期年限信貸損失計算。預期信貸損失準備的計算是基於上行、基礎及下行情景的概率加權情景的預期數值以計量預期現金短缺，並以實際利率折現。現金短缺是到期的合約現金流及本集團預期收到的現金流間的差異。第3階段的預期信貸損失準備之計算是基於已考慮一系列可能結果及時間值，並已由已減值金融資產產生的概率加權回收金額。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(v) Portfolio management and risk concentration (continued)

Risk concentration

A Credit Risk Concentration Policy is in place and the Group constantly reviews its loan exposure to monitor the concentration of credit risk relating to customers, countries, market segments and products.

Concentration of credit risk exists when changes in geographic, economic or industry factors affect groups of linked counterparties whose aggregate credit exposure is material in relation to the Group's total exposures. The Group's portfolio of financial instrument is diversified along geographical, industry and product sectors.

(vi) Expected credit losses measurement

Expected credit losses allowances are recognised on all financial assets that are debt instruments classified either as amortised or fair value through other comprehensive income and for loan commitments and financial guarantees that are not measured at fair value through profit and loss. The ECL allowances represents an unbiased scenario that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and future economic conditions. Forward-looking information is explicitly incorporated into the estimation of ECL allowances and expert judgement on economic forecasts becomes one of the important factors to the ECL.

Measurement of ECL

ECL allowances are measured at amounts equal to either: (i) 12-month ECL; or (ii) lifetime ECL for those financial instruments which have experienced a significant increase in credit risk ('SICR') since initial recognition. The calculation of ECL allowances is based on the expected value of probability-weighted scenarios with a combination of upside, base and downside scenario(s) to measure the expected cash shortfalls, discounted at the effective interest rate. A cash shortfall is the difference between the contractual cash flows that are due and the cash flows that the Group expects to receive. The calculation of ECL allowances for Stage 3 is based on probability-weighted recovery amount from an impaired financial asset that is determined by evaluating a range of possible outcomes and time value of money.

40 金融風險管理 (續)**(a) 信貸風險管理 (續)****(vi) 預期信貸損失計量 (續)****量度預期信貸損失 (續)**

計量第1階段及第2階段的預期信貸損失準備的主要數據如下：

- 違約或然率是於特定時間範圍內預期違約之可能性；
- 違約損失率是於特定時間內如發生違約預期的損失；及
- 違約風險承擔是於未來違約日的預期風險承擔。

階段轉移

第1階段包括所有自初始確認後沒有觸發信貸風險大幅上升的非已減值金融資產。通過於報告結算日金融工具發生違約的風險及於初始確認時金融工具發生違約的風險作出比較，本集團持續監察此等資產的信貸風險及評估信貸風險是否有重大上升。

第2階段包括所有自初始確認後已發生信貸風險大幅上升的非已減值金融資產。本集團為第2階段金融資產確認預期年限信貸損失。在其後的報告期內，如金融資產的信貸風險改善並非是自初始確認後發生信貸風險重大上升，由於金融資產已轉回第1階段，本集團返回確認12個月預期信貸損失。

第3階段金融資產是本集團已分類為信貸減值的資產。本集團為所有第3階段金融資產確認預期年限貸款損失。自金融資產初始確認後發生一項或多項對金融資產的估計未來現金流產生不利影響的事件時，本集團將金融資產分類為已減值。減值的證據包括借款人發生重大財務困難，或已發生違約或拖欠。

40 Financial risk management (continued)**(a) Credit risk management (continued)****(vi) Expected credit losses measurement (continued)****Measurement of ECL (continued)**

The key inputs in the measurement of ECL allowances for Stage 1 and Stage 2 are as follows:

- The probability of default ("PD") is an estimate of the likelihood of default over a given time horizon;
- The loss given default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time; and
- The exposure at default ("EAD") is an estimate of the exposure at a future default date.

Stage transfer

Stage 1 is comprised of all non-impaired financial assets which have not triggered a SICR since initial recognition. Their credit risk continuously monitored by the Group and in assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instruments as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of its initial recognition.

Stage 2 is comprised of all non-impaired financial assets which have triggered a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial assets improves such that there is no longer a SICR since initial recognition, then the Group reverts to recognising 12 months of ECL as the financial assets have transferred back stage 1.

Stage 3 financial assets are those that the Group has classified as credit-impaired. The Group recognises lifetime ECL for all stage 3 financial assets. The Group classifies financial assets as impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred after its initial recognition. Evidence of impairment includes indications that the borrower is experiencing significant financial difficulties, or a default or delinquency has occurred.

40 金融風險管理 (續)**(a) 信貸風險管理 (續)****(vi) 預期信貸損失計量 (續)****階段轉移 (續)**

對於在初始確認時受到信貸減值的已購買或來源的信貸受損金融資產，其預期信貸損失按年限計量。

如以上披露，除了在對信用風險沒有大幅增加的金融資產運用最高（即12個月）的違約或然率的情況外，從風險管理角度，本集團有權考慮於計算預期信貸損失時，應用比剩餘合約時間更長時間的信貸風險。

預期信貸損失對賬摘要分析了在報告期內推動預期信貸損失和相關損益表變動的關鍵因素。以下是包括的關鍵要素：

對賬匯總中列示的金融資產包括與銀行，中央銀行和其他金融機構的結存，銀行，中央銀行和其他金融機構的存款和墊款，客戶貸款及墊款，攤銷成本的其他資產，以公允價值計入其他全面收益的金融資產－債務證券。就本披露而言，總賬面值是指以公允價值計入其他全面收益的金融資產－債務證券的公允價值。總賬面值的變動是通過其他綜合收益進行，但確認預期信貸損失準備，利息收入以及匯兌損益是在損益中確認。

40 Financial risk management (continued)**(a) Credit risk management (continued)****(vi) Expected credit losses measurement (continued)****Stage transfer (continued)**

For purchased or originated credit-impaired financial assets that are credit-impaired on initial recognition, their ECL allowances are always measured on a lifetime basis.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the remaining life of the financial instrument, even if, for risk management purposes, the Group has the right to consider a longer period.

The ECL reconciliation summary analyse the key elements that drive the movement of ECL and related income statement over the reporting period. The key elements included below are:

Financial assets presented in the reconciliation summary comprise balances with banks, central banks and other financial institutions, placement with and advances to banks, central banks and other financial institutions, loan and advances to customers, other assets at amortised cost, FVOCI – debt securities. For the purposes of this disclosure, the gross carrying amounts refer to the fair values of the FVOCI – debt securities. Movements in the gross carrying amount are taken through other comprehensive income, except for the recognition of ECL allowances, interest revenue and foreign exchange gains and losses which are recognised in profit and loss.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vi) 預期信貸損失計量 (續)

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vi) Expected credit losses measurement (continued)

		2019							
		第1階段 Stage 1		第2階段 Stage 2		第3階段 Stage 3		總額 Total	
		金融資產 Financial assets	預期信貸 損失準備 ECL allowances	金融資產 Financial assets	預期信貸 損失準備 ECL allowances	金融資產 Financial assets	預期信貸 損失準備 ECL allowances	金融資產 Financial assets	預期信貸 損失準備 ECL allowances
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
2019年1月1日	At 1 January 2019	338,516,632	690,518	15,251,563	1,628,226	1,881,346	621,491	355,649,541	2,940,235
收益表變動的影響	Movements with income statement impact								
轉移：	Transfer:								
— 轉入第1階段	— Transfer to Stage 1	4,271,544	18,996	(4,271,517)	(18,969)	(27)	(27)	-	-
— 轉入第2階段	— Transfer to Stage 2	(12,962,586)	(90,800)	12,963,106	90,981	(520)	(181)	-	-
— 轉入第3階段	— Transfer to Stage 3	(265,526)	(936)	(1,977,967)	(756,476)	2,243,493	757,412	-	-
階段轉移產生之預期 信貸損失準備重新 計量淨額	Net remeasurement of ECL allowances arising from transfer between stage	-	(14,989)	-	258,159	-	142,250	-	385,420
金融資產源生/ (終止確認或還款)/ 公允價值變動淨額	Net financial assets originated/ (derecognised or repaid)/ changes in fair value	4,444,549	230,145	(9,940,094)	3,349	(1,395,476)	(138,690)	(6,891,021)	94,804
風險參數變動及 模型數據	Changes in risk parameters and model inputs	-	7,093	-	544,523	-	224,232	-	775,848
貸款減值損失折現回撥	Unwinding of discount on loan impairment losses	-	-	-	-	-	(47,406)	-	(47,406)
沖銷數額	Amounts written-off	-	-	-	-	(360,291)	(360,291)	(360,291)	(360,291)
外幣轉換及其他數據之變動	Changes in foreign translation and others	(153,313)	(44)	-	-	-	-	(153,313)	(44)
2019年12月31日	At 31 December 2019	333,851,300	839,983	12,025,091	1,749,793	2,368,525	1,198,790	348,244,916	3,788,566

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vi) 預期信貸損失計量 (續)

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vi) Expected credit losses measurement (continued)

		2018							
		第1階段 Stage 1		第2階段 Stage 2		第3階段 Stage 3		總額 Total	
		預期信貸 賬面總值 損失準備 Financial assets ECL 港幣千元 港幣千元 HK\$'000 HK\$'000		預期信貸 賬面總值 損失準備 Financial assets ECL 港幣千元 港幣千元 HK\$'000 HK\$'000		預期信貸 賬面總值 損失準備 Financial assets ECL 港幣千元 港幣千元 HK\$'000 HK\$'000		預期信貸 賬面總值 損失準備 Financial assets ECL 港幣千元 港幣千元 HK\$'000 HK\$'000	
2018年1月1日	At 1 January 2018	325,278,868	978,091	7,923,449	751,464	2,501,404	1,278,687	335,703,721	3,008,242
收益表變動的影響	Movements with income statement impact								
轉移：	Transfer:								
— 轉入第1階段	— Transfer to Stage 1	221,118	26,257	(221,118)	(26,257)	—	—	—	—
— 轉入第2階段	— Transfer to Stage 2	(9,257,474)	(86,061)	9,257,711	86,298	(237)	(237)	—	—
— 轉入第3階段	— Transfer to Stage 3	(489,269)	(5,877)	(1,752,253)	(234,684)	2,241,522	240,561	—	—
階段轉撥產生之預期 信貸損失準備重新 計量淨額	Net remeasurement of ECL allowances arising from transfer between stage	—	(24,598)	—	1,327,738	—	314,311	—	1,617,451
金融資產產生/ (終止確認或還款)/ 公允價值變動淨額	Net financial assets originated/ (derecognised or repaid)/ changes in fair value	22,764,269	2,734	44,174	(99,144)	(1,432,397)	(165,910)	21,376,046	(262,320)
風險參數變動及模型數據	Changes in risk parameters and model inputs	—	(199,148)	—	(176,789)	—	426,966	—	51,029
貸款減值損失折現回撥	Unwinding of discount on loan impairment losses	—	—	—	—	—	(43,941)	—	(43,941)
沖銷數額	Amounts written-off	(880)	(880)	(400)	(400)	(1,428,946)	(1,428,946)	(1,430,226)	(1,430,226)
2018年12月31日	At 31 December 2018	338,516,632	690,518	15,251,563	1,628,226	1,881,346	621,491	355,649,541	2,940,235

40 金融風險管理 (續)**(a) 信貸風險管理 (續)****(vi) 預期信貸損失計量 (續)****信貸風險重大上升**

在每個財務報告期間，通過考慮在金融工具剩餘合約期間發生的違約風險的變化來評估自初始確認以來金融工具是否經歷了信貸風險重大上升。評估是建基於規範化的、公正的和前瞻性的，並考慮到所有合理和可支援的資訊，包括關於過去事件、現狀和未來經濟狀況。

在以下情況下，金融工具將被視為信用風險重大增加：

- (a) 票據的合同付款逾期30天以上；或
- (b) 自最初確認以來，金融工具的信用評級下降5個級別；或
- (c) 金融工具被列為需要注意。

在預期信貸損失計算所用到的前瞻性資料

評估信貸風險大幅上升及預期信貸損失計算都有用到前瞻性資料。本集團已就各組合作出歷史分析並識別影響信貸風險及預期信貸損失的重要經濟變數。

此等經濟變數及其對違約或然率，違約風險承擔及違約損失率的相關影響因應金融工具而改變。在此過程中需要應用專業判斷。至於此等經濟變數（基準經濟情景）的預測則由本集團經濟專家提供並已包括實際及預測資料的考慮。此外，本集團制定了一個對有關經濟變數未來方向的基準情景觀點以及具代表性的可能預測情景（包括1個上行及3個下行預測情景）。

40 Financial risk management (continued)**(a) Credit risk management (continued)****(vi) Expected credit losses measurement (continued)****Significant increase in credit risk**

An assessment of whether the financial instruments have experienced SICR since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the financial instrument. The assessment is rule-based, unbiased and forward-looking, and considers all reasonable and supportable information, including information about past events, current conditions and future economic conditions.

The financial instruments will be considered to have significant increase in credit risk when:

- a) The contractual payments of the instruments are with more than 30 days past due; or
- b) The credit rating of the financial instrument has been gone down by 5 notches since initial recognition; or
- c) The financial instruments have been classified as special mention.

Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables (the 'base economic scenario') are provided by the Group's economic experts and include consideration of a variety of actual and forecast information. The Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios such as 1 upside and 3 downside forecast scenarios.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vi) 預期信貸損失計量 (續)

在預期信貸損失計算所用到的前瞻性資料 (續)

基準情景代表最有可能的情景，亦即持續現時經濟狀況會有55%的比重；上行情景代表進一步改善現時經濟環境的可能性會有10%的比重；較差、中性及嚴重下行情景代表在不同程度下經濟下行的可能情況分別會有10%、20%及5%的比重。經濟預測將定期檢討，以反映最新的經濟狀況。於財務報表確認的預期信貸損失反映按以上一系列可能情景出現的或然率加權結果及管理層持續考慮以上資訊評估相關借款人的撥備是否適當。如果認為有必要對撥備進行任何調整，則採用管理疊加以確保保守性。

基準情景

本集團的基準情景是預期在2020至2025年期間世界經濟大致上緩慢增長。增長放緩是指未來6年的全球經濟平均增長率為3.1%，與2019年基本持平，但等級低於2012年至2018年期間的等級。

儘管最近中美簽署了第一階段貿易協議，預計中國國內生產總值增長速度在預測期間將進一步放緩至5.5-6.0%，這是在發展階段的持續經濟再平衡和改革的背景下，經濟持續但逐步放緩，以及中美貿易戰的負面因素影響的共同結果。

在預測期的前2-3年，香港經濟有望從2019年的逆境中逐步復甦，社會動盪得到緩解，社會秩序逐步恢復，並且恢復至過去3-4年的正常增長約2.5%。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vi) Expected credit losses measurement (continued)

Forward-looking information incorporated in the ECL models (continued)

In particular, the base scenario represents the most likely scenario of continuing the current economic situation; carrying a weight of 55%; the upside scenario represents likelihood of further improving the current economic prospect; carrying a weight of 10%; and the downside scenarios, namely, mild, medium and severe represents the likelihood of economic downturn of different severities, carrying a weight of 10%, 20% and 5% respectively. The economic forecasts will be reviewed regularly to reflect the latest economic conditions. The ECL recognised in the financial statements reflect the probability weighted outcomes of a range of possible scenarios above and the management has continuously assessed the appropriateness of the provision made against the borrowers concerned taking these information into consideration. If any adjustment in provision is deemed necessary, management overlay(s) would be applied to ensure conservativeness.

The Base scenario

The Group's Base Scenario is characterised by a slower growth over the forecast period of 2020-2025. The slower growth refers to that the global economic growth rate in the coming 6 years will average 3.1%, largely on a par with that of 2019 but lower than those during 2012-2018.

Mainland China GDP growth is forecast to soften to 5.5-6.0% over the forecast period, as a joint result of a continued while gradual slowdown amid sustained economic rebalancing and reforms from a development stage point of view, and the negative impacts of the uncertain China-US economic and trade conflicts despite the recent signing of the Phase One Trade Agreement.

Hong Kong economy is expected to recover step by step from 2019's adversities in the first 2-3 years of the forecast period, with social unrest subsiding and social order being restored gradually, and to return to normal track growing by around 2.5% in the last 3-4 years.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vi) 預期信貸損失計量 (續)

在預期信貸損失計算所用到的前瞻性資料 (續)

基準情景 (續)

在預測期內，主要發達經濟體的通貨膨脹率預計將保持在或維持在央行目標的2%左右。自去年以來，大多數中央銀行都採取了不同程度的貨幣寬鬆政策，因此，未來幾年流動性過剩和債務問題勢必惡化。

發達經濟體失業率顯著降低，中國內地和香港失業率更接近歷史低點。預計發達經濟體和中國內地，隨著經濟放緩，預計失業率將在預測期內適度上升，而在香港，由於社會動盪的影響令經濟增長滯後，預計未來兩年將出現快速增長。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vi) Expected credit losses measurement (continued)

Forward-looking information incorporated in the ECL models (continued)

The Base scenario (continued)

Inflation is expected to remain or around the central banks target of 2% in major advanced economies over the forecast period. Most central banks have resorted to monetary easing with varying degrees since last year, and as a result over-liquidity and debt problems are poised to worsen in the years ahead.

Unemployment rates have experienced significant improvements in advanced economies and been near historical lows in Mainland China and Hong Kong. The unemployment rates are expected to rise moderately with economic slowdown over the forecast period, in both advanced economies and Mainland China, while in Hong Kong it is foreseen to show a fast rise in the coming 2 years as a result of the lagged impacts of the social unrest.

		香港 Hong Kong			中國內地 Mainland China		
		較差／ 中性／嚴重 (註)			較差／ 中性／嚴重 (註)		
		Mild/ Medium/ Severe ^(note)			Mild/ Medium/ Severe ^(note)		
2020年至2024年平均	Average 2020-2024	較好 Benign	基準 Base	Medium/ Severe ^(note)	較好 Benign	基準 Base	Medium/ Severe ^(note)
國內生產總值增長率 (%)	GDP growth rate (%)	2.0	1.6	-2.2	6.0	5.8	4.8
通脹率 (%)	Inflation (%)	2.2	2.0	0.3	2.2	2.2	1.4
失業率 (%)	Unemployment (%)	3.3	3.4	4.4	3.5	3.6	4.0
物業價格指數	Property price index	392	381	326			
真實匯率	Real exchange rate	125	124	119			
6個月之結算率 (%)	Settlement rate in 6 months (%)	2.4	2.3	1.8			
12個月之結算率 (%)	Settlement rate in 12 months (%)	2.4	2.4	1.9			

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vi) 預期信貸損失計量 (續)

在預期信貸損失計算所用到的前瞻性資料 (續)

		香港 Hong Kong			中國內地 Mainland China		
		較差／ 中性／嚴重 ^(註) Mild/ Medium/ Severe ^(note)			較差／ 中性／嚴重 ^(註) Mild/ Medium/ Severe ^(note)		
2019年至2023年平均	Average 2019-2023	較好 Benign	基準 Base	Medium/ Severe ^(note)	較好 Benign	基準 Base	Medium/ Severe ^(note)
國內生產總值增長率(%)	GDP growth rate (%)	3.1	2.9	0.8	6.7	6.4	4.9
通脹率(%)	Inflation (%)	2.7	2.6	0.9	1.6	1.5	-0.4
失業率(%)	Unemployment (%)	3.0	3.2	4.3	3.8	4.0	4.8
物業價格指數	Property price index	327	312	256			
真實匯率	Real exchange rate	121	115	99			
6個月之結算率(%)	Settlement rate in 6 months (%)	1.4	1.4	0.9			
12個月之結算率(%)	Settlement rate in 12 months (%)	2.0	1.9	1.3			

註：表示三種情景的平均比重。

嚴重情景

在嚴重情景下，受中美及全球貿易戰，美國和中國經濟週期性快速下滑，主要經濟體政策失誤，或地緣政治衝突升級的打擊，全球經濟陷入衰退。預計大多數發達經濟體增長轉負，中國內地經濟增長顯著放緩。其結果導致房地產市場大幅下跌，股市大幅度調整，大宗商品價格顯著回落導致通貨膨脹率快速下滑，以及失業率大幅上升。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vi) Expected credit losses measurement (continued)

Forward-looking information incorporated in the ECL models (continued)

		香港 Hong Kong			中國內地 Mainland China		
		較差／ 中性／嚴重 ^(註) Mild/ Medium/ Severe ^(note)			較差／ 中性／嚴重 ^(註) Mild/ Medium/ Severe ^(note)		
2019年至2023年平均	Average 2019-2023	較好 Benign	基準 Base	Medium/ Severe ^(note)	較好 Benign	基準 Base	Medium/ Severe ^(note)
國內生產總值增長率(%)	GDP growth rate (%)	3.1	2.9	0.8	6.7	6.4	4.9
通脹率(%)	Inflation (%)	2.7	2.6	0.9	1.6	1.5	-0.4
失業率(%)	Unemployment (%)	3.0	3.2	4.3	3.8	4.0	4.8
物業價格指數	Property price index	327	312	256			
真實匯率	Real exchange rate	121	115	99			
6個月之結算率(%)	Settlement rate in 6 months (%)	1.4	1.4	0.9			
12個月之結算率(%)	Settlement rate in 12 months (%)	2.0	1.9	1.3			

Note: Represent the weighted average of the three scenarios.

The Severe Scenario

Under the Severe Scenario, the global economy falls into recession hit by escalated China – US and global economic and trade conflicts, a fast downturn in the US and China economies, policy failures by governments in major economies, or intensified geopolitical tensions. GDP growth is forecast to become negative in most of the advanced economies, including Hong Kong, and see a significant slowdown in Mainland China. Consequently, Property markets see significant falls, equity markets experience sharp corrections, commodity prices and hence inflation witness deep declines, and unemployment rates show considerable rises.

40 金融風險管理 (續)**(a) 信貸風險管理 (續)****(vi) 預期信貸損失計量 (續)**

在預期信貸損失計算所用到的前瞻性資料 (續)

較好，較差和中性情景

較好情景從基準情景略向正面方向偏離，全球經濟以略快於基準預期的速度擴張，其他主要經濟指標表現略好於基準預期。

較差情景從基準情景略向負面方向偏離，全球經濟以略低於基準預期的速度擴張，其他主要經濟指標表現略差於預期。

中性情景處於基準情景和嚴重情景之間，全球經濟增長速度和其他主要經濟指標均處於兩種情景之間的中間點。

本集團對預期信貸損失模型有應用管理層的覆蓋調整，通過將適用於香港預期信貸損失模型的投資組合的權重暫時從基準情景的權重轉移25%至嚴重情景，以反映當前的市場狀況。

預期信貸損失計算的敏感性分析

本集團針對經濟情景對預期信貸損失的影響進行了一系列敏感性分析：

- (i) 將2019年底基準情景下的預期信貸損失與5個情景的概率加權結果的差異進行比較，基準情景下的預期信貸損失約為10% (4.03億港元) 低於目前在綜合財務報告中報告的5個經濟情景的加權結果。
- (ii) 通過假設於2019年底從基準情景向上下方向偏離10%，其預期信貸損失將減少約0.35億港元或增加約0.89億港元。

40 Financial risk management (continued)**(a) Credit risk management (continued)****(vi) Expected credit losses measurement (continued)**

Forward-looking information incorporated in the ECL models (continued)

The Benign, Mild and Medium Scenarios

The Benign Scenario is a slight deviation from the Base Scenario in the positive direction, with the global economy expanding at a slightly faster-than-expected pace and other key economic indicators displaying slightly better-than-expected improvements.

The Mild Scenario is a slight deviation from the Base Scenario in the negative direction, with the global economy expanding at a slightly slower-than-expected pace and other key economic indicators displaying slightly worse-than-expected improvements.

The Medium Scenario is in the middle position between the Base Scenario and the Severe Scenario, with the global GDP growth rate and other key economic indicators standing at the medium points between those of the two scenarios.

The Group has applied a management overlay on the ECL model by temporary shifting 25% of the weight from the Base Scenario to the Severe Scenario for portfolios applicable to the Hong Kong ECL model in order to reflect the prevailing market conditions.

Sensitivity analyses of expected credit loss calculation

The Group has conducted a series of sensitivity analyses for the impacts of economic scenarios on expected credit loss:

- (i) Comparing the difference of expected credit loss under the Base Scenario against the probability weighted outcomes of 5 scenarios at the year ended of 2019, the expected credit loss under the base scenario would be approximately 10% (HK\$403 million) lower than the weighted outcomes of the 5 economic scenarios currently reported in the consolidated financial statements.
- (ii) By assuming 10% scenario weight shift from Base scenario to upside or to downside scenarios at the year end of 2019, there would be a decrease in credit loss by approximately HK\$35 million or an increase in credit loss by approximately HK\$89 million, respectively.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vi) 預期信貸損失計量 (續)

違約及信貸減值資產定義

當合同的本金償還或利息支付的逾期超過90天時，本集團將金融資產定義為違約，這與《香港財務報告準則》第9號中信貸減值的定義一致。

在評估借款人是否違約時，本集團考慮的因素包括：(i) 定性方面 – 例如違反財務限制條款、身故、破產或長期暫緩還款；(ii) 定量方面 – 例如逾期情況及同一發行人未能向本集團償還其他債務。此等條件已應用到所有本集團持有的金融資產及與內部信貸風險管理中的違約定義一致。此違約定義已應用於本集團計算預期損失中使用的違約或然率、違約風險承擔及違約損失率。當本金或利息的合約還款出現逾期超過90天時，本集團認為該金融資產出現違約。

當所有包括利息的逾期數額已收回，其本金及利息已根據原有或已修訂合約條款被確定應可全數收回，或所有分類為已減值的條件已糾正時，該資產不再是違約。

沖銷

當未能合理預期收回全部或部份金融資產，本集團將全數或部份金融資產沖銷。未能合理預期收回的指標包括：(i) 終止執法行動及(ii) 本集團的收回方法是在抵押品上強制執行及未能合理預期從抵押品的價值全數收回。

(vii) 金融資產的信貸質量

本集團致力管理及監控其風險並已推行審慎的貸款分類政策及減值評估政策為這範疇作有效管治。本集團擁有專業團隊處理追收不良貸款的工作，包括貸款重組，採取法律行動，收回資產及出售抵押品等。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vi) Expected credit losses measurement (continued)

Definition of default and credit-impaired assets

The Group defines a financial asset as in default when contractual repayment of principal or payment of interest is past due more than 90 days, which is fully aligned with the definition of credit-impaired under HKFRS 9.

Moreover, in assessing whether a borrower is in default, the Group considers various indicators comprising: (i) qualitative – such as in breach of financial covenant(s), deceased, insolvent or in long-term forbearance; (ii) quantitative – such as overdue status and non-payment on another obligation of the same issuer to the Group. These criteria have been applied to all financial assets held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Group's expected loss calculations. The Group considers a financial asset to be in default when contractual repayment of principal or payment of interest is past due more than 90 days.

A financial asset is no longer considered in default when all past due amounts, including interest, have been recovered, and it is determined that the principal and interest are fully collectible in accordance with the original or revised contractual terms of the financial assets with all criteria for the impaired classification having been remedied.

Write-off

The Group writes off a financial asset in whole or in part, when it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. Indicators that there is no reasonable expectation of recovery include: (i) ceasing enforcement activity and (ii) where the Group's recovery method is enforcing collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

(vii) Credit quality of financial assets

The Group manages and monitors its risks, and has an Asset Quality Classification Policy and Impairment Assessment Policy in place to govern this aspect. The Group has a professional team dedicated to handling recovery of non-performing loans, which include loan restructuring, taking legal action, repossession and disposal of collateral, etc.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vii) 金融資產的信貸質量 (續)

按信貸質量及階段分佈列示已應用《香港財務報告準則》第9號減值規定的金融工具分佈。

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vii) Credit quality of financial assets (continued)

Distribution of financial instruments to which the impairment requirements in HKFRS 9 are applied, by credit quality and stage distribution.

		2019						
		賬面／名義總額					預期信貸 損失準備	賬面淨額
		Gross carrying/notional amount						
		優質	滿意	較高風險	已減值	總額	ECL	Net carrying
		Strong	Satisfactory	Higher risk	Credit	Total	allowances	amount
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
在銀行、中央銀行及其他金融機構 的結存按攤銷成本	Balances with banks, central banks and other financial institutions at amortised cost	25,519,378	17,635	–	–	25,537,013	(3,576)	25,533,437
— 第1階段	– Stage 1	25,519,378	17,635	–	–	25,537,013	(3,576)	25,533,437
— 第2階段	– Stage 2	–	–	–	–	–	–	–
— 第3階段	– Stage 3	–	–	–	–	–	–	–
在銀行、中央銀行及其他金融機構 的存款及墊款按攤銷成本	Placements with and advances to banks, central banks and other financial institutions at amortised cost	54,084,307	395,862	–	–	54,480,169	(11,272)	54,468,897
— 第1階段	– Stage 1	54,084,307	395,862	–	–	54,480,169	(11,272)	54,468,897
— 第2階段	– Stage 2	–	–	–	–	–	–	–
— 第3階段	– Stage 3	–	–	–	–	–	–	–
客戶貸款及墊款按攤銷成本	Loans and advances to customers at amortised cost	110,205,539	66,396,611	10,504,414	2,270,765	189,377,329	(3,596,987)	185,780,342
— 第1階段	– Stage 1	108,193,871	65,441,247	1,446,355	–	175,081,473	(761,692)	174,319,781
— 第2階段	– Stage 2	2,011,668	955,364	9,058,059	–	12,025,091	(1,749,793)	10,275,298
— 第3階段	– Stage 3	–	–	–	2,270,765	2,270,765	(1,085,502)	1,185,263
其他金融資產按攤銷成本	Other financial assets at amortised cost	425,535	1,823,186	–	41,719	2,290,440	(39,360)	2,251,080
— 第1階段	– Stage 1	425,535	1,823,186	–	–	2,248,721	(1,480)	2,247,241
— 第2階段	– Stage 2	–	–	–	–	–	–	–
— 第3階段	– Stage 3	–	–	–	41,719	41,719	(37,880)	3,839
貸款承擔和財務擔保合約 (註(1))	Loan commitments and financial guarantee contracts (Note (1))	92,138,084	22,400	–	–	92,160,484	(70,663)	92,089,821
— 第1階段	– Stage 1	92,138,084	22,400	–	–	92,160,484	(70,663)	92,089,821
— 第2階段	– Stage 2	–	–	–	–	–	–	–
— 第3階段	– Stage 3	–	–	–	–	–	–	–
總額	Total	282,372,843	68,655,694	10,504,414	2,312,484	363,845,435	(3,721,858)	360,123,577
以公允價值計入其他全面收益的 金融資產	Financial assets at fair value through other comprehensive income	74,203,301	2,300,623	–	56,040	76,559,964	(137,371)	
— 債務證券 (註(2))	– Debt securities (Note (2))	74,203,301	2,300,623	–	56,040	76,559,964	(137,371)	
— 第1階段	– Stage 1	74,203,301	2,300,623	–	–	76,503,924	(61,963)	
— 第2階段	– Stage 2	–	–	–	–	–	–	
— 第3階段	– Stage 3	–	–	–	56,040	56,040	(75,408)	
總額	Total	74,203,301	2,300,623	–	56,040	76,559,964	(137,371)	

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(vii) 金融資產的信貸質量 (續)

40 Financial risk management (continued)

(a) Credit risk management (continued)

(vii) Credit quality of financial assets (continued)

2018

		賬面／名義總額 Gross carrying/notional amount					預期信貸 損失準備 ECL	賬面淨額 Net carrying amount
		優質 Strong 港幣千元 HK\$'000	滿意 Satisfactory 港幣千元 HK\$'000	較高風險 Higher risk 港幣千元 HK\$'000	已減值 Credit impaired 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	allowances 港幣千元 HK\$'000	港幣千元 HK\$'000
在銀行、中央銀行及其他金融機構 的結存按攤銷成本	Balances with banks, central banks and other financial institutions at amortised cost	29,420,376	-	-	-	29,420,376	(22,613)	29,397,763
- 第1階段	- Stage 1	29,420,376	-	-	-	29,420,376	(22,613)	29,397,763
- 第2階段	- Stage 2	-	-	-	-	-	-	-
- 第3階段	- Stage 3	-	-	-	-	-	-	-
在銀行、中央銀行及其他金融機構 的存款及墊款按攤銷成本	Placements with and advances to banks, central banks and other financial institutions at amortised cost	52,666,841	226,366	-	-	52,893,207	(6,827)	52,886,380
- 第1階段	- Stage 1	52,666,841	226,366	-	-	52,893,207	(6,827)	52,886,380
- 第2階段	- Stage 2	-	-	-	-	-	-	-
- 第3階段	- Stage 3	-	-	-	-	-	-	-
客戶貸款及墊款按攤銷成本	Loans and advances to customers at amortised cost	118,834,507	63,654,648	17,614,589	1,716,138	201,819,882	(2,658,898)	199,160,984
- 第1階段	- Stage 1	118,453,578	62,904,179	3,495,938	-	184,853,695	(631,370)	184,222,325
- 第2階段	- Stage 2	380,929	750,469	14,118,651	-	15,250,049	(1,628,226)	13,621,823
- 第3階段	- Stage 3	-	-	-	1,716,138	1,716,138	(399,302)	1,316,836
其他金融資產按攤銷成本	Other financial assets at amortised cost	4,148,532	444,219	-	41,719	4,634,470	(39,036)	4,595,434
- 第1階段	- Stage 1	4,148,532	442,705	-	-	4,591,237	(1,156)	4,590,081
- 第2階段	- Stage 2	-	1,514	-	-	1,514	-	1,514
- 第3階段	- Stage 3	-	-	-	41,719	41,719	(37,880)	3,839
貸款承擔和財務擔保合約 (註(1))	Loan commitments and financial guarantee contracts (Note (1))	4,094,819	4,147,434	312,374	-	8,554,627	(40,151)	8,514,476
- 第1階段	- Stage 1	4,094,819	4,147,434	312,374	-	8,554,627	(40,151)	8,514,476
- 第2階段	- Stage 2	-	-	-	-	-	-	-
- 第3階段	- Stage 3	-	-	-	-	-	-	-
總額	Total	209,165,075	68,472,667	17,926,963	1,757,857	297,322,562	(2,767,525)	294,555,037
以公允價值計入其他 全面收益的金融資產	Financial assets at fair value through other comprehensive income							
- 債務證券 (註(2))	- Debt securities (Note (2))	65,603,773	1,154,344	-	123,489	66,881,606	(212,861)	
- 第1階段	- Stage 1	65,603,773	1,154,344	-	-	66,758,117	(28,552)	
- 第2階段	- Stage 2	-	-	-	-	-	-	
- 第3階段	- Stage 3	-	-	-	123,489	123,489	(184,309)	
總額	Total	65,603,773	1,154,344	-	123,489	66,881,606	(212,861)	

40 金融風險管理 (續)**(a) 信貸風險管理 (續)****(vii) 金融資產的信貸質量 (續)**

註：

- (1) 承擔和財務擔保合約的名義金額是指需應用《香港財務報告準則》第9號減值規定的承擔和財務擔保合約。因此以上列示的數字與財務報告附註42(a)有所不同。
- (2) 於2019年12月31日，以公允價值計入其他全面收益的債務證券以公允價值列示。以公允價值計入其他全面收益的債務證券的預期信貸損失準備於儲備中反映。
- (3) 信貸質量分類

本集團採用以下內部風險評級以決定金融資產的信貸質量。

信貸質量說明	Credit quality description	內部評級 Internal ratings
優質	Strong	G01-G12
滿意	Satisfactory	G13-G16
較高風險	Higher risk	G17-G21
已減值	Credit impaired	G22-G24

(viii) 以公允價值計入損益和以公允價值計入其他全面收益的債務證券的金融資產信貸質量

在使用債務證券的信貸評級時，如外部評級機構對該等發行具有指定評級，該等指定發行評級將作為信貸風險評級分配的參考。如該等發行並沒有指定發行評級，但具有發行人評級，該等發行人評級將作為信貸風險評級分配的參考。下表呈列在結算日債務證券的投資之信貸質量分析。

40 Financial risk management (continued)**(a) Credit risk management (continued)****(vii) Credit quality of financial assets (continued)**

Note:

- (1) The notional amount of commitments and financial guarantee contracts refer to those commitments and financial guarantees which subject to impairment requirements under HKFRS 9. Therefore, figures disclosed in the above do not agree with the figures disclosed in note 42(a) of the annual financial statements.
- (2) Debt securities measured at FVOCI are held at fair value at 31 December 2019. The expected credit losses allowances in respect of debt securities measured at FVOCI are held within reserves.
- (3) Classification of credit quality

The Group adopts the following internal risk ratings to determine the credit quality for financial assets.

(viii) Credit quality of financial assets at debt securities measured at FVPL and FVOCI

For the application of credit rating to debt securities, primarily the issue specific rating would be taken as reference for credit risk rating assignment. Where this is not available, the issuer rating would be adopted. When the issuer rating is not available, the rating of the guarantor of that debt securities (if applicable) would be adopted, otherwise it would be treated as unrated. The following table presents an analysis of the credit quality of investments in debt securities at the end of the reporting period.

40 金融風險管理 (續)

(a) 信貸風險管理 (續)

(viii) 以公允價值計入損益和以公允價值計入其他全面收益的債務證券的金融資產信貸質量 (續)

40 Financial risk management (continued)

(a) Credit risk management (continued)

(viii) Credit quality of financial assets at debt securities measured at FVPL and FVOCI (continued)

		2019		
		以公允價值計入 損益的金融資產 — 債務證券 Debt securities measured at FVPL 港幣千元 HK\$' 000	以公允價值計入 其他全面收益 的金融資產 — 債務證券 Debt securities measured at FVOCI 港幣千元 HK\$' 000	總額 Total 港幣千元 HK\$' 000
Aaa	Aaa	–	4,446,128	4,446,128
Aa3至Aa1	Aa3 to Aa1	304,817	20,691,330	20,996,147
A3至A1	A3 to A1	315,173	39,714,114	40,029,287
低於A3	Lower than A3	936,797	10,055,043	10,991,840
		1,556,787	74,906,615	76,463,402
未評級	Unrated	351,583	1,653,349	2,004,932
總額	Total	1,908,370	76,559,964	78,468,334

		2018		
		以公允價值計入 損益的金融資產 — 債務證券 Debt securities measured at FVPL 港幣千元 HK\$' 000	以公允價值計入 其他全面收益 的金融資產 — 債務證券 Debt securities measured at FVOCI 港幣千元 HK\$' 000	總額 Total 港幣千元 HK\$' 000
Aaa	Aaa	–	2,704,655	2,704,655
Aa3至Aa1	Aa3 to Aa1	495,953	16,731,740	17,227,693
A3至A1	A3 to A1	115,544	35,774,385	35,889,929
低於A3	Lower than A3	785,625	9,400,360	10,185,985
		1,397,122	64,611,140	66,008,262
未評級	Unrated	42,897	2,270,466	2,313,363
總額	Total	1,440,019	66,881,606	68,321,625

40 金融風險管理 (續)

(b) 市場風險管理

市場風險是指持有的好倉或淡倉因不利的估值變動所造成的損失風險。風險的成因源自從事利率、外匯、股權、信貸和商品市場及其相關衍生工具的莊家、包銷、自營持倉和資產／負債管理的活動。本集團主要通過其交易和資金業務管理其市場風險敞口。交易業務是為了促進客戶的活動，但亦導致自營持倉。財資業務執行資產／負債管理職能，包括流動性風險管理，並特意透過非交易組合（以公允價值計入其他全面收益的債務證券）進行流動性資金管理和投資的目的。

市場風險管理的目標是要及時，公正並貫徹地衡量和監測市場風險，以便更好地管理投資組合，從而優化其財務業績。業務部是負責管理市場風險，並在市場風險限額參數內達致公司業績目標。風險管理部負責獨立監測和報告所有市場風險。

市場風險的框架

本集團董事會通過限額審批流程分配資金或風險偏好。董事會授權信貸風險管理委員會建立不同業務的限額。信貸風險管理委員會進一步將市場風險限額委託給市場風險委員會，市場風險委員會再委託給風險管理部落實。風險管理部負責設計和起草市場風險限額和框架，並定期進行審查和更新限額。市場風險限額須經市場風險委員會批准並獲得信貸風險管理委員會認可。此外，董事會還根據風險偏好聲明書建立了一系列風險指標以計量不同類型的風險，包括市場風險。

40 Financial risk management (continued)

(b) Market risk management

Market risk is the risk of loss caused by an adverse change in valuation associated with holding either long or short market positions. The risk arises as a result of market making, underwriting, principal position taking and asset/liability management in interest rate, foreign exchange, equity, credit and commodity markets and their associated derivatives instruments. The Group manages its market risk exposures mainly through its trading and treasury business. The trading business is to facilitate customer activities, but as a result, takes on principal positions. The treasury business performs asset/liability management function including liquidity risk management, with securities positions intended for liquidity management and investment purposes under non-trading portfolio (debt securities measured at fair value through other comprehensive income).

The objective of market risk management is to consistently measure and monitor market risk on a timely and unbiased basis in order to better manage the portfolios and, by doing so, optimise financial performance. The business is responsible for managing market risks to meet corporate performance objectives within the market risk limit parameters. The Risk Management Group ("RMG") is responsible to independently monitor and report all market risks.

Market risk framework

The Board of the Group allocates capital or risk appetite through the limit process. The Board delegates Credit & Risk Management Committee ("CRMC") to establish limits for the different businesses. CRMC further delegates market risk limit establishment to the Market Risk Committee ("MRC") and then to RMG. RMG is responsible for designing and drafting the market risk limits and framework and reviewing and updating the limits on a regular basis. The market risk limits are to be approved by MRC and endorsed by CRMC. In addition, the Board also establishes a set of risk indicators under the risk appetite statement ("RAS") in measuring different types of risks including market risk.

40 金融風險管理 (續)

(b) 市場風險管理 (續)

市場風險的框架 (續)

風險管理部是一個獨立職能部門並向風險管理總監進行匯報。風險管理部同時採用定量和定性措施分析市場風險。分析包括但不限於風險值、壓力測試、風險敏感度、市場事件、產品流動性和波動性、質素、對沖策略、績效包括損益、估值的準確性和資產負債表以及資本消耗等。這些分析結果需定期向高級管理層、風險管理總監、市場風險委員會和信貸風險管理委員作出匯報。

市場風險模型的方法和特點

風險值

風險值是一種用於估計因市場利率和價格在特定時段內所引致的波動及其產生的潛在損失的技巧。設計該模型是為了涵蓋不同的風險類型，包括利率風險，外匯風險，信貸利差風險，股權風險，商品風險和波動風險。

本集團所用的風險值模型是根據歷史模擬方法。該方法是通過模擬或建立持倉回報隨著時間推移因利率、外匯、股票、信貸和商品市場的利率和價格的歷史變化來預測風險值。

40 Financial risk management (continued)

(b) Market risk management (Continued)

Market risk framework (Continued)

RMG is an independent function reporting to the Chief Risk Officer ("CRO"). RMG uses both quantitative and qualitative measures in analysing market risk. The analysis includes, but not limited to, Value-at-Risk ("VaR"), stress testing, risk sensitivities, market events, product liquidity and volatility, underlying quality, hedging strategy, performance including profit and loss, accuracy of valuations and balance sheet and capital consumptions. The results are regularly reported to senior management and CRO and to MRC and CRMC.

Methodology and characteristics of market risk model

Value-at-risk ("VaR")

VaR is a technique in estimating the potential losses that could occur on market risk-taking positions due to market rates and prices movement under normal market conditions over a specified time horizon. The model is designed to capture different types of risk including interest rate risk, foreign exchange risk, credit spread risk, equity risk, commodity risk and volatility risk.

The VaR model used by the Group is based on the historical simulation technique. The technique predicts the value at risk by simulating or constructing position returns over time arise from the historical changes in rates and prices in the interest rate, foreign exchange, equity, credit and commodity markets.

40 金融風險管理 (續)

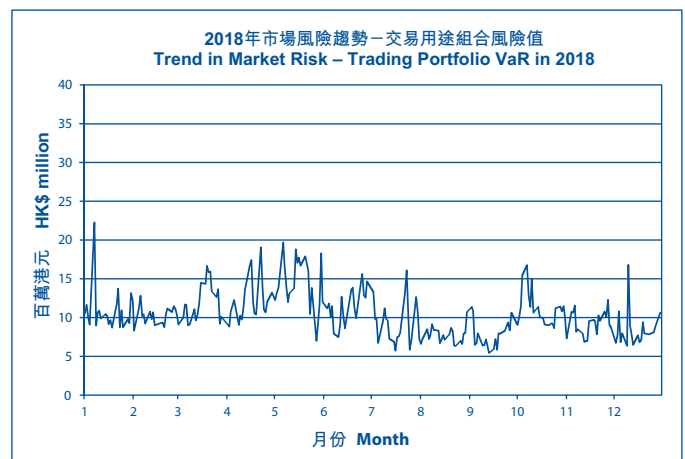
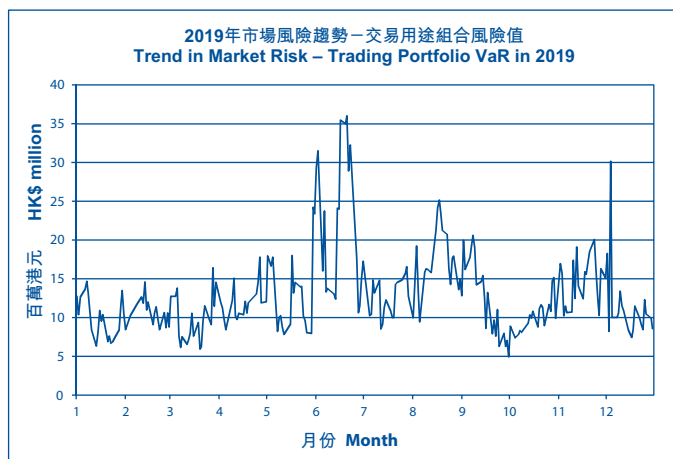
(b) 市場風險管理 (續)

市場風險模型的方法和特點 (續)

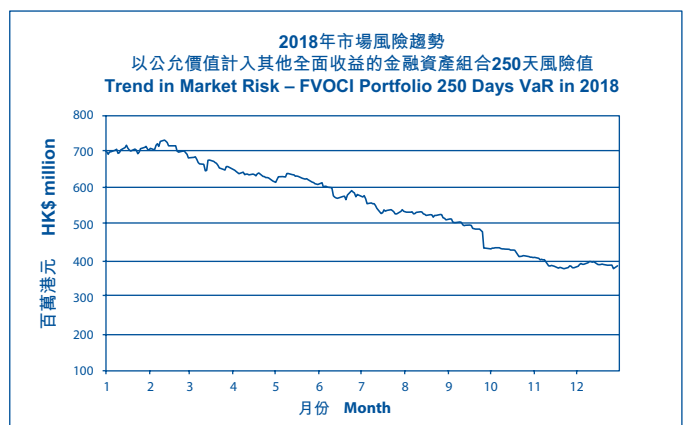
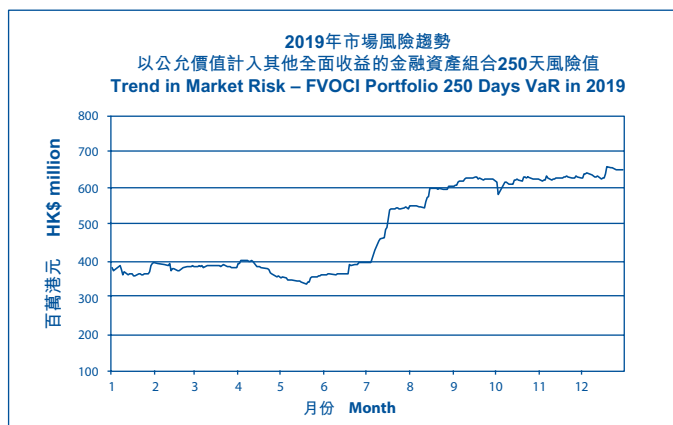
風險值 (續)

對於風險值的計算，本集團使用最近兩年的歷史市場利率，價格和相關的波幅作基礎。

- 對交易盤持倉，風險值是以1天持有期來計算。



- 對以公允價值計入其他全面收益的金融資產，風險值以250天的持有期來計算。



40 Financial risk management (continued)

(b) Market risk management (continued)

Methodology and characteristics of market risk model (continued)

Value-at-risk ("VaR") (continued)

For the calculation of VaR, the Group uses the most recent two years of historical market rates, prices and volatilities.

- For the trading positions, the VaR is calculated for one-day holding period.

40 金融風險管理 (續)

(b) 市場風險管理 (續)

市場風險模型的方法和特點 (續)

風險值 (續)

- 本集團比較實際和假設每日損益結果及調整項目包括服務費和佣金，對照相應的風險值的數字，用以驗證風險值模型的準確性。於2019年1月1日至2019年12月31日期間，回顧測試有兩次例外發生（2018年1月1日至2018年12月31日：有一次例外發生），它相當於由香港金融管理局和國際巴塞爾原則所指定的綠色區域內。

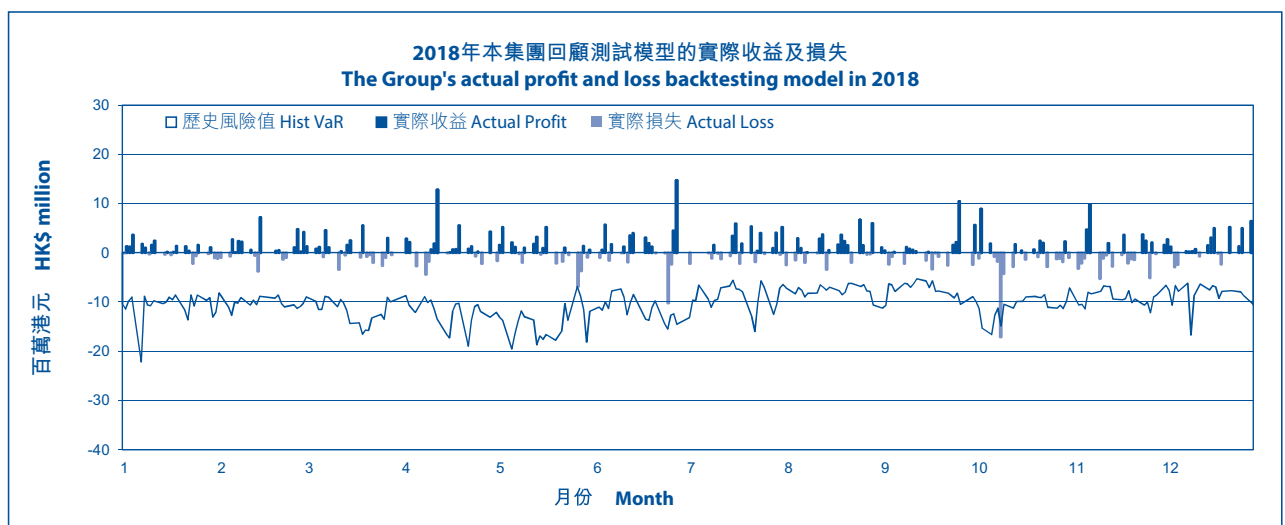
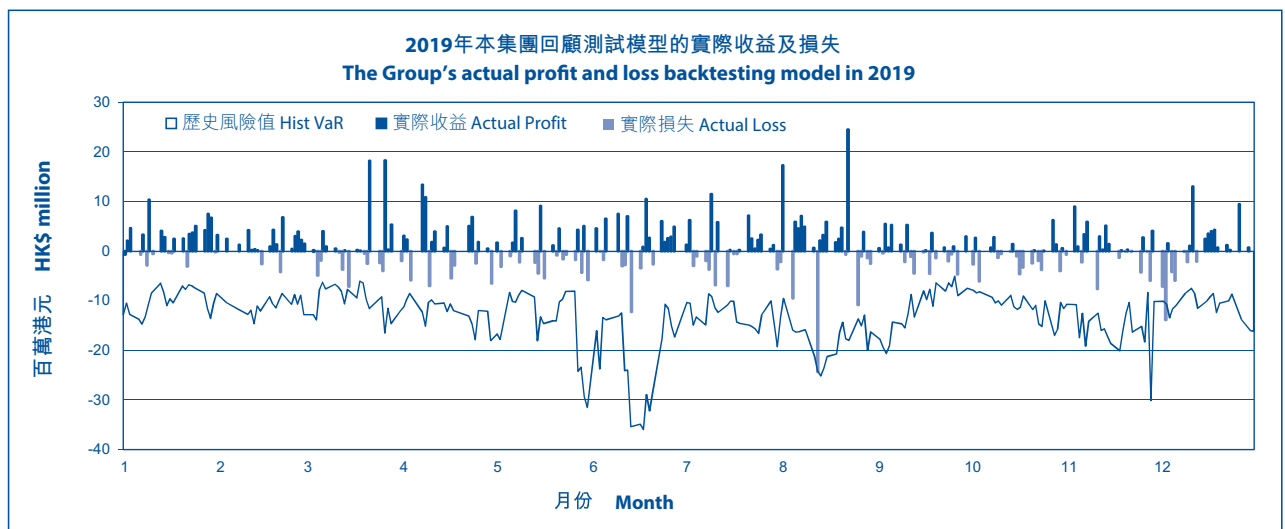
40 Financial risk management (continued)

(b) Market risk management (continued)

Methodology and characteristics of market risk model (continued)

Value-at-risk ("VaR") (continued)

- The Group back-tests the accuracy of its VaR model by comparing the actual and hypothetical daily profit and loss, adjusted for items including fees and commissions, against the corresponding VaR figures. For the period from 1 January 2019 to 31 December 2019, there was 2 exception in the back-testing results (for the period of 1 January 2018 to 31 December 2018, there was 1 exception), which corresponds to the green zone specified by the HKMA and the international Basel principles.



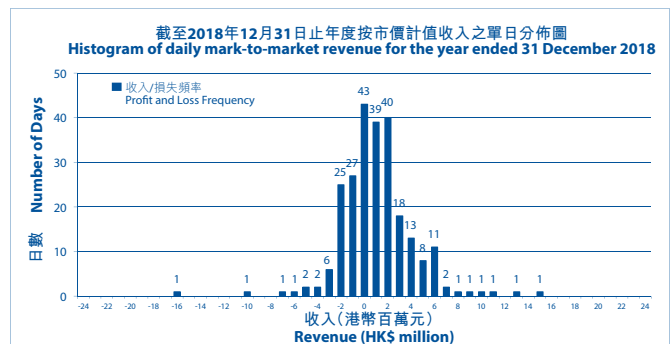
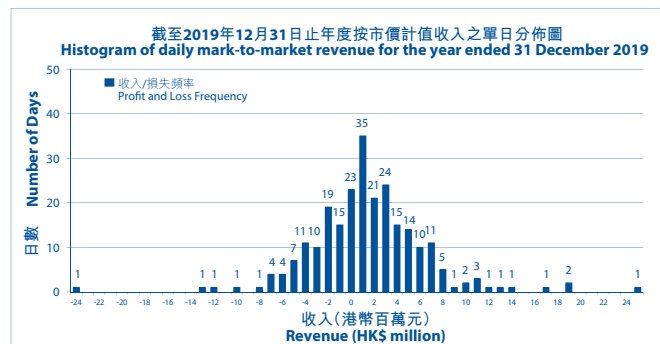
40 金融風險管理 (續)

(b) 市場風險管理 (續)

市場風險模型的方法和特點 (續)

風險值 (續)

截至2019年12月31日止年度，本集團持倉交易盤之單日平均收益為港幣1,426,000元(2018年：收益為港幣566,000元)，單日平均收入標準誤差為港幣4,786,000元(2018年：港幣3,173,000元)。下圖顯示截至2019年及2018年12月31日止年度本集團按市價計值收入之單日分佈圖。



40 Financial risk management (continued)

(b) Market risk management (continued)

Methodology and characteristics of market risk model (continued)

Value-at-risk ("VaR") (continued)

For the year ended 31 December 2019, the average daily mark-to-market revenue from the Group's trading portfolio was a gain of HK\$1,426,000 (31 December 2018: gain of HK\$566,000). The standard deviation of the daily revenue was HK\$4,786,000 (31 December 2018: HK\$3,173,000). The graphs below show the histograms of the Group's daily mark-to-market revenue for the year ended 31 December 2019 and 2018, respectively.

40 金融風險管理 (續)

(b) 市場風險管理 (續)

市場風險模型的方法和特點 (續)

風險值 (續)

下表顯示了交易盤持倉和與以公允價值計入其他全面收益的金融資產債務證券有關的持倉之風險值統計數字：

		交易盤持倉 – 1天風險值 1-day VaR for the trading positions							
		2019				2018			
		約計 Approximate				約計 Approximate			
		最高 Maximum	最低 Minimum	平均 Mean	截至12月31日 At 31 December	最高 Maximum	最低 Minimum	平均 Mean	截至12月31日 At 31 December
		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
外匯風險	Foreign exchange risk	19,630	1,993	8,131	13,963	21,153	1,949	5,379	7,168
利率風險及 信貸利差風險	Interest rate risk and credit spread risk	36,081	4,462	10,152	8,059	19,368	4,545	9,278	7,895
風險值總額	Total VaR	36,124	5,021	13,211	16,177	22,224	5,335	10,320	10,541

		以公允價值計入其他全面收益的金融資產債務證券有關的持倉 – 250天風險值 250-day VaR for the debt securities measured at FVOCI related position							
		2019				2018			
		約計 Approximate				約計 Approximate			
		最高 Maximum	最低 Minimum	平均 Mean	截至12月31日 At 31 December	最高 Maximum	最低 Minimum	平均 Mean	截至12月31日 At 31 December
		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
利率風險	Interest rate risk	775,966	410,965	610,970	760,531	760,890	412,656	604,445	412,656
信貸利差風險	Credit spread risk	801,164	423,341	578,619	790,477	703,407	424,226	579,548	424,226
250天風險值總額	Total 250-day VaR	662,981	340,157	491,228	654,085	732,689	377,298	557,739	385,343

壓力測試

壓力測試的實施是作為對風險值模型的補充，目的在於涵蓋遙遠但可能發生的事件。本集團同時基於敏感度和歷史情景進行市場風險壓力測試。測試結果需向高級管理層、市場風險委員會和信貸及風險管理委員會作出匯報。

Stress testing

Stress testing is implemented as a compliment of the VaR model in order to capture remote, but plausible events. The Group uses both sensitivity-based and historical-based scenarios for market risk stress testing. The results are reported to senior management, MRC and CRMC.

40 金融風險管理 (續)

(b) 市場風險管理 (續)

外匯風險

本集團的外匯風險源自本集團及海外分行和附屬公司的商業交易、外匯證券投資及營運的外匯買賣盤。本集團的外匯買賣盤限額均須經由市場風險委員會核准。用以量度外匯風險的指標包括個別貨幣和整體持倉金額以及敏感度如希臘指標(適用於外匯期權)。截至2019年12月31日止年度，本集團的外匯買賣盤的平均單日損益為溢利港幣1,135,000元(2018年：溢利港幣869,000元)及其標準誤差為港幣5,094,000元(2018年：港幣7,395,000元)。

於結算日的重大外匯風險如下：

		2019				2018			
相等於港幣千元	Equivalent in HK\$'000	美金 USD	人民幣 RMB	其他貨幣 Others	總額 Total	美金 USD	人民幣 RMB	其他貨幣 Others	總額 Total
現貨資產	Spot assets	155,397,093	21,679,191	26,317,487	203,393,771	163,317,203	18,729,493	24,865,103	206,911,799
現貨負債	Spot liabilities	(111,503,584)	(21,591,724)	(15,393,598)	(148,488,906)	(125,601,331)	(23,488,739)	(16,142,278)	(165,232,348)
遠期買入	Forward purchases	366,026,392	122,622,627	79,498,934	568,147,953	427,931,000	208,884,284	44,451,537	681,266,821
遠期賣出	Forward sales	(406,919,637)	(122,158,607)	(89,612,241)	(618,690,485)	(462,883,922)	(203,302,636)	(53,567,017)	(719,753,575)
期權盤淨額	Net options position	(1,720,295)	1,521,451	235,996	37,152	(1,177,930)	793,289	382,033	(2,608)
長/(短)盤淨額	Net long/(short) position	1,279,969	2,072,938	1,046,578	4,399,485	1,585,020	1,615,691	(10,622)	3,190,089
結構盤淨額	Net structural position	-	669,549	48,518	718,067	-	675,965	48,549	724,514

期權盤淨額是按照金管局所核准的模式使用者法計算。

40 Financial risk management (continued)

(b) Market risk management (continued)

Currency risk

The Group's foreign exchange risk stems from taking foreign exchange positions from commercial dealings, investments in foreign currency securities, and operations of the Group and its overseas branches and subsidiaries. The Group's foreign exchange positions are subject to exposure limits approved by the MRC. Methods adopted to measure foreign currency risk exposure against corresponding limits include individual currency positions, overall foreign exchange positions and sensitivities such as Greeks (for foreign exchange options). For the year ended 31 December 2019, the Group's average daily trading profit and loss from foreign exchange positions was a profit of HK\$1,135,000 (2018: a profit of HK\$869,000) with a standard deviation of HK\$5,094,000 (2018: HK\$7,395,000).

Significant foreign currency exposures at the end of the reporting period were as follows:

The net option position is calculated using the Model User Approach, which has been approved by the HKMA.

40 金融風險管理 (續)**(b) 市場風險管理 (續)****外匯風險 (續)****外匯風險敏感度分析**

- (i) 於2019年12月31日，如港幣兌美元以外的其他貨幣貶值10%並假設其他所有參數不變，本年度本集團之除稅後溢利將增加港幣260,480,000元（2018年：增加港幣134,023,000元），主要由於非港幣計值的金融資產之匯兌溢利補償了非港幣計值的金融負債之匯兌損失。

相反地，如港幣兌美元以外的其他貨幣升值10%並假設所有其他參數不變，本年度本集團之除稅後溢利將減少港幣260,480,000元（2018年：減少港幣134,023,000元）。

- (ii) 本集團所承受之貨幣風險主要源自以美元計值的財務工具（不包括人民幣600,000,000元及澳門幣50,000,000元的結構性外匯持倉）。由於美元與港幣掛鉤，本集團認為美元與港幣匯率變動而引致的貨幣風險對本集團沒有重大的影響。

利率風險

本集團的利率風險承擔主要來自銀行賬冊及交易賬冊。對於銀行賬冊，資產負債管理委員會和風險管理委員會負責監督來自資產及負債管理所產生的利率風險。而財資部的職能負責利用不同的金融產品包括利率衍生工具配合對沖會計準則來管理利率風險。利率風險包括重新定價風險，基礎風險，收益率曲線風險和潛在期權風險，並受銀行賬冊的利率風險管理政策所約束。

對於交易賬冊，市場風險委員會和風險管理委員會負責監督其交易組合的利率風險。環球市場部負責使用不同金融產品包括衍生工具來管理利率風險，這些衍生工具的價值基於市值來估算。利率風險包括基礎風險，收益率曲線風險和潛在期權風險，並受市場風險政策所約束。

40 Financial risk management (continued)**(b) Market risk management (continued)****Currency risk (continued)****Sensitivity analysis on foreign exchange exposures**

- (i) At 31 December 2019, if the HKD had weakened by 10% against other currencies (other than the USD) with all other variables held constant, the Group's profit after tax for the year would have been higher by HK\$260,480,000 (2018: higher by HK\$134,023,000), mainly as a result of foreign exchange gains on the translation of non-HKD denominated financial assets compensated by foreign exchange losses on the translation of non-HKD denominated financial liabilities.

Conversely, if the HKD had strengthened by 10% against other currencies (other than the USD) with all other variables held constant, the Group's profit after tax for the year would have been lower by HK\$260,480,000 (2018: lower by HK\$134,023,000).

- (ii) The Group is exposed to currency risks arising from financial instruments that are denominated in USD, excluding structural foreign exchange positions of RMB600,000,000 and MOP 50,000,000. As the USD is pegged to the HKD, the Group considers the risk of movements in exchange rates between the HKD and the USD to be insignificant.

Interest rate risk

The Group's interest rate risk arise from its banking and trading book. For the banking book, ALCO and RMG are responsible in overseeing the interest rate exposure arising from its assets and liabilities management. The function of central treasury units is responsible in managing the interest rate risk using different financial products including interest rate derivatives, under which hedge accounting treatment is adopted. The interest rate risk includes repricing risks, basis risks, yield curve risks and embedded option risks, and are governed by the Interest Rate Risk Management Policy for the Banking Book.

For the trading book, MRC and RMG are responsible in overseeing the interest rate exposure from its trading portfolio. Global Markets is responsible in managing the interest rate risk using different financial products including derivatives, under which mark-to-market treatment is adopted. The interest rate risk includes basis risks, yield curve risks and embedded option risks, and are governed by the Market Risk Policy.

40 金融風險管理 (續)**(b) 市場風險管理 (續)****利率風險 (續)**

截至2019年12月31日止年度，本集團與利率及固定收益交易策略相關的每日交易損益為盈利港幣290,000元（2018年：損失港幣303,000元）及其標準誤差為港幣4,483,000元（2018年：港幣6,409,000元）。

利率風險敏感度分析

本集團每季均採用利率風險承擔敏感度分析來量度銀行賬冊之利率風險。於2019年的敏感度分析中，利率變動對本集團盈利之潛在影響的評估是基於金管局SPM IR-1定義的多套新利率方案和利率波動要求且最嚴格方案並已採納如下。於2018年，敏感度分析是根據金管局SPM IR-1定義的先前要求進行評估並假設三種主要貨幣（港幣、人民幣及美元）之利率將於下次利率重訂日（相對應時間的中間點）上調200個基點。此評估已包括資產負債表內與表外項目的影響。

		2019			2018		
相等於港幣千元	Equivalent in HK\$'000	港元 HKD	人民幣 RMB	美元 USD	港元 HKD	人民幣 RMB	美元 USD
對未來12個月的盈利影響	Impact on earnings over the next 12 months	(1,235,713)	(102,261)	(250,600)	1,045,918	57,297	(79,167)
對經濟價值的影響	Impact on economic value	(909,911)	(200,446)	(106,289)	(237,676)	(104,608)	472,060

這利率敏感度是依據資產及負債的利率風險的狀況而計算僅用於風險管理目的，有關分析乃根據以下假設進行：

- (i) 於2019年，該分析是根據金管局定義的多套利率方案和利率波動方案而作出。於2018年，分析則是基於收益率曲線和利率的平行變化。
- (ii) 投資組合沒有其他變化。

利率上調而導致本集團淨利息收入及經濟價值的實際變動與該敏感度分析的結果可能有所不同。

40 Financial risk management (continued)**(b) Market risk management (continued)****Interest rate risk (continued)**

For the year ended 31 December 2019, the Group's average daily trading profit and loss related to interest rate and fixed income trading strategy was a gain of HK\$290,000 (31 December 2018: a loss of HK\$303,000), with a standard deviation of HK\$4,483,000 (31 December 2018: HK\$6,409,000).

Sensitivity analysis on interest rate exposures

The Group measures the interest rate risk of the banking book by conducting a sensitivity analysis of the interest rate exposure on a quarterly basis. In 2019, the sensitivity analysis on the potential impacts of movements in interest rates on the Group's earnings and economic value are assessed based on the HKMA SPM IR-1 defined multi-sets of new interest rate scenario and interest rate volatility scenario requirements and the most stressed scenarios are selected below. In 2018, the sensitivity analysis were assessed based on the HKMA SPM IR-1 defined previous requirements assuming that the interest rates of three major currencies (HKD, RMB and USD) would rise by 200 basis points on the repricing dates (the midpoint of the corresponding time bands) of each asset and liability. The impacts on both the on- and off-statement of the financial position items are included in the assessment.

This sensitivity analysis, which is based on an interest rate risk profile of assets and liabilities, is used for risk management purposes only. The analysis is based on the following assumptions:

- (i) In 2019, the analysis is based on the requirements under HKMA SPM IR-1 defined multi-sets of interest rate scenario and interest rate volatility scenario. In 2018, there was a parallel shift in the yield curve and in interest rates.
- (ii) There are no other changes to the portfolio.

Actual changes in the Group's net interest income and the economic value resulting from the change in interest rates may differ from the results of this sensitivity analysis.

40 金融風險管理 (續)

(b) 市場風險管理 (續)

利率風險 (續)

下表顯示於結算日的計息資產及負債的預期下個重訂息率日期 (或到期日，以較早者為準) 之錯配。

40 Financial risk management (continued)

(b) Market risk management (continued)

Interest rate risk (continued)

The following tables indicate the mismatches of the expected next repricing dates (or maturity dates, whichever are earlier) for the interest bearing assets and liabilities at the end of the reporting period.

		2019					
		3個月內 (包括逾期)	3個月以上 至1年	1年以上 至5年	5年以上	非計息	
		3 months or less	Over 3 months	Over 1 year	Over 5 years	Non- interest	
		(including overdue)	to 1 year	to 5 years	5 years	bearing	
		總額	總額	總額	總額	總額	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	
資產	Assets						
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	26,005,564	25,533,437	–	–	–	472,127
在銀行、中央銀行及其他 金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	54,468,897	50,904,096	3,564,801	–	–	–
以公允價值計入損益的 金融資產	Financial assets at fair value through profit or loss	1,908,370	674,182	41,143	794,234	398,811	–
衍生金融工具	Derivative financial instruments	6,283,608	–	–	–	–	6,283,608
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	194,251,733	172,177,383	11,881,205	757,303	6,828	9,429,014
以公允價值計入其他全面 收益的金融資產	Financial assets at fair value through other comprehensive income	76,668,300	31,664,961	19,801,314	24,045,911	1,043,778	112,336
非計息資產	Non-interest bearing assets	1,635,030	–	–	–	–	1,635,030
資產總額	Total assets	361,221,502	280,954,059	35,288,463	25,597,448	1,449,417	17,932,115
負債	Liabilities						
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	7,121,633	6,046,036	629,231	446,366	–	–
客戶存款	Deposits from customers	276,872,680	226,807,678	36,896,138	423,941	–	12,744,923
以公允價值計入損益的 金融負債	Financial liabilities at fair value through profit or loss	146,500	146,500	–	–	–	–
衍生金融工具	Derivative financial instruments	6,363,156	–	–	–	–	6,363,156
已發行存款證	Certificates of deposit issued	3,112,919	3,112,919	–	–	–	–
已發行債務證券	Debt securities issued	3,346,067	–	3,346,067	–	–	–
債務資本	Loan capital	6,249,182	–	2,384,710	3,864,472	–	–
其他負債	Other liabilities	10,851,163	–	–	–	–	10,851,163
非計息負債	Non-interest bearing liabilities	708,028	–	–	–	–	708,028
負債總額	Total liabilities	314,771,328	236,113,133	43,256,146	4,734,779	–	30,667,270
利率敏感度差距	Interest rate sensitivity gap		44,840,926	(7,967,683)	20,862,669	1,449,417	

40 金融風險管理 (續)

(b) 市場風險管理 (續)

利率風險 (續)

40 Financial risk management (continued)

(b) Market risk management (continued)

Interest rate risk (continued)

2018

		2018					
		3個月內 (包括逾期) 3 months or less 總額 Total 港幣千元 HK\$'000	3個月以上 至1年 Over 3 months to 1 year 港幣千元 HK\$'000	1年以上 至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	非計息 Non- interest bearing 港幣千元 HK\$'000	
資產	Assets						
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	29,622,486	29,397,763	–	–	–	224,723
在銀行、中央銀行及其他 金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	52,886,380	52,317,362	569,018	–	–	–
以公允價值計入損益的 金融資產	Financial assets at fair value through profit or loss	1,440,532	92,659	569,052	778,308	–	513
衍生金融工具	Derivative financial instruments	6,027,833	–	–	–	–	6,027,833
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	203,829,256	186,483,752	10,478,492	747,357	7,390	6,112,265
以公允價值計入其他全面 收益的金融資產	Financial assets at fair value through other comprehensive income	66,977,407	28,756,314	17,917,785	17,714,512	2,488,995	99,801
非計息資產	Non-interest bearing assets	2,160,897	–	–	–	–	2,160,897
資產總額	Total assets	362,944,791	297,047,850	29,534,347	19,240,177	2,496,385	14,626,032
負債	Liabilities						
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	2,849,375	2,418,567	430,808	–	–	–
客戶存款	Deposits from customers	285,492,851	201,846,517	68,784,638	256,446	4,400	14,600,850
衍生金融工具	Derivative financial instruments	6,543,351	–	–	–	–	6,543,351
已發行存款證	Certificates of deposit issued	3,133,151	3,133,151	–	–	–	–
已發行債務證券	Debt securities issued	3,408,077	–	–	3,408,077	–	–
債務資本	Loan capital	6,283,542	–	2,339,751	3,943,791	–	–
其他負債	Other liabilities	8,645,374	174,250	–	–	–	8,471,124
非計息負債	Non-interest bearing liabilities	607,993	–	–	–	–	607,993
負債總額	Total liabilities	316,963,714	207,572,485	71,555,197	7,608,314	4,400	30,223,318
利率敏感度差距	Interest rate sensitivity gap		89,475,365	(42,020,850)	11,631,863	2,491,985	

40 金融風險管理 (續)

(c) 流動資金風險管理

流動性風險乃指本集團不可能在提供資金以應付資產增加或履行到期債務時而不須承受不可接受之損失的風險。流動資金的融資風險是由於本集團管理的資產和負債的期限出現錯配。市場流動性風險是指於異常或受壓的市場情況下出售持倉而產生額外費用的風險。在這條件下，其買入及賣出價範圍比在正常的市場條件下相差甚遠和極端地缺乏買家，本行將需支付額外費用以出售持倉。

流動資金風險管理框架如下：

- 本集團的流動資金風險管理，乃受資產負債委員會及信貸及風險管理委員會認可，並經董事會批准的流動資金風險管理政策監管。
- 信貸及風險管理委員會獲董事會授權，負責監察本集團的流動資金風險管理，其主要責任在於檢討及批核政策、制定策略、界定風險取向及可接受的風險水平限額。
- 資產負債委員會由行政總裁成立並獲信貸及風險管理委員會授權，負責制定及執行政策、策略、指引及限額架構。此外，亦負責識別、計量及監管流動性風險狀況，以確保能應付現在及將來之資金需求。資產負債委員會監控一套風險指標以管理流動性風險。風險管理部會每日進行流動性壓力測試，其中包括整體市場、銀行特定組合和合併（整體市場和銀行特定）壓力情景，並由資產負債委員會審閱，以評估風險承受能力水平和流動性緩衝水平。此外，建立了一項資金應變計劃，為此列明解決流動性風險情況下的策略。該計劃包括一系列的政策，程序及行動計劃，以及明確責任分工，調用和升級程序。該計劃並由資產負債委員會定期審閱及批核。

40 Financial risk management (continued)

(c) Liquidity risk management

Liquidity risk is the risk that the Group may not be able to fund an increase in assets or meet obligations as they fall due without incurring unacceptable losses. Such funding liquidity risk arises from the maturity mismatch of the assets and liabilities that the Group manages. Market liquidity risk is a risk that occurs when additional costs are involved in disposing of a position in the market under abnormal or stressed market conditions. Under these conditions, the bid-ask spreads for the position are much wider than usual or there could even be an extreme lack of buyers. As a result, the Bank will incur extra costs to dispose of the position.

The liquidity risk management framework is as follows:

- The management of the Group's liquidity risk is governed by the Liquidity Management Policy, concurred by the Asset and Liability Committee ("ALCO") and the CRMC, and approved by the Board of Directors.
- The CRMC is delegated by the Board of Directors to oversee the Group's liquidity risk management. Its main responsibilities are to review and approve policies, set strategies, and define risk appetite and tolerance limits.
- The ALCO is established by the Chief Executive Officer and ratified by the CRMC as the governing body responsible for formulating and implementing policies, strategies, guidelines and limit structures. It also identifies, measures and monitors the Group's liquidity risk profile to ensure current and future funding requirements are met. In addition, the ALCO monitors a set of risk indicators for liquidity risk. Daily liquidity stress testing, which includes market general, bank-specific and combined (market general and bank-specific) stress scenarios, is conducted by the Risk Management Group, and the stress results are regularly reviewed by the ALCO to assess the current risk tolerance level and the level of the liquidity cushion. A Contingency Funding Plan is established which sets out the strategies for addressing liquidity stress situations. The plan contains a set of policies, procedures and action plans, with clearly established lines of responsibility, as well as invocation and escalation procedures. This plan is reviewed and approved by the ALCO on a regular basis.

40 金融風險管理 (續)

(c) 流動資金風險管理 (續)

- 日常流動性管理由資金營運中心負責，監控資金需求，並由包括財務管理部和風險管理部在內的其他相關部門協助監管流動性風險和定期向管理層，委員會和地方監管機構提供報告。在壓力情景下的不同時段設置現金流量淨額限制，以確保有足夠資金和流動資產能滿足資金流動性需求。此外，其他流動性風險指標亦設有限制、觸發水平或警報，例如法定流動性比率、貸存比率、貨幣錯配比率和期限錯配比率。數量化和素質化計算方式均被採用以衡量和確定市場流動性風險。財務管理部或風險管理部負責監察及定期報告相關於市場和資金流動風險的限制和警報水平，並由資產負債委員會作出審查和批准。內部審計部門會定期作出檢討，確保流動性風險管理功能得以有效執行。

流動性管理於本集團及銀行層面、各海外分行及附屬公司進行。財務附屬公司及海外分行會按照資產負債委員會已考慮各不同流動資金風險特性後訂立之框架及當地監管機構之要求，執行其流動性管理政策。資產負債委員會亦會一併監控其流動性情況。對於提供資金予海外分行及附屬公司，本集團亦設立政策和交易對手限額。本集團期望各部門透過與存款人、客戶、銀行同業、關聯公司及金管局建立並維持良好的關係，為銀行無論在正常和緊急情況下均能夠成功、有效地管理流動資金而作出貢獻。

40 Financial risk management (continued)

(c) Liquidity risk management (continued)

- Daily liquidity management is managed by the Central Treasury Unit to monitor funding requirements. This unit is supported by other functional departments including the Financial Management Group and Risk Management Group, which monitor the liquidity risk and provide regular reports to the management, committees and local regulatory bodies. Limits for net cash flow per different time bucket under stress scenarios have been set to ensure that adequate funding and liquid assets are available to meet liquidity needs. Moreover, limits, triggers or alerts are set for other liquidity risk indicators such as the statutory liquidity ratios, the loan-to-deposit ratio, the currency mismatch ratio and the maturity mismatch ratio. Both quantitative and qualitative measures are employed to identify and measure market liquidity risk. Limits and alert levels related to market and funding liquidity risk are monitored and reported by the Financial Management Group or Risk Management Group to the ALCO to review and approve on a regular basis. The Audit Department performs periodic reviews to ensure liquidity risk management functions are carried out effectively.

Liquidity management is conducted at the Group and the Bank levels, and at individual overseas branches and subsidiaries. Financial subsidiaries and overseas branches are responsible for implementing their own liquidity management policies under the framework established by the ALCO and local regulatory requirements, taking into account their different liquidity risk characteristics. The liquidity situation of overseas branches and subsidiaries falls under the overall supervision of the ALCO. Policy and respective counterparty limits are set for overseas branches and subsidiaries in respect of the funding support extended from the head office. The Group expects all business units to contribute to the success of managing liquidity under normal and contingency situations by maintaining a rapport with depositors, customers, interbank counterparties, related companies and the HKMA.

40 金融風險管理 (續)**(c) 流動資金風險管理 (續)**

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要求。為此，本集團有以下之流動資金管理程序：

- 在正常及壓力情景下估算現金流量，利用資產負債錯配淨缺口評估預期資金需求；
- 在正常及壓力情景下計入潛在不可撤銷的信貸承諾提取，以應付或有流動性風險；
- 按照內部及／或監管機構的規定，監控法定流動性比率、貸存比率、貨幣及期限錯配比率；
- 藉監控存款組合之結構及穩定性，以確保穩健及多元化之資金來源；
- 定期預測短期至中期之法定流動性比率，以至能及早察覺流動性問題，並確保比率在法定要求及內部預警之內；
- 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；
- 在新產品業務推出前，須先進行潛在的流動性風險評估程序；
- 為應付無法預測之資金需求，本集團持有優質流動資產，包括現金及具投資評級之證券。另外，本集團參照法定要求和流動性壓力測試結果，而決定持有優質流動資產的數量；
- 持續使用同業拆借市場；
- 定期維持各項融資計劃以支持債務融資；

40 Financial risk management (continued)**(c) Liquidity risk management (continued)**

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

- Projecting cash flows in normal and various stress scenarios, using the net mismatch gap between assets and liabilities to estimate the prospective net funding requirement;
- Factoring potential drawdown on irrevocable committed facilities into our normal and stress scenarios to cater for contingent liquidity risk;
- Monitoring the statutory liquidity ratios, the loan-to-deposit ratio, the currency mismatch ratio and the maturity mismatch ratio against internal and/or regulatory requirements;
- Ensuring a sound and diversified range of funding sources, through monitoring the structure and the stability of the deposit portfolio;
- Projecting the statutory liquidity ratios regularly for the short to medium term to permit early detection of liquidity issues and to ensure the ratios are within statutory requirements and internal triggers;
- Projecting a high-level funding requirement and funding structure during the annual budget process to ensure sufficient funding and an appropriate funding mix;
- Conducting liquidity risk assessment before launching a new product;
- Maintaining High Quality Liquid Assets ("HQLA") comprising cash and investment grade securities as a cushion against unexpected funding needs. The amount of HQLA that the Group maintains is determined with reference to the statutory requirement and the results of the liquidity stress tests;
- Maintaining access to the interbank money market;
- Maintaining a funding programme to tap debt funding on a regular basis;

40 金融風險管理 (續)**(c) 流動資金風險管理 (續)**

- 維持本集團的抵押品要求。定期評估和審查於衍生工具合約及信用降級時所需的額外抵押品。按2019年12月31日的狀況，在評級遭降2個級別的情況下，對本集團需要額外抵押品要求的影響輕微；及
- 維持應變融資計劃，其中集合壓力測試的情景和假設的結果，包括設定預警指標（包括內部及市場指標），並且描述若出現危機時應採取之相應行動，以將業務所受的任何長遠負面影響減至最低。

集團業務所需的資金來自多元化資金來源，主要來自其零售及企業客戶的存款。與此同時，本集團亦積極從事批發融資業務，透過發行存款證來取得另一個資金來源及確保資金來源的多元化。本集團並定期監察存款之期限組合及債務到期日，以確保一個適當之資金到期組合。

自2017年10月1日起本集團被金管局指定為第一類機構。根據《銀行業（流動性）規則》，本集團作為第一類機構須維持流動性覆蓋比率及穩定資金淨額比率高於法定最低要求。

本集團維持適當的優質流動資產水平及其貨幣組合，以確保本集團於金管局監管框架下有能力應付不利或無法預計的經濟事故所引致突然性市場流動資金流失。除此之外，本集團同時監察及定期向資產負債管理委員會報告各個別主要幣種的流動性覆蓋比率以控制貨幣錯配。2019年下半年平均流動性覆蓋比率的變化主要由一級優質流動資產的變化所引至。

40 Financial risk management (continued)**(c) Liquidity risk management (continued)**

- Monitoring the Group's collateral requirement. Periodically assess and review the additional collateral required under derivative contracts and credit downgrade events. Based on the positions at 31 December 2019, in the event of a 2-notch downgrade, the impact on the Group's additional collateral requirement is minimal; and
- Maintaining a Contingency Funding Plan, which integrates with the results of the scenarios and assumptions used in the stress test, including setting early warning indicators (including internal and market indicators), and describing actions to be taken in the event of a stress crisis, so as to minimise adverse long-term implications for business.

The Group funds its operations through a diversified funding source, primarily from the retail and corporate customer deposits. At the same time, it also participates in the wholesale funding market through the issuance of certificates of deposit ("CDs") to secure another source of term funding and to enable diversification of funding sources. Deposit tenor mix and debt maturities are regularly monitored to ensure there is an appropriate funding maturity mix.

The Group was designated by the HKMA as Category 1 institution with effect from 1 October 2017. Under the Banking (Liquidity) Rules, the Group being a Category 1 institution is required to maintain a Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") above the statutory minimum requirements.

An appropriate level and currency mix of HQLA has been maintained to ensure that the Group could handle sudden drains in market liquidity due to adverse or unexpected economic events under the HKMA's regulatory framework. Besides, the Group also monitors and reports the LCR for each individual significant currency to ALCO regularly to control the currency mismatch in the LCR. The changes in average LCR in the second half of 2019 was mainly driven by the movements in Level 1 HQLA.

40 金融風險管理 (續)

40 Financial risk management (continued)

(c) 流動資金風險管理 (續)

(c) Liquidity risk management (continued)

		加權數額 (平均值) Weighted amount (average value)				
		2019年 12月31日 止之季度 For quarter ended 31 December 2019	2019年 9月30日 止之季度 For quarter ended 30 September 2019	2019年 6月30日 止之季度 For quarter ended 30 June 2019	2019年 3月31日 止之季度 For quarter ended 31 March 2019	2018年 12月31日 止之季度 For quarter ended 31 December 2018
平均流動性覆蓋比率	Average LCR	225.7%	207.6%	224.0%	249.4%	258.5%

本集團經常持有充足現金和流動資金及優質流動資產作為於緊急情景下可獲得之緩衝資金。流動性覆蓋比率中所包含的優質流動資產佔大多數為根據《銀行(流動性)規則》定義之一級資產。下表載列流動性覆蓋比率框架中本集團優質流動資產的組成。

The Group always maintains sufficient cash and liquid positions as well as a pool of HQLA as a liquidity cushion that can be liquidated in stress scenarios. The majority of HQLA included in the LCR is Level 1 assets as defined in Banking (Liquidity) Rules. The below table shows the composition of the Group's HQLA in the LCR framework:

		加權數額 (平均值) Weighted amount (average value)				
		2019年 12月31日 止之季度 For quarter ended 31 December 2019 港幣千元 HK\$' 000	2019年 9月30日 止之季度 For quarter ended 30 September 2019 港幣千元 HK\$' 000	2019年 6月30日 止之季度 For quarter ended 30 June 2019 港幣千元 HK\$' 000	2019年 3月31日 止之季度 For quarter ended 31 March 2019 港幣千元 HK\$' 000	2018年 12月31日 止之季度 For quarter ended 31 December 2018 港幣千元 HK\$' 000
一級資產	Level 1 assets	28,625,081	25,471,958	27,902,986	30,060,127	37,966,142
二級資產	Level 2 assets	6,840,970	7,596,810	6,648,674	7,694,360	7,504,428
總額	Total	35,466,051	33,068,768	34,551,660	37,754,487	45,470,570

40 金融風險管理 (續)**(c) 流動資金風險管理 (續)**

本集團同時維持足夠可用的穩定資金以支持其長期資產以滿足穩定資金淨額比率法定要求。2019年下半年穩定資金淨額比率的變化主要源自零售及企業客戶的存款的變動。本集團並無根據《銀行業(流動性)規則》定義為互有關連的資產及負債。

於2019年季度末的穩定資金淨額比率如下：

		2019年 12月31日 止之季度 Quarter ended 31 December 2019	2019年 9月30日 止之季度 Quarter ended 30 September 2019	2019年 6月30日 止之季度 Quarter ended 30 June 2019	2019年 3月31日 止之季度 Quarter ended 31 March 2019	2018年 12月31日 止之季度 Quarter ended 31 December 2018
穩定資金淨額比率	NSFR	145.0%	139.5%	143.1%	141.1%	141.5%

根據《銀行業(披露)規則》，本集團採用金管局指定的標準披露模板披露有關本集團流動資金的資料，並可在本行的網站 www.cncbinternational.com 內「監管披露」部份進行查閱。

40 Financial risk management (continued)**(c) Liquidity risk management (continued)**

The Group also maintains sufficient available stable funding in support of its longer-term assets to meet the statutory NSFR requirements. The changes in the NSFR in the second half of 2019 was mainly driven by the movements in deposits from retail and wholesale banking customers. There is no interdependent asset and liability as defined in the Banking (Liquidity) Rules in the Group.

The NSFRs as at the quarter-end in 2019 are as follows:

For the purposes of compliance with Banking (Disclosure) Rules, information relating to the Group's liquidity are published by using standard disclosure templates as specified by the HKMA and they can be viewed in the Regulatory Disclosures section of our Bank's corporate website at www.cncbinternational.com.

40 金融風險管理 (續)

(c) 流動資金風險管理 (續)

- (i) 根據餘下期間作出的資產及負債分析
以下到期日分析是以結算日至合約到期日的餘下期間為準。

由於交易用途資產組合可能在到期前出售，而客戶存款則可能在沒有提取的情況下到期，因此，合約到期日並不代表預計獲得未來現金流量的日期。

40 Financial risk management (continued)

(c) Liquidity risk management (continued)

- (i) Analysis of assets and liabilities by remaining maturity

The following maturity profile is based on the remaining period at the end of the reporting period date to the contractual maturity date.

As the trading portfolios may be sold before maturity, or deposits from customers may mature without being withdrawn, the contractual maturity dates do not represent the expected dates of future cash flows.

		2019							
		總額	即時償還	1個月內	1個月以上 至3個月	3個月以上 至1年	1年以上 至5年	5年以上	無註明 日期
		Total	Repayable on demand	Within 1 month	but over 1 month	but over 3 months	but over 1 year	Over 5 years	Undated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	26,005,564	25,569,254	-	-	-	-	-	436,310
在銀行、中央銀行及其他 金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	54,468,897	-	48,321,816	2,589,985	3,557,096	-	-	-
以公允價值計入損益的 金融資產	Financial assets at fair value through profit or loss	1,908,370	-	54,447	45,635	104,364	1,285,935	417,989	-
衍生金融工具	Derivative financial instruments	6,283,608	-	1,082,916	1,155,376	2,905,078	974,180	166,058	-
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	194,251,733	2,541,515	14,520,736	22,517,544	68,074,411	52,853,070	24,876,730	8,867,727
以公允價值計入其他全面 收益的金融資產	Financial assets at fair value through other comprehensive income	76,668,300	-	9,110,858	11,379,512	21,352,466	33,673,351	1,043,777	108,336
可收回稅項	Tax recoverable	6,842	-	-	-	6,842	-	-	-
無註明日期資產	Undated assets	1,628,188	-	-	-	-	-	-	1,628,188
資產總額	Total assets	361,221,502	28,110,769	73,090,773	37,688,052	96,000,257	88,786,536	26,504,554	11,040,561
負債	Liabilities								
銀行及其他金融機構的存款 及結存	Deposits and balances of banks and other financial institutions	7,121,633	438,601	2,283,723	3,323,713	629,231	446,365	-	-
客戶存款	Deposits from customers	276,872,680	76,761,278	71,250,565	91,542,452	36,894,443	423,942	-	-
以公允價值計入損益的 金融負債	Financial liabilities at fair value through profit or loss	146,500	-	-	-	-	23,393	123,107	-
衍生金融工具	Derivative financial instruments	6,363,156	-	1,105,055	1,157,591	2,921,560	970,738	208,212	-
已發行存款證	Certificates of deposit issued	3,112,919	-	-	3,112,919	-	-	-	-
已發行債務證券	Debt securities issued	3,346,067	-	-	-	3,346,067	-	-	-
本期稅項	Current taxation	705,837	-	-	-	705,837	-	-	-
其他負債	Other liabilities	10,155,293	-	1,689,963	584,638	641,529	609,294	-	6,629,869
經營租賃負債	Operating lease liabilities	695,870	-	20,315	40,042	173,201	462,312	-	-
債務資本	Loan capital	6,249,182	-	-	-	2,384,710	3,864,472	-	-
無註明日期負債	Undated liabilities	2,191	-	-	-	-	-	-	2,191
負債總額	Total liabilities	314,771,328	77,199,879	76,349,621	99,761,355	47,696,578	6,800,516	331,319	6,632,060
資產 - 負債差距	Asset-liability gap		(49,089,110)	(3,258,848)	(62,073,303)	48,303,679	81,986,020	26,173,235	

40 金融風險管理 (續)

(c) 流動資金風險管理 (續)

(i) 根據餘下期間作出的資產及負債分析 (續)

40 Financial risk management (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		2019							
			1個月以上 至3個月 3 months or less but over 1 month	3個月以上 至1年 1 year or less but over 3 months	1年以上 至5年 5 years or less but over 1 year	5年以上 Over 5 years	無註明 日期 Undated		
總額	即時償還	1個月內							
Total	Repayable	Within							
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元		
HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000		
其中：	Of which:								
持有的存款證	Certificates of deposit held								
— 已計入以公允價值計入 其他全面收益的 金融資產	— included in financial assets at fair value through other comprehensive income	5,438,918	—	922,239	1,403,298	1,842,949	1,270,432	—	—
債務證券	Debt securities held								
— 已計入以公允價值計入 損益的金融資產	— included in financial assets at fair value through profit or loss	1,908,370	—	54,447	45,635	104,364	1,285,935	417,989	—
— 已計入以公允價值計入 其他全面收益的 金融資產	— included in financial assets at fair value through other comprehensive income	49,353,873	—	299,728	1,924,523	13,682,821	32,403,024	1,043,777	—
		51,262,243	—	354,175	1,970,158	13,787,185	33,688,959	1,461,766	—
已發行存款證	Certificates of deposit issued	3,112,919	—	—	3,112,919	—	—	—	—

40 金融風險管理 (續)

40 Financial risk management (continued)

(c) 流動資金風險管理 (續)

(c) Liquidity risk management (continued)

(i) 根據餘下期間作出的資產及負債分析 (續)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		2018							
		總額	即時償還	1個月內	1個月以上 至3個月	3個月以上 至1年	1年以上 至5年	5年以上	無註明 日期
		Total	Repayable on demand	Within 1 month	or less but over 1 month	or less but over 3 months	or less but over 1 year	Over 5 years	Undated
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	29,622,486	29,164,926	-	-	-	-	-	457,560
在銀行、中央銀行及其他 金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	52,886,380	-	36,216,347	16,101,015	569,018	-	-	-
以公允價值計入損益的 金融資產	Financial assets at fair value through profit or loss	1,440,532	-	-	53,027	569,052	814,809	3,131	513
衍生金融工具	Derivative financial instruments	6,027,833	6,027,833	-	-	-	-	-	-
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	203,829,256	1,524,727	17,187,388	15,055,351	71,058,803	72,548,029	24,170,062	2,284,896
以公允價值計入其他全面 收益的金融資產	Financial assets at fair value through other comprehensive income	66,977,407	-	11,542,067	13,074,111	18,896,350	20,880,083	2,488,995	95,801
可收回稅項	Tax recoverable	8,353	-	-	-	8,353	-	-	-
無註明日期資產	Undated assets	2,152,544	-	-	-	-	-	-	2,152,544
資產總額	Total assets	362,944,791	36,717,486	64,945,802	44,283,504	91,101,576	94,242,921	26,662,188	4,991,314
負債	Liabilities								
銀行及其他金融機構的存款 及結存	Deposits and balances of banks and other financial institutions	2,849,375	530,155	793,990	1,068,975	456,255	-	-	-
客戶存款	Deposits from customers	285,492,851	73,764,552	72,486,427	69,864,368	69,116,658	256,446	4,400	-
衍生金融工具	Derivative financial instruments	6,543,351	6,543,351	-	-	-	-	-	-
已發行存款證	Certificates of deposit issued	3,133,151	-	3,133,151	-	-	-	-	-
已發行債務證券	Debt securities issued	3,408,077	-	-	-	-	3,408,077	-	-
本期稅項	Current taxation	600,053	-	-	-	600,053	-	-	-
其他負債	Other liabilities	8,645,374	-	1,027,306	339,775	855,185	-	-	6,423,108
債務資本	Loan capital	6,283,542	-	-	-	2,339,751	3,943,791	-	-
無註明日期負債	Undated liabilities	7,940	-	-	-	-	-	-	7,940
負債總額	Total liabilities	316,963,714	80,838,058	77,440,874	71,273,118	73,367,902	7,608,314	4,400	6,431,048
資產－負債差距	Asset-liability gap		(44,120,572)	(12,495,072)	(26,989,614)	17,733,674	86,634,607	26,657,788	

40 金融風險管理 (續)

(c) 流動資金風險管理 (續)

(i) 根據餘下期間作出的資產及負債分析 (續)

40 Financial risk management (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

2018									
		總額	即時償還	1個月內	1個月以上 至3個月	3個月以上 至1年	1年以上 至5年	5年以上	無註明 日期
		Total	Repayable on demand	Within 1 month	3 months or less but over	1 year or less but over	5 years or less but over	Over 5 years	Undated
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
其中：	Of which:								
持有的存款證	Certificates of deposit held								
— 已計入以公允價值計入 其他全面收益的 金融資產	— included in financial assets at fair value through other comprehensive income	14,394,029	—	2,531,852	3,972,997	7,577,146	312,034	—	—
債務證券	Debt securities held								
— 已計入以公允價值計入 損益的金融資產	— included in financial assets at fair value through profit or loss	944,630	—	—	53,027	73,663	814,809	3,131	—
— 已計入以公允價值計入 其他全面收益的 金融資產	— included in financial assets at fair value through other comprehensive income	36,512,097	—	1,296,798	839,051	11,319,204	20,568,049	2,488,995	—
		37,456,727	—	1,296,798	892,078	11,392,867	21,382,858	2,492,126	—
已發行存款證	Certificates of deposit issued	3,133,151	—	3,133,151	—	—	—	—	—

40 金融風險管理 (續)

(c) 流動資金風險管理 (續)

(ii) 金融負債剩餘期限分析

以下的剩餘期限分析顯示本集團的金融負債的最早可能的合約到期日之餘下期間為準的未折現現金流量。衍生金融工具的合同未折現現金流量僅包括利息支付按合同利率計算的利率衍生工具。

40 Financial risk management (continued)

(c) Liquidity risk management (continued)

(ii) Analysis of the residual contractual maturities of financial liabilities

The following maturity profile shows the undiscounted cash flows of the Group's financial liabilities on the basis of their earliest possible contractual maturity. The contractual undiscounted cashflows for derivative financial instruments only included interest rates derivatives with interest payments computed using contractual rates.

		2019						
					1個月以上 至3個月 3 months or less but over	3個月以上 至1年 1 year or less but over	1年以上 至5年 5 years or less but over	5年以上 Over
		現金流量總額 Gross cash flows 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月 1 month 港幣千元 HK\$'000	3個月 3 months 港幣千元 HK\$'000	1年 1 year 港幣千元 HK\$'000	5年 5 years 港幣千元 HK\$'000
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	7,191,403	438,601	2,290,043	3,337,231	641,679	483,849	-
客戶存款	Deposits from customers	278,559,116	76,761,278	71,606,292	92,199,747	37,562,828	428,971	-
已發行存款證	Certificates of deposit issued	3,210,797	-	-	3,210,797	-	-	-
已發行債務證券	Debt securities issued	3,495,044	-	-	-	3,495,044	-	-
債務資本	Loan capital	7,152,216	-	-	89,995	2,540,568	4,521,653	-
以公允價值計入損益的金融負債	Financial liabilities at fair value through profit or loss	185,562	-	-	1,010	3,638	41,941	138,973
衍生金融工具	Derivative financial instruments	4,317,876	-	218,643	416,741	1,313,496	1,971,204	397,792
		304,112,014	77,199,879	74,114,978	99,255,521	45,557,253	7,447,618	536,765
		2018						
					1個月以上 至3個月 3 months or less but over	3個月以上 至1年 1 year or less but over	1年以上 至5年 5 years or less but over	5年以上 Over
		現金流量總額 Gross cash flows 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月 1 month 港幣千元 HK\$'000	3個月 3 months 港幣千元 HK\$'000	1年 1 year 港幣千元 HK\$'000	5年 5 years 港幣千元 HK\$'000
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	2,872,125	530,155	797,012	1,075,486	469,472	-	-
客戶存款	Deposits from customers	287,847,873	73,764,552	72,943,185	70,361,059	70,500,069	273,775	5,233
已發行存款證	Certificates of deposit issued	3,203,960	-	3,203,960	-	-	-	-
已發行債務證券	Debt securities issued	3,714,549	-	-	-	150,221	3,564,328	-
債務資本	Loan capital	6,740,681	-	-	-	2,689,614	4,051,067	-
衍生金融工具	Derivative financial instruments	2,522,492	-	90,011	315,863	760,442	1,234,814	121,362
		306,901,680	74,294,707	77,034,168	71,752,408	74,569,818	9,123,984	126,595

40 金融風險管理 (續)

(d) 資本管理

本集團管理資本有以下主要目的：

- 於本集團有營運業務之所在國家中，符合有關銀行監管機構的資本監管要求；
- 維持雄厚的資本基礎以支持其業務發展；及
- 維護本集團持續經營的能力，以持續為股東提供回報及為其他相關持份者提供效益。

金管局設定及監控本集團整體的資本要求，而各經營銀行業務的子公司則直接受其當地銀行監管機構所監管。金管局要求本集團須維持三個最低風險加權資本比率，包括普通股權一級資本比率、一級資本比率及總資本比率。《2014年銀行業（資本）（修訂）規則》於2015年1月1日開始實施《巴塞爾協定三》下的緩衝資本要求，包括防護緩衝資本（「CCB」）其目的是確保銀行於受壓期以外建立風險加權數額的2.5%之資本，以及逆週期緩衝資本（「CCyB」）由個別司法管轄區設置，其目的用以在信貸過度增長時期積存資本。此兩項要求於2019年1月1日起全面實施。金管局並已宣佈香港地區適用的CCyB，由2019年1月1日起為風險加權數額的2.5%及由2019年10月14日起降低至2.0%。《巴塞爾協定三》框架下還引入了槓桿比率作為非以風險為基礎的後備限額，以補充以風險為基礎的資本要求。《2017年銀行業（資本）（修訂）規則》於2018年1月1日正式實施並立法規定最低槓桿比率為3%。

本集團採用標準計算法以計算其在持倉交易盤的市場風險及信貸風險的風險權重，並採用基本指標計算法以計算業務操作風險。銀行業務以交易賬或銀行賬區分，而風險加權數額則按各資產及表外資產風險承擔所反映的不同程度風險之相關要求來釐定。

40 Financial risk management (continued)

(d) Capital management

The Group's primary objectives when managing capital are:

- to comply with the capital requirements set by the banking regulators in the markets where the entities within the Group operate;
- to maintain a strong capital base to support the development of its business; and
- 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.

The HKMA sets and monitors capital requirements for the Group as a whole. An individual banking subsidiary is directly regulated by its local banking supervisor. The HKMA requires that the Group maintain three prescribed minimum risk-weighted capital ratios: Common Equity Tier 1 ("CET1") capital ratio, Tier 1 capital ratio and total capital ratio. In accordance with the Banking (Capital) (Amendment) Rules 2014 which came into effect on 1 January 2015, the Basel III capital buffers, namely capital conservation buffer ("CCB") which is designed to ensure that banks build up capital outside periods of stress of 2.5% of risk-weighted amounts and countercyclical capital buffer ("CCyB") which is set on an individual country basis and is built up during periods of excessive credit growth, came into operation. Both have been fully implemented on 1 January 2019. The HKMA announced the CCyB ratio for Hong Kong is 2.5% of risk-weighted amounts effective from 1 January 2019 and is reduced to 2.0% effective from 14 October 2019. Basel III framework also introduced a leverage ratio as a non-risk-based backstop limit, to supplement risk-based capital requirements. On 1 January 2018, the Banking (Capital) (Amendment) Rules 2017 came into operation and prescribed the statutory minimum leverage ratio of 3%.

The Group adopts the standardised approach of calculating market risk in its trading portfolios and risk weightings for credit risk, and the basic indicator approach for operational risk. Banking operations are categorised as either trading or banking book, and risk-weighted amounts are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

40 金融風險管理 (續)

(d) 資本管理 (續)

本集團積極及定期檢討和管理其資本結構，以在較高槓桿效益可能為股東帶來可觀回報與穩健的資本狀況所帶來的優點和安穩兩者之間取得平衡，並因應不同的經濟狀況調整資本結構。為符合金管局規定以風險為基礎的資本充足要求，本集團進行內部資本充足評估程序以評估第二支柱風險的資本需求並計算於第一支柱及第二支柱下的資本要求。此外，作為資本管理政策其中的一部份以及確保本集團有充足資本基礎，本集團每年均進行資本規劃，當中考慮銀行整體策略重點、未來業務增長、風險偏好及監管要求。資本規劃亦包括按需要發行之資本工具，以確保本集團的資本充足比率遠高於內部的監控水平及監管要求。本集團並定期進行壓力測試，以確保在極端但有可能出現的壓力情景下，對風險和資本狀況的影響已被考慮。壓力測試同時為本集團提供了重大不利事件的潛在影響之見解，以及所需之相關補救措施。

按照行業慣常做法，本集團以資本充足比率監控其資本結構。於年內，本集團的資本管理政策並無重大變動。

於2019年12月31日的資本充足比率乃是本集團根據金管局監管規定須包括若干附屬公司於綜合基準上所計算，並符合香港《銀行業條例》下《銀行業(資本)規則》的規定。

截至2019年12月31日及2018年12月31日止年度，本集團及其個別受監管的業務均一直遵守所有外部施加的資本要求，且有關資本比率遠高於金管局要求的最低比率水平。

40 Financial risk management (continued)

(d) Capital management (continued)

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might otherwise be possible with greater gearing, and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. In order to comply with the risk-based supervisory framework of capital adequacy stipulated by the HKMA, the Group conducts the Internal Capital Adequacy Assessment Process, which assesses the capital requirement for Pillar 2 risks and hence the capital requirement for Pillar 1 and 2 is derived. Moreover, as part of the capital management policy and to ensure capital adequacy, the Group conducts capital planning annually, which takes into account the strategic focus, future business growth, risk appetite and regulatory requirement. The plan covers the issuance of capital instruments, if required, to ensure the Group's capital ratios are well above their respective internal monitoring levels and regulatory requirement. Regular stress testing is performed to ensure that the impact of extreme but plausible scenarios on the risk profile and capital position is considered. Stress testing also gives an insight into the potential impact of significant adverse events and how these could be mitigated.

Consistent with industry practice, the Group monitors its capital structure on the basis of the capital adequacy ratio. There have been no material changes in the Group's policy on the management of capital during the year.

The capital adequacy ratios at 31 December 2019 were computed on the consolidated basis of the Group and some subsidiaries as specified by the HKMA for its regulatory purposes, and are in accordance with the Banking (Capital) Rules of the Hong Kong Banking Ordinance.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year ended 31 December 2019 and 31 December 2018, and the Group's capital ratios are well above the minimum required ratios set by the HKMA.

40 金融風險管理 (續)

(e) 新產品風險管治

新產品風險的定義

新產品的風險涵蓋因現有產品和服務的變更和因推出新產品和服務相關的風險，包括信貸、市場、利率、流動性、操作、商譽、策略、法律和合規等風險。

管治架構

本集團已建立了一個以提升產品管治框架以便在產品發佈前進行更嚴格和更全面的評估和審批流程。該框架是由董事會審批並受新產品委員會和信貸及風險管理委員會所監督的新產品審批政策所約束。風險管理小組下屬的新產品專職團隊在其他風險管理職能部門和特定風險領域的專家包括監控及合規部、財務管理部、營運管理部、資訊科技部和行政總裁辦公室支援下負責有效地實施控制和監測的措施。

(f) 操作風險管理

操作風險管理的定義

操作風險是因內部流程、人員、系統的不足或失誤，或其他外部事件，所造成損失的風險。

管治架構

本集團已建立操作風險管理架構以識辨、評估、緩減、控制、監測及報告操作風險。操作風險管理架構涵蓋本集團中的所有成員，並透過政策及指引規定最低要求，以確保操作風險管理方式的一致性。操作風險管理委員會由行政總裁設立，並由董事會授權之信貸及風險管理委員會監管有關操作風險管理事項。操作風險管理計劃及工具則由集團操作風險管理小組及各主要業務部門、支援部門的高級管理層負責推行，並包括操作風險領域主題專家如監控及合規部、財務管理部、資訊科技部和人力資源部。

40 Financial risk management (continued)

(e) New product risk governance

Definition of New Product Risk

New Product Risk comprise the risks associated with launch of new products and services (including changes to existing products and services), encompassing credit, market, interest rate, liquidity, operational, reputation, strategic, legal and compliance risks.

Governance framework

The Group has established an enhanced product governance framework to instill more stringent and comprehensive assessment and approval processes prior to launch. The framework is governed by the New Product Approval Policy, which is approved by the Board and under the oversight of the New Product Committee ("NPC") and the CRMC. The effective implementation of the controls and monitoring measures is driven by the dedicated New Product Governance team under the Risk Management Group, with the support from other risk management functions and subject matter experts on specific risk areas, including the Controls & Compliance Group, Financial Management Group, Operations Management Group, Information Technology Group and CEO Office.

(f) Operational risk management

Definition of operational risk

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

Governance framework

The Group has established an Operational Risk Governance Framework ("ORGF") to identify, assess, mitigate, control, monitor and report operational risk. The ORGF encompasses every member within the Group and is governed by policies and guidelines which define the minimum requirements to ensure a consistent approach to manage operational risks. The Operational Risk Management Committee ("ORMC") is established by the Chief Executive Officer ("CEO") and ratified by the Credit & Risk Management Committee ("CRMC"), which is a Board delegated Committee to oversee Operational Risk Management ("ORM") and relevant matters. Implementation of ORM plans and tools is driven by a Group-level ORM team with the support from other key participants in ORM including subject matter experts on specific operational risk areas including Controls and Compliance Group, Financial Management Group, Information Technology Group, and Human Resources Group.

40 金融風險管理 (續)

(f) 操作風險管理 (續)

操作風險的管理

日常操作風險相關事項由各業務部門、支援部門及其操作風險及控制管理主管協助各部門主管執行。

操作風險管理小組協助管理層理解及管理操作風險，並確保本集團的操作風險政策、流程及程序能一致地應用於集團各部門。各業務部門及支援部門根據其所屬範圍負責識別、評估、管理和監察相關的操作風險及主要風險指標。操作風險管理小組監察本集團的整體操作風險水平及確保所有重大風險都能及時並準確地向操作風險管理委員會、信貸及風險管理委員會及集團的高級管理層匯報，提請作出關注。

審計部定期對操作風險管理架構作出審查以確保管理架構持續恰當有效。

所有新入職員工必須完成操作風險網上培訓課程，在職員工亦必須進行年度的操作風險架構重溫。操作風險管理小組亦為各業務部門及支援部門舉辦培訓班，以提高員工對操作風險的防範意識及熟習風險管理工具的運用，使在職員工更了解操作風險管理架構及其角色和責任。管理層的支持進一步加強了操作風險的認受性和推動員工達致卓越的營運水平。

所有外判活動、新產品及大型項目均需進行風險評估。

40 Financial risk management (continued)

(f) Operational risk management (continued)

Management of operational risk

Day-to-day operational risk management lies with our business units, support units and the Business Operational Risk Officer ("BORO") of each unit assists the respective unit heads in this regard.

ORM team assists management in meeting their responsibility of understanding and managing operational risk and ensures the development and consistent application of operational risk policies, processes and procedures throughout the Group. Business and support units are responsible for identifying, assessing, managing and monitoring operational risks and tracking Key Risk Indicators in their areas. The ORM team monitors the Group's overall operational risk exposures and ensures that all material risks are promptly and appropriately escalated to the ORMC, CRMC and senior management of the Group for their attention.

The Internal Audit Group examines and evaluates the adequacy and control effectiveness of the ORGF on an ongoing basis.

A web-based learning programme on operational risks is required for all new joiners and an annual refresher training on ORGF is compulsory for all staff. Training workshops led by the ORM team are offered to business and support units with the objectives to raise operational risk awareness among staff, familiarize them with the ORM tools and enhance understanding of the ORGF along with their roles, responsibilities and accountabilities. This is further reinforced by strong management support which encourages staff to embrace and pursue operational excellence.

Risk assessments are conducted on all outsourced activities, new products and large projects.

40 金融風險管理 (續)

(f) 操作風險管理 (續)

工具及方法

本集團透過以下不同的工具和系統作識辨、評估、監察及報告操作風險：

- 操作風險自我評估是用作識辨及評估各風險級別、及其控制措施有效性的一種工具。按操作風險管理小組的指引，該工具已於所有業務及支援部門推行。各部門的管理層委任負責人需從日常業務運作中識辨主要的風險因素。各風險因素須按估計損失及發生頻率進行分析，從而量化該因素帶來的財務影響。除財務影響的評估外，亦需考慮其他非財務影響，包括受影響客戶的數量、監管及聲譽影響等的可能性及嚴重性。
- 主要風險指標是一項透過分析不同的風險因素，提供風險警報訊號予管理層作監察及行動的統計性測量工具。透過定期的主要風險指標監察，本集團能及早識辨及應對潛在的業務監控弱點。主要風險指標分為兩個層面，即集團層面及部門層面。部門層面的主要風險指標由各部門制定，以持續監測相關改善計劃的進度及完成情況。各業務部門及支援部門層面的主要風險指標門檻值是參照本集團的風險偏好或各部門於每個風險因素下可承受的風險程度而設定。

40 Financial risk management (continued)

(f) Operational risk management (continued)

Tools and methodologies

The Group identifies, assesses, monitors and reports on operational risk through the ORM tools and systems as set out below:

- Operational Risk & Control Self-Assessment ("RCSA") is a tool to identify and assess the level of operational risk and effectiveness of control. RCSA has been rolled out across the business and support units under the guidance of the ORM team. RCSA leaders are nominated by the management of each business and support unit to conduct self-assessments and identify key risk factors in their daily business and support functions. Each key risk factor is assessed and quantified for financial impact, in terms of the estimated loss impact of each occurrence and estimated number of occurrences. In addition to the financial impact assessment, non-financial impacts including customer, regulatory and reputation impacts are also assessed taking into considerations of both likelihood of risk materializing and severity of impact.
- Key Risk Indicators ("KRIs") are statistical metrics that take various risk factors into consideration and serve to provide early warning signals for management's monitoring and action. Through regular monitoring of these KRIs, areas of potential operational control weaknesses can be identified at an early stage and addressed promptly. KRIs are developed at two levels, namely the group and the unit level. Unit level KRIs are developed by the respective units, and are monitored and tracked for progress towards completion of applicable mitigation plans. Thresholds are established for each business unit and support unit with reference to the risk appetite of the Group or the acceptable risk level for the unit under each risk factor.

40 金融風險管理 (續)

(f) 操作風險管理 (續)

工具及方法 (續)

- 所有操作風險事件均記錄於操作風險損失數據資料庫內。操作風險管理小組確保所有重要事件均已作出合理匯報及調查，並確保相關的糾正及預防措施已按照既定時間表執行。作為一個中央數據資料庫，操作風險損失數據會用於編制定期報告，報告須向高級管理層、操作風險管理委員會、信貸及風險管理委員會就重大的操作風險事件，及監察操作風險損失趨勢作匯報。匯報機制的設立確保相關的內部部門能及時得悉操作風險重大事故，並能按需要迅速提交報告予監管機構。影響較低的操作風險事件也進行收集以協助趨勢分析和提供更具前瞻性的視野以保證對潛在的風險問題進行密切關注。
- 操作風險管理儀表板為管理層就主要操作風險事項其中包括但不限於操作風險自我評估進度及主要風險指標提供概覽。此儀表板呈交操作風險管理委員會，並每季呈交信貸及風險管理委員會，作為集團風險管理報告的一部分。集團風險管理報告亦反映操作風險措施的執行情況，描述操作風險事件及損失的走勢分析，扼要論述重大事故。

本集團會不斷優化及提升操作風險管理架構與市場同步發展。

本集團的長遠目標為推動一個具前瞻性、有承擔和負責任的操作風險管理文化，持續穩健地管理業務操作風險，以達致卓越營運的目的。

40 Financial risk management (continued)

(f) Operational risk management (continued)

Tools and methodologies (continued)

- Operational risk incidents are reported into a centralized operational loss database. The ORM team ensures all material operational risk incidents are registered in the database, and are properly investigated, with corrective and preventive actions promptly executed according to agreed timelines. The loss data serves as a centralized database to produce regular reports for senior management, ORMC and CRMC review on the impact of significant incidents and monitoring of the operational risk loss trends. An escalation protocol is in place to ensure that operational risk incidents with significant impact are reported to the regulatory authorities, if deemed necessary. Lower impact operational risk events are also collected to assist trend analysis and provide a more forward looking perspective of potential risk issues that warrant for closer attention.
- Operational Risk Dashboard ("ORD") provides management with an overview of the key operational risk issues including but not limited to the progress of the RCSA reviews and KRI evaluation results. This information is submitted to the ORMC and relevant summarized information is submitted to the CRMC quarterly as part of the Group-wide Risk Status Update Report. The Group-wide Risk Status Update Report captures the implementation status of ORM initiatives, contains analyses on the trend of operational losses, highlights operational risk incidents that have a material impact on the Group.

The Group will continuously fine-tune and enhance its operational risk management framework to progress with industrial developments.

The Group's long-term goal is to cultivate a proactive, responsible and accountable culture on ORM, and achieve operational excellence through robust and continuous operational risk management.

40 金融風險管理 (續)

(g) 法律風險管理

本集團緊貼所有適用於其管治及營運的最新法律和監管規定，不斷致力培育員工，提升系統和程序，按需要推行必要的變動及建立對這些要求的警覺意識。本集團定時進行檢討，以確保本集團的政策和程序符合相關最新的法律和監管的規定。若發佈新的或大幅修改政策和程序，相關培訓通常會隨之進行。本集團亦設立了一項有力的程序以確保有效地認定、監測及緩解法律風險。如有發生任何重大而相關於風險的未合規事件，法律或合規部門會匯報予本集團的信貸及風險管理委員會及高級管理層。

本集團的法律部及合規部在本集團的運作中扮演著極為重要的角色，並為各部門提供法律與合規的意見及支援，並支援單位的合作，以確保維持相關的控制措施。在2019年，法律部及合規部積極參與新產品的推出及新業務的創立，重要的策略性交易及商業合約、外判合約、以及為本集團處理其遍及不同地域及範疇商業活動的日常事務。與此同時，法律部及合規部亦積極參與監察和確保符合急速變化的監管規定對本集團各方面的影響。而且將繼續就本集團的需要提供意見及支援以應對未來的法律升和法規所帶來的挑戰。

(h) 策略性及聲譽風險管理

策略性風險管理是源自本集團為建立、支持及推行有關長期增長及發展的策略性決定所付出的努力。聲譽風險管理則源自本集團致力保護其品牌及業務經營權免除由有關本集團經營慣例、行為或財務狀況的負面公眾消息所導致的潛在損害。

本集團的信貸及風險管理委員會定期開會，監察和管理本集團的策略性及聲譽風險。本集團高級管理層認為當前要務是確保能妥善制定及執行業務和營運策略，並以專業手法及按合適時機進行。此等策略會定時作出檢討以使本集團能與不斷變化的營運及監管環境同步並進。本集團以銀行整體基礎為業務重點，連同一些能清楚配合支持本集團策略的個別業務及支援部門，可計量的目標會分配到不同單位以確保能完善執行。本集團亦非常關注保護本集團的聲譽及加強其品牌效應達至最大效益，此需要持續致力監管及確保客戶的滿意度、營運的效率、法律與監管的合規性、與公眾的溝通及發佈的管理等方面能維持高水平。

40 Financial risk management (continued)

(g) Legal risk management

The Group remains abreast of all legal and regulatory requirements applicable to its governance and operations, and continuously seeks to develop its people, enhance its systems and processes, and implement changes as necessary to meet the demands and create awareness of such requirements. Regular reviews are conducted with respect to the Group's policies and procedures to ensure the same reflect the latest legal and regulatory requirements. Issuance of new or substantially revised policies and procedures are often accompanied by relevant training. There is a strong process in place to ensure legal and regulatory risks are identified, monitored and mitigated. Any significant matters that arise relating to such risks are reported as appropriate by the Legal and Compliance function to the Group's CRMC or senior management.

The Legal and Compliance Department has been one of the key partners in the business, providing legal and compliance advice and support to all parts of the Group and working with business and support units to ensure relevant controls are in place. In 2019, the Legal and Compliance Department had actively involved in new product launches and new business initiatives, strategically important transactions and commercial agreements, outsourcing arrangements as well as day-to-day matters arising from the Group's business. The Legal and Compliance Department will remain heavily involved in monitoring and ensuring compliance with changing regulatory requirements in various areas impacting the Group, and will continue to advise and support the Group in meeting the legal and regulatory challenges that lay ahead.

(h) Strategic and reputation risk management

Strategic risk management refers to the Group's efforts to develop, uphold and implement strategic decisions related to its long-term growth and development. Reputation risk management refers to the Group's efforts to protect its brand name and business franchise from any potential damages arising from negative publicity and information about its business practices, conduct or financial condition.

The CRMC of the Group meets regularly to monitor and oversee the Group's strategic and reputation risks. Senior management places high priority on ensuring that the Group's business and operational strategies are appropriately defined and are executed professionally and promptly. Such strategies are reviewed regularly to enable the Group to respond efficiently to changes in its operating and regulatory environment. Business priorities, set on a bank-wide basis, as well as for individual business and functional units, are aligned to support the Group's strategies, and measurable targets are assigned to ensure execution excellence. Great care is also taken to protect the Group's reputation and to maximise its brand equity. This includes ongoing efforts to monitor and ensure high standards of customer satisfaction, operational efficiency, legal and regulatory compliance, public communication and issues management.

41 公允價值計量的金融工具

(a) 以公允價值計量的金融工具

(i) 層級計算公允價值

公允價值估計是根據金融工具的特性和相關市場資料於某一特定時間作出，因此一般是主觀的。公允價值根據下列公允價值層級釐定：

41 Fair value measurement of financial instruments

(a) Financial instruments measured at fair value

(i) Fair value hierarchy

Fair value estimates are generally subjective in nature, and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Fair value is determined according to the following fair value hierarchy:

於2019年12月31日的公允價值計量
Fair value measurements at 31 December 2019 using

		截至12月31日 公允價值 (總額) Fair value at 31 December (Total) 港幣千元 HK\$' 000	相同資產在 活躍市場報價 (第1層級) Quoted prices in active market for identical assets (Level 1) 港幣千元 HK\$' 000	其他主要 可觀察的數據 (第2層級) Significant other observable input (Level 2) 港幣千元 HK\$' 000	主要而 非可觀察的數據 (第3層級) Significant unobservable input (Level 3) 港幣千元 HK\$' 000
經常性公允價值計量	Recurring fair value measurements				
資產	Assets				
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss				
— 債務證券	— Debt securities	1,908,370	1,724,403	183,967	—
衍生金融工具	Derivative financial instruments				
— 衍生工具的正公允價值	— Positive fair value of derivatives	6,283,608	2,261	6,281,347	—
以公允價值計入其他全面收益的 金融資產	Financial assets at fair value through other comprehensive income				
— 持有的存款證	— Certificates of deposit held	5,438,918	403,526	5,035,392	—
— 國庫券	— Treasury bills	21,767,173	21,488,349	278,824	—
— 債務證券	— Debt securities	49,353,873	46,012,472	3,337,401	4,000
— 權益證券	— Equity securities	108,336	—	—	108,336
		76,668,300	67,904,347	8,651,617	112,336
		84,860,278	69,631,011	15,116,931	112,336
負債	Liabilities				
衍生金融工具	Derivative financial instruments				
— 衍生工具的負公允價值	— Negative fair value of derivatives	6,363,156	152	6,363,004	—

41 公允價值計量的金融工具 (續)

(a) 以公允價值計量的金融工具 (續)

(i) 層級計算公允價值 (續)

41 Fair value measurement of financial instruments (continued)

(a) Financial instruments measured at fair value (continued)

(i) Fair value hierarchy (continued)

於2018年12月31日的公允價值計量
Fair value measurements at 31 December 2018 using

		截至12月31日 公允價值 (總額) Fair value at 31 December (Total) 港幣千元 HK\$'000	相同資產在 活躍市場報價 (第1層級) Quoted prices in active market for identical assets (Level 1) 港幣千元 HK\$'000	其他主要 可觀察的數據 (第2層級) Significant other observable input (Level 2) 港幣千元 HK\$'000	主要而 非可觀察的數據 (第3層級) Significant unobservable input (Level 3) 港幣千元 HK\$'000
經常性公允價值計量	Recurring fair value measurements				
資產	Assets				
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss				
— 債務證券	— Debt securities	944,630	734,674	209,956	—
— 國庫券	— Treasury bills	495,389	495,389	—	—
— 投資基金	— Investment funds	513	—	—	513
		1,440,532	1,230,063	209,956	513
衍生金融工具	Derivative financial instruments				
— 衍生工具的正公允價值	— Positive fair value of derivatives	6,027,833	9,292	6,018,541	—
以公允價值計入其他全面收益的 金融資產	Financial assets at fair value through other comprehensive income				
— 持有的存款證	— Certificates of deposit held	14,394,029	754,018	13,640,011	—
— 國庫券	— Treasury bills	15,975,480	15,975,480	—	—
— 債務證券	— Debt securities	36,512,097	32,967,393	3,530,867	13,837
— 權益證券	— Equity securities	95,801	—	—	95,801
		66,977,407	49,696,891	17,170,878	109,638
		74,445,772	50,936,246	23,399,375	110,151
負債	Liabilities				
衍生金融工具	Derivative financial instruments				
— 衍生工具的負公允價值	— Negative fair value of derivatives	6,543,351	14,040	6,529,311	—

截至2019年及2018年12月31日止年度，公允價值第1層級和第2層級之間並沒有重大的金融工具轉移。以第3層級計量的轉入及轉出於以下附註41(a)(iii)中披露。

For the years ended 31 December 2019 and 2018, there were no significant transfers of financial instruments between level 1 and level 2 of the fair value hierarchy. For transfer in and out of Level 3 measurements see the note 41(a)(iii) below.

41 公允價值計量的金融工具 (續)**(a) 以公允價值計量的金融工具 (續)****(ii) 公允價值的釐定**

本集團以下列的層級計算公允價值以反映輸入的數據對量度公允價值的重要性：

第1層級 — 參考同一工具於計量日在活躍市場取得的市場報價(未經調整)。

第2層級 —

(i) 參考同一或類似非活躍工具的市場報價；

(ii) 根據可觀察的數據之估值模式。輸入的數據是直接或間接可從市場觀察所得的數據。此層級估值的工具，包括金融工具：就相若工具在活躍市場取得的市場報價或就相同或相若工具在非活躍市場取得的市場報價。

第3層級 — 根據重要而非可觀察得到的輸入數據之估值模式。其估值模式包括一個或多個重要的輸入數據是非可觀察的數據。此層級包括金融工具其估值按相若金融工具的市場報價，惟當中需要作出非可觀察之調整或假設，以反映不同金融工具之間的差別。

於活躍市場上進行交易的金融資產及金融負債根據市場報價或經銷商報價以釐定其公允價值。而對於所有其他金融工具的公允價值本集團則採用估值模式。估值模式包括淨現值和現金流量折現模型和其他估價模型。用於估值模式的假設和輸入數據包括無風險利率及基準利率，信用差價和其他變數用以估計折現率，債券價格和外匯匯率。

41 Fair value measurement of financial instruments (continued)**(a) Financial instruments measured at fair value (continued)****(ii) Determination of fair value**

The Group measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 – Quoted (unadjusted) market price in active markets for identical instruments at the measurement date.

Level 2 –

(i) Quoted market price for identical or similar instruments that are not active;

(ii) Valuation techniques based on observable inputs, either directly or indirectly, where all significant inputs are observable from market data. This category includes financial instruments with quoted prices in active markets for similar instruments; or quoted prices in markets that are considered less than active for identical or similar instruments.

Level 3 – Valuation techniques using significant unobservable inputs where the valuation techniques include one or more significant inputs that are unobservable. This category includes financial instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect the differences between the instruments.

Fair value of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair value using valuation techniques. Valuation techniques include net present value, discounted cash flow models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other parameters used in estimating discount rates, bond price and foreign currency exchange rates.

41 公允價值計量的金融工具 (續)

(a) 以公允價值計量的金融工具 (續)

(ii) 公允價值的釐定 (續)

本集團就釐定金融工具的公允價值採用最常見的估值方法如利率和貨幣掉期，這是可靠性高的可觀察市場數據，並不需要管理層耗時判斷與估計。觀察價格和模型的輸入數據通常可見於市場內上市的債券及股份證券，外匯買賣的衍生工具和簡單的場外交易衍生工具如利率掉期。然而，可否取得可觀察市場價格和輸入數據取決於不同的產品和市場，並會因金融市場個別事件和一般情況而有不同變化。

某些金融工具的估價模式需要一個或多個非可觀察的主要輸入數據，這些金融工具包括結構性投資，例如場外交易結構性衍生工具，及一些沒有活躍市場的證券。該等需利用主要而非可觀察的數據的估值模式，需要管理層深入判斷或估計始能揀選適當的估值模式，並為估值的金融工具決定其預期的未來現金流量，交易對手違約和還款的或然率，以及選擇適當的折現率等。

(iii) 第3層級的公允價值計量資料

	估值模式 Valuation techniques
債務證券 Debt securities	現金流量折現模型 Discounted cash flow model

權益證券 Equity securities	(註) See note below
---------------------------	-----------------------

註：

於第3層級公允價值計量的權益證券一般歸類為以公允價值計入其他全面收益的金融資產，且並非於活躍市場進行買賣。由於缺乏交投活躍的市場，其公允價值的估算是參照共同市場估值模型。

41 Fair value measurement of financial instruments (continued)

(a) Financial instruments measured at fair value (continued)

(ii) Determination of fair value (continued)

The most common valuation techniques applied by the Group to determine the fair value of financial instruments are from interest rates and currency swaps, which are observable market data with high reliability, and do not require the significant involvement of management's judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple over-the-counter ("OTC") derivatives like interest rate swaps. However, the availability of observable market prices and inputs varies depending on the products and markets, and is prone to changes based on specific events and general conditions in the financial markets.

Certain financial instruments need to be employed with valuation techniques where one or more significant market inputs involved are not observable. Examples of these financial instruments are structured investments, OTC structured derivatives and certain securities for which there is no active market. For valuation models involving significant unobservable inputs, a high degree of management judgement or estimation is required to select the appropriate valuation model, determine the expected future cash flows on the financial instruments being valued, determine the probability of counterparty default and prepayments, and select the appropriate discount rates.

(iii) Information about Level 3 fair value measurements

	估值模式 Valuation techniques	主要而非可觀察的數據 Significant unobservable inputs	非可觀察的數據的 公允價值計量之敏感度 Fair value measurement sensitivity to unobservable inputs
債務證券 Debt securities	現金流量折現模型 Discounted cash flow model	預計現金流及估計無風險利率 Forecasted cash flows and estimated risk-free rate	無風險利率顯著上升 引致較低的公允價值 Significant increase in the estimated risk-free rate would result in a lower fair value
權益證券 Equity securities	(註) See note below	(註) See note below	參考附註41(a)(iv)中的敏感性分析 Refer to sensitivity analysis in note 41(a)(iv)

註：

Note:

Equity securities under level 3 fair value measurements are generally classified as financial assets at fair value through other comprehensive income and are not traded in the active market, accordingly, the fair value is estimated by reference to common market valuation models.

41 公允價值計量的金融工具 (續)

(a) 以公允價值計量的金融工具 (續)

(iii) 第3層級的公允價值計量資料 (續)

下表顯示第3層級的公允價值層級期初及期末餘額的變動情況：

41 Fair value measurement of financial instruments (continued)

(a) Financial instruments measured at fair value (continued)

(iii) Information about Level 3 fair value measurements (continued)

The following table shows a reconciliation between the opening and the closing balance of fair value measurements in Level 3 of the fair value hierarchy:

資產	Assets	以公允價值計入 損益的金融資產 Financial assets at fair value through profit or loss	以公允價值計入 其他全面收益的金融資產 Financial assets at fair value through other comprehensive income		總額 Total
		投資基金 Investment funds 港幣千元 HK\$' 000	債務證券 Debt securities 港幣千元 HK\$' 000	權益證券 Equity securities 港幣千元 HK\$' 000	港幣千元 HK\$' 000
於2019年1月1日	At 1 January 2019	513	13,837	95,801	110,151
賣出	Sales	(514)	-	-	(514)
結算	Repayment	-	(87,521)	-	(87,521)
於損益表確認的損益	Gains or losses recognised in the income statement	1	77,684	(16)	77,669
於其他綜合收益中確認的 公允價值變動	Change in fair value recognised in other comprehensive income	-	-	12,551	12,551
於2019年12月31日	At 31 December 2019	-	4,000	108,336	112,336
於結算日仍持有的資產於年內 損益表中確認的損益總額：	Total gains or losses for the year included in the income statement for assets held at the end of the reporting period recorded in:				
— 買賣外幣收益減損失	— Gains less losses from dealing in foreign currencies	-	-	(16)	(16)
於其他綜合收益中確認的 公允價值變動總額	Total change in fair value recognised in other comprehensive income	-	-	12,551	12,551

41 公允價值計量的金融工具 (續)

(a) 以公允價值列賬的金融工具 (續)

(iii) 第3層級的公允價值計量資料 (續)

資產	Assets	以公允價值計入 損益的金融資產 Financial assets at fair value through profit or loss	以公允價值計入 其他全面收益的金融資產 Financial assets at fair value through other comprehensive income		總額 Total
		投資基金 Investment funds 港幣千元 HK\$'000	債務證券 Debt securities 港幣千元 HK\$'000	權益證券 Equity securities 港幣千元 HK\$'000	港幣千元 HK\$'000
於2018年1月1日	At 1 January 2018	804	4,000	91,701	96,505
買入	Purchases	–	–	500	500
賣出	Sales	(38)	–	–	(38)
由第2層級轉入	Transfer from level 2	–	44,851	–	44,851
結算	Repayment	–	(35,018)	–	(35,018)
於損益表確認的損益	Gains or losses recognised in the income statement	(253)	4	(25)	(274)
於其他綜合收益中確認的 公允價值變動	Change in fair value recognised in other comprehensive income	–	–	3,625	3,625
於2018年12月31日	At 31 December 2018	513	13,837	95,801	110,151
於結算日仍持有的資產於年內 損益表中確認的損益總額：	Total gains or losses for the year included in the income statement for assets held at the end of the reporting period recorded in:				
– 買賣外幣收益減損失	– Gains less losses from dealing in foreign currencies	–	4	(25)	(21)
– 買賣以公允價值計入損益的 金融資產收益減損失	– Gains less losses from financial assets at fair value through profit or loss	(253)	–	–	(253)
於其他綜合收益中確認的 公允價值變動總額	Total change in fair value recognised in other comprehensive income	–	–	3,625	3,625

41 公允價值計量的金融工具 (續)

(a) 以公允價值列賬的金融工具 (續)

(iv) 公允價值的敏感度改變合理可行的另類假設

第3層級以公允價值計入其他全面收益的金融資產(權益證券)，其公允價值是通過使用估值模型並基於可觀察市場數據的假設來計量。下表顯示出以公允價值計入其他全面收益的第3層級公允價值的敏感度。於合理可行的另類假設中10%的變動確定公允價值計量的有利和不利變化。

41 Fair value measurement of financial instruments (continued)

(a) Financial instruments measured at fair value (continued)

(iv) Sensitivity of fair values to reasonably possible alternative assumptions

For the level 3 financial assets at fair value through other comprehensive income (equity securities), its fair value is measured by using a valuation model to incorporate assumptions that are not based on observable market data. The following table shows the sensitivity of level 3 fair value measurements on the equity securities measured at fair value through other comprehensive income. The basis of 10% change in reasonably possible alternative assumptions will determine the favourable and unfavourable changes on the fair value measurements.

		2019			
		於收益表中反映 Effect on income statement		於其他全面收益反映 Effect on other comprehensive income	
		有利 Favourable 港幣千元 HK\$' 000	(不利) (Unfavourable) 港幣千元 HK\$' 000	有利 Favourable 港幣千元 HK\$' 000	(不利) (Unfavourable) 港幣千元 HK\$' 000
資產	Assets				
以公允價值計入其他全面收益的金融資產	Financial assets at fair value through other comprehensive income				
— 權益證券	— Equity securities	-	-	5,364	(4,785)
2018					
		於收益表中反映 Effect on income statement		於其他全面收益反映 Effect on other comprehensive income	
		有利 Favourable 港幣千元 HK\$' 000	(不利) (Unfavourable) 港幣千元 HK\$' 000	有利 Favourable 港幣千元 HK\$' 000	(不利) (Unfavourable) 港幣千元 HK\$' 000
資產	Assets				
以公允價值計入其他全面收益的金融資產	Financial assets at fair value through other comprehensive income				
— 權益證券	— Equity securities	-	-	9,053	(7,654)

41 公允價值計量的金融工具 (續)**(b) 以公允價值以外列賬的金融工具的公允價值**

除另有說明外，所有金融工具均以公允價值列賬，或以與截至2019年及2018年12月31日的公允價值差別不大的賬面值列賬。

(i) 金融資產

本集團的金融資產主要包括現金、銀行、中央銀行及其他金融機構存款、客戶貸款及墊款、投資及金融衍生工具。

銀行、中央銀行及其他金融機構存款的公允價值主要按照市場利率定價，並於1年內到期。因此，賬面值與公允價值相若。

客戶貸款及墊款的公允價值已經考慮有關市場利率及按照接近市場利率的浮動利率定價，並經常於3個月內重新定價，故相等於其賬面值。

41 Fair value measurement of financial instruments (continued)**(b) Fair values of financial instruments measured at other than fair value**

All financial instruments are stated at fair value or carried at amounts not materially different from their fair value at 31 December 2019 and 2018 unless otherwise stated.

(i) Financial assets

The Group's financial assets mainly include cash; placements with banks, central banks and other financial institutions; loans and advances to customers; investments; and financial derivative instruments.

The fair values of placements with banks, central banks and other financial institutions are mainly priced at market interest rates, and mature within one year. Accordingly, the carrying values approximate the fair value.

The fair values of loans and advances to customers, taking into account the relevant market interest rates and being mostly priced at floating rates close to the market interest rate which are mainly repriced within 3 months, approximately equals their carrying amount.

41 公允價值計量的金融工具 (續)

(b) 以公允價值以外列賬的金融工具的公允價值 (續)

(ii) 金融負債

除下述者外，所有金融負債均以公允價值呈列或按照與其截至2019年及2018年12月31日的公允價值分別不大的賬面值入賬：

41 Fair value measurement of financial instruments (continued)

(b) Fair values of financial instruments measured at other than fair value (continued)

(ii) Financial liabilities

All financial liabilities are stated at fair value or carried at amounts not materially different from their fair value at 31 December 2019 and 2018, except as follows:

		2019				
		賬面金額	公允價值	第1層級	第2層級	第3層級
		Carrying	Fair	Level 1	Level 2	Level 3
		amount	value	Level 1	Level 2	Level 3
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
金融負債	Financial liabilities					
已發行存款証	Certificates of deposit issued	3,112,919	3,116,629	–	3,116,629	–
已發行債務證券	Debt securities issued	3,346,067	3,366,484	–	3,366,484	–
債務資本	Loan capital	6,249,182	6,469,575	6,469,575	–	–
		12,708,168	12,952,688	6,469,575	6,483,113	–
		2018				
		賬面金額	公允價值	第1層級	第2層級	第3層級
		Carrying	Fair	Level 1	Level 2	Level 3
		amount	value	Level 1	Level 2	Level 3
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
金融負債	Financial liabilities					
已發行存款証	Certificates of deposit issued	3,133,151	3,133,245	–	3,133,245	–
已發行債務證券	Debt securities issued	3,408,077	3,416,698	–	3,416,698	–
債務資本	Loan capital	6,283,542	6,422,439	6,422,439	–	–
		12,824,770	12,972,382	6,422,439	6,549,943	–

42 或有資產、負債及承擔

(a) 提供信貸的或有負債及承擔

以下是每類主要或有負債及承擔的合約金額概要：

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
直接信貸代替品	Direct credit substitutes	1,972,142	2,196,356
與交易有關的或有項目	Transaction-related contingencies	435,981	253,309
與貿易有關的或有項目	Trade-related contingencies	3,059,713	1,215,101
遠期有期存款	Forward forward deposits placed	12,873,035	4,056,917
其他承擔：	Other commitments:		
— 銀行可無條件取消或 在借款人的信貸狀況轉壞時 可自動取消	— which are unconditionally cancellable or automatically cancellable due to deterioration in the creditworthiness of the borrower	80,912,845	76,834,222
— 原到期日在1年或以下	— with an original maturity of not more than 1 year	1,967,519	1,100,493
— 原到期日在1年以上	— with an original maturity of more than 1 year	3,812,284	3,789,368
		105,033,519	89,445,766
信貸風險加權數額	Credit risk-weighted amounts	7,599,154	5,036,814

或有負債及承擔是與信貸相關的工具，包括遠期有期存款、信用證和提供信貸的擔保及承擔。涉及的風險基本上與向客戶提供貸款融資額涉及的信貸風險相同。合約金額是指在合約全數提取後發生客戶拖欠而需承擔風險的金額。由於融資額可能在到期時仍未動用，故合約金額並非預期未來現金流量。

用於計算信貸風險加權數額的風險加權由0%至150% (2018年：0%至150%) 不等。

42 Contingent assets, liabilities and commitments

(a) Contingent liabilities and commitments to extend credit

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

Contingent liabilities and commitments are credit-related instruments which include forward forward deposits placed, letters of credit, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contract amounts do not represent expected future cash flows.

The risk weights used in the computation of credit risk-weighted amounts range from 0% to 150% (2018: 0% to 150%).

42 或有資產、負債及承擔 (續)**(b) 資本承擔**

於2019年12月31日，主要因用於項目及購入設備未償付而又未在財務報表內提撥準備的資本承擔如下：

	2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
已授權及訂約：	134,027	97,498

本集團通過經營租賃的方式租借多項物業及設備。有關物業及設備的最初租賃期一般為1至9年，可於續期時重新商定所有條款。以上租賃均不涉及或有租金。

42 Contingent assets, liabilities and commitments (continued)**(b) Capital commitments**

Capital commitments mainly for projects and the purchase of equipment outstanding at 31 December 2019 not provided for in the financial statements are as follows:

The Group leases a number of properties and items of equipment under operating leases. The leases typically run for an initial period of one to nine years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

(c) 有關法律申索的或有負債

於2019及2018年12月31日，本集團並沒有牽涉任何可能對其財政狀況構成重大影響的法律行動。

(c) Contingent liability in respect of legal claim

The Group is not involved in any legal action that would be significant to the financial position of the Group at 31 December 2019 and 2018.

43 信託活動

本集團通常擔任受託人及以其他受信人身份，代表個別人士、信託、退休福利計劃及其他機構持有或存放資產。由於這些資產並非本集團的資產，故這些資產及其產生的收入不包括在本財務報表內。

43 Trust activities

The Group commonly acts as a trustee and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising therefrom are excluded from these financial statements as they are not assets of the Group.

44 直接母公司及最終控權方

董事會認為，本集團於2019年12月31日的直接母公司為在香港註冊成立的中信國際金融控股有限公司，而本集團最終控權方為在中華人民共和國註冊成立的中國中信集團有限公司。

44 Immediate parent and ultimate controlling party

At 31 December 2019, the Directors considered the immediate parent of the Group to be CITIC International Financial Holdings Limited, which is incorporated in Hong Kong, and the ultimate controlling party of the Group to be CITIC Group Corporation, which is incorporated in Mainland China.

45 非調整性資產負債表後事件

於2019年12月31日的預期信貸損失準備是根據當時的一系列預測經濟狀況估算的。自2020年1月上旬以來，冠狀病毒的爆發已遍及全球，在不同經濟體造成了重大破壞。在根據2020年《香港財務報告準則》第9號估算本集團的預期信貸損失準備的嚴重程度和可能性時，將考慮對各種經濟指標的影響。

45 Non-adjusting post balance sheet event

The expected credit losses allowances at 31 December 2019 was estimated based on a range of forecast economic conditions as at that date. Since early January 2020, the coronavirus outbreak has started to spread across globally, causing major disruption across different economies. The impact on various economic indicators will be considered when determining the likelihood of economic downturn of different severity in estimating our Group's expected credit losses allowances under HKFRS 9 in 2020.

46 本行之財務狀況表及儲備變動

(a) 本行財務狀況表
於2019年12月31日
(以港幣為單位)

46 Statement of financial position and reserve movement of the Bank

(a) Statement of financial position of the Bank
At 31 December 2019
(Expressed in Hong Kong dollars)

	附註 Note	2019 港幣千元 HK\$'000	2018年 港幣千元 HK\$'000
資產	ASSETS		
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	25,301,762	28,986,911
在銀行、中央銀行及 其他金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	54,468,897	52,658,850
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	1,283,753	1,440,531
衍生金融工具	Derivative financial instruments	6,276,544	6,027,254
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	180,283,668	191,757,579
以公允價值計入其他全面收益的 金融資產	Financial assets at fair value through other comprehensive income	74,323,856	65,054,467
應收附屬公司款項	Amounts due from subsidiaries	10,182,040	10,719,036
附屬公司投資	Investments in subsidiaries	1,756,418	1,756,418
聯營企業	Interest in associates	–	350,000
物業及設備	Property and equipment		
– 投資物業	– Investment properties	199,000	212,380
– 其他物業及設備	– Other property and equipment	477,362	473,842
無形資產	Intangible assets	579,846	645,734
遞延稅項資產	Deferred tax assets	297,202	389,862
資產總額	Total assets	355,430,348	360,472,864
負債及權益	LIABILITIES AND EQUITY		
負債	Liabilities		
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	6,218,455	2,735,572
客戶存款	Deposits from customers	273,597,652	283,639,584
以公允價值計入損益的金融負債	Financial liabilities at fair value through profit or loss	146,500	–
衍生金融工具	Derivative financial instruments	6,350,932	6,537,220
已發行存款證	Certificates of deposit issued	3,112,919	3,133,151
已發行債務證券	Debt securities issued	3,346,067	3,408,077
本期稅項	Current tax liabilities	663,648	581,153
遞延稅項負債	Deferred tax liabilities	227	–
其他負債	Other liabilities	9,773,330	8,314,516
應付附屬公司款項	Amounts due to subsidiaries	486,170	793,917
債務資本	Loan capital	6,249,182	6,283,542
負債總額	Total liabilities	309,945,082	315,426,732
權益	EQUITY		
股本	Share capital	34(a) 18,404,013	18,404,013
儲備	Reserves	46(b) 19,310,840	16,561,539
股東權益總額	Total shareholders' equity	37,714,853	34,965,552
額外權益工具	Additional equity instruments	35 7,770,413	10,080,580
權益總額	Total Equity	45,485,266	45,046,132
權益及負債總額	Total Equity and Liabilities	355,430,348	360,472,864

本財務報表已於2020年3月25日獲董事會核准並授權發佈。

Approved and authorised for issue by the Board of Directors on 25 March 2020.

畢明強

BI Mingqiang

執行董事、行長兼行政總裁

Executive Director, President and
Chief Executive Officer

簡吳秋玉

KAN NG Chau Yuk Helen

執行董事兼替任行政總裁

Executive Director and
Alternate Chief Executive Officer

46 本行之財務狀況表及儲備變動 (續)

(b) 本行權益各組成部份的變動

本行的個別權益組成部分於年初及年終結餘變動詳列如下：

46 Statement of financial position and reserve movement of the Bank (continued)

(b) Movement in components of equity of the Bank

Details of the changes in the Bank's individual components of equity between the beginning and the end of the year are set out below:

		本行 The Bank							額外權益工具 (附註35) Additional equity instruments (note 35)	權益總額 Total equity
		股本 Share capital	資本儲備 Capital reserve	一般儲備 General reserve	物業 重估儲備 Property revaluation reserve	投資 重估儲備 Investment revaluation reserve	保留溢利 Retained profits	儲備總額 Total reserves		港幣千元 HK\$'000
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於2019年1月1日	At 1 January 2019	18,404,013	2,903	100,000	76,300	(239,532)	16,621,868	16,561,539	10,080,580	45,046,132
截至2019年的權益變動：	Changes in equity for 2019:									
本年度溢利	Profit for the year	-	-	-	-	-	2,748,250	2,748,250	-	2,748,250
本年度其他全面收益	Other comprehensive income for the year	-	-	-	10	574,202	-	574,212	-	574,212
本年度全面收益總額	Total comprehensive income for the year	-	-	-	10	574,202	2,748,250	3,322,462	-	3,322,462
出售物業時撥回準備金	Release of reserve upon disposal of property	-	-	-	(65)	-	65	-	-	-
轉自保留溢利	Transfer from retained profits	-	-	-	-	-	(530,500)	(530,500)	530,500	-
支付額外一級資本證券票息	Distribution payment for AT1 Capital Securities	-	-	-	-	-	-	-	(530,500)	(530,500)
贖回額外一級資本證券	Redemption of AT1 Capital Securities	-	-	-	-	-	(42,661)	(42,661)	(2,310,167)	(2,352,828)
於2019年12月31日	At 31 December 2019	18,404,013	2,903	100,000	76,245	334,670	18,797,022	19,310,840	7,770,413	45,485,266
於2018年1月1日	At 1 January 2018	18,404,013	2,903	100,000	55	(18,562)	16,781,959	16,866,355	6,173,252	41,443,620
截至2018年的權益變動：	Changes in equity for 2018:									
本年度溢利	Profit for the year	-	-	-	-	-	2,985,638	2,985,638	-	2,985,638
本年度其他全面收益	Other comprehensive income for the year	-	-	-	76,245	(220,970)	-	(144,725)	-	(144,725)
本年度全面收益總額	Total comprehensive income for the year	-	-	-	76,245	(220,970)	2,985,638	2,840,913	-	2,840,913
股息支付	Dividend paid	-	-	-	-	-	(2,808,437)	(2,808,437)	-	(2,808,437)
發行額外一級資本證券	Issue of AT1 Capital Securities	-	-	-	-	-	-	-	3,907,328	3,907,328
轉自保留溢利	Transfer from retained profits	-	-	-	-	-	(337,292)	(337,292)	337,292	-
支付額外一級資本證券票息	Distribution payment for AT1 Capital Securities	-	-	-	-	-	-	-	(337,292)	(337,292)
於2018年12月31日	At 31 December 2018	18,404,013	2,903	100,000	76,300	(239,532)	16,621,868	16,561,539	10,080,580	45,046,132

47 財務報表核准

本財務報表已於2020年3月25日獲董事會核准並授權發佈。

47 Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 25 March 2020.

未經審核補充財務資料

(除特別列明外，均以港幣為單位)

(A) 銀行網站提供的監管披露報表

本集團的監管披露信息採用金管局規定的標準披露模板發佈的「監管披露報表」，相關披露可以在本行的網站 www.cncbinternational.com 內的「監管披露」查看。本行的監管披露報表以及年報的披露已包含了金管局發布的《銀行業（披露）規則》要求的所有披露。

Unaudited Supplementary Financial Information

(Expressed in Hong Kong dollars unless otherwise indicated)

(A) Regulatory disclosure statement available on the Bank's corporate website

The Group's regulatory disclosure information is published by using standard disclosure templates as specified by the HKMA ('Regulatory Disclosure Statement') and that can be viewed in the Regulatory Disclosures section of our Bank's corporate website www.cncbinternational.com. The Bank's Regulatory Disclosure Statement, together with the disclosures in the annual report, contained all the disclosures required by the Banking (Disclosure) Rules issued by the HKMA.

(B) 資本充足**(i) 資本基礎**

資本充足比率是根據金管局發出的《銀行業（資本）規則》的規定，並按金管局要求的本行及其若干附屬公司的綜合基準計算。本行採用「標準方法」計算信貸風險及市場風險的風險加權數額，而業務操作風險則採用「基本指標法」。

(B) Capital adequacy**(i) Capital base**

Capital adequacy ratios ("CARs") are complied in accordance with the Banking (Capital) Rules issued by the HKMA. The CARs are computed on a consolidated basis covering the Bank and some of its subsidiaries as required by the HKMA. The Bank has adopted the "standardised approach" for calculating the risk-weighted amount for credit risk and market risk and the "basic indicator approach" for calculating operational risk.

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
普通股權一級資本工具及儲備	Common Equity Tier 1 ("CET1") capital instruments and reserves		
直接發行合資格的普通股權	Directly issued qualifying CET1 capital instruments		
一級資本工具及相關股份溢價	plus any related share premium	18,404,013	17,931,698
保留溢利	Retained earnings	19,681,132	17,411,498
披露儲備	Disclosed reserves	646,882	101,710
扣除法定減項前普通股權一級資本	CET1 capital before regulatory deductions	38,732,027	35,444,906
普通股權一級資本：法定減項	CET1 capital: regulatory deductions		
遞延稅項資產減遞延稅項負債淨額	Deferred tax assets net of deferred tax liabilities	315,216	413,359
其他無形資產（相關遞延稅項負債淨額）	Other intangible assets (net of related deferred tax liability)	584,809	652,210
因價值重估土地及建築物而產生的累計公允價值溢利（涵蓋自用及投資物業）	Cumulative fair value gains arising from the revaluation of land and buildings (own use and investment properties)	149,436	160,768
一般銀行風險監管儲備	Regulatory reserve for general banking risks	243,313	855,457
估值調整	Valuation adjustments	6,409	6,602
有關衍生工具合約的債務證券估值調整	Debt valuation adjustments in respect of derivative contracts	2,512	1,884
普通股權一級資本法定減項後總額	Total regulatory deductions to CET1 capital	1,301,695	2,090,280
普通股權一級資本	CET1 capital	37,430,332	33,354,626
額外一級資本	Additional Tier 1 ("AT1") capital		
額外一級資本	AT1 capital	7,772,060	10,085,527
一級資本	Tier 1 capital	45,202,392	43,440,153
二級資本工具及撥備	Tier 2 capital instruments and provisions		
合資格二級資本及相關股份溢價	Qualifying Tier 2 capital instruments plus any related share premium	4,365,474	3,915,898
持有的土地及建築物因價值重估而產生的公允價值溢利的重估儲備	Reserve attributable to fair value gains on revaluation of holdings of land and buildings	67,246	72,346
包括於二級資本一般銀行風險綜合減值準備及監管儲備	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	2,841,791	2,957,962
扣除減項前的二級資本	Tier 2 capital base before deductions	7,274,511	6,946,206
二級資本：法定減項	Tier 2 capital: regulatory deductions		
二級資本的法定減項	Regulatory deductions to Tier 2 capital	—	—
二級資本	Tier 2 capital	7,274,511	6,946,206
資本總額	Total capital	52,476,903	50,386,359

(B) 資本充足 (續)**(B) Capital adequacy (continued)****(ii) 風險加權數額****(ii) Risk-weighted assets**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
— 信貸風險	– Credit risk	234,172,753	239,247,171
— 市場風險	– Market risk	12,866,425	7,337,525
— 營運風險	– Operational risk	15,393,163	14,184,325
		262,432,341	260,769,021

(iii) 資本充足比率**(iii) Capital adequacy ratios**

		2019	2018
— 普通股權一級資本比率	– CET1 capital ratio	14.3%	12.8%
— 一級資本比率	– Tier 1 capital ratio	17.2%	16.7%
— 總資本比率	– Total capital ratio	20.0%	19.3%

(iv) 防護緩衝資本比率以及逆週期緩衝資本比率

緩衝資本比率應用於本集團並按綜合基準計算如下：

(iv) Capital conservation buffer ratio and countercyclical capital buffer ratio

The capital buffer ratios are applicable to the Group on a consolidated basis are as follows:

		2019	2018
防護緩衝資本比率	Capital conservation buffer ratio	2.000%	1.875%
逆週期緩衝資本比率	Countercyclical capital buffer ("CCyB") ratio	1.119%	1.071%
		3.119%	2.946%

本集團採用金管局要求之標準範本披露有關按地域分類之私人機構信用風險承擔的風險加權數額及其個別司法管轄區所適用的逆週期緩衝資本比率，並可通過本行網站內「監管披露」一節中查看。

The detail relevant disclosure of the CCyB ratio for each jurisdiction and the geographical breakdown of risk-weighted assets in relation to private sector credit exposures using the standard templates as specified by the HKMA can be viewed in the Regulatory Disclosure section of our Bank's website.

(B) 資本充足 (續)**(v) 資本工具**

本集團的普通股權一級資本、額外一級資本證券及二級資本工具總結如下：

(B) Capital adequacy (continued)**(v) Capital instruments**

The following is a summary of the Group's CET1, Additional Tier 1 Capital Securities and Tier 2 capital instruments.

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
本行發行的普通股權一級資本工具	CET 1 capital instruments issued by the Bank		
普通股：	Ordinary shares:		
已發行及繳足普通股12,111,121,568股	12,111,121,568 issued and fully paid ordinary shares	18,404,013	18,404,013
		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
額外一級資本證券	Additional Tier 1 Capital Securities		
面值300,000,000美元的	Undated non-cumulative subordinated		
永續型非累積後償資本證券	capital securities with US\$300 million	–	2,310,168
面值500,000,000美元的	Undated non-cumulative subordinated		
永續型非累積後償資本證券	capital securities with US\$500 million	3,863,084	3,863,084
面值500,000,000美元的	Undated non-cumulative subordinated		
永續型非累積後償資本證券	capital securities with US\$500 million	3,907,328	3,907,328
		7,770,412	10,080,580
		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
二級資本工具	Tier 2 capital instruments		
本行發行	Issued by the Bank		
— 於2020年到期年息率為6.875%，	— US\$500 million Subordinated Fixed Rate		
面值500,000,000美元的后償票據	Notes at 6.875%, due 2020	2,384,710	3,943,791
— 於2024年到期年息率為6.000%，	— US\$300 million Subordinated Fixed Rate		
面值300,000,000美元的后償票據	Notes at 6.000%, due 2024	–	2,339,751
— 於2029年到期年息率為4.625%，	— US\$500 million Subordinated Fixed Rate		
面值500,000,000美元的后償票據	Notes at 4.625%, due 2029	3,864,472	–
		6,249,182	6,283,542

(B) 資本充足 (續)**(vi) 槓桿比率**

槓桿比率的披露是根據金管局規定按本行及本行若干附屬公司的綜合基礎計算。

		2019	2018
槓桿比率	Leverage ratio	11.8%	11.4%

採用金管局規定的標準模板披露有關槓桿比率的細節可在本行網站內「監管披露」部分進行查閱。

(vii) 綜合基礎

除特別列明外，本年度財務報告的所有財務資料均以就會計而言的綜合基礎編製。綜合基礎就會計而言與就監管而言的主要分別在於前者包括本行及本行所有附屬公司，而後者則只包括本行及本行若干附屬公司，詳情如下：

金管局已批准本行根據《銀行業(資本)規則》第28(2)(a)條，就下列附屬公司以單一綜合基礎計算本行的資本充足比率，以取代按單一基礎計算：

(B) Capital adequacy (continued)**(vi) Leverage ratio**

The Bank is required to disclose its leverage ratio calculated on a consolidated basis covering the Bank and some of its subsidiaries.

The detail relevant disclosure of the leverage exposure using the standard templates as specified by the HKMA can be viewed in the Regulatory Disclosure section of our Bank's website.

(vii) Basis of consolidation

Unless otherwise stated, all financial information contained in the annual financial report is prepared according to the consolidation basis for accounting purposes. The main difference between the consolidation basis for accounting and regulatory purposes is that the former includes the Bank and all its subsidiaries whereas the latter includes the Bank and only some of the Group's subsidiaries, which are discussed as follows:

The HKMA has granted approval under section 28(2)(a) of the Banking (Capital) Rules for the Bank to calculate its CAR on a solo consolidated basis instead of on a solo basis in respect of the following subsidiary:

				2019年12月31日 At 31 December 2019	
				資產總額 Total assets 港幣千元 HK\$'000	權益總額 Total equity 港幣千元 HK\$'000
附屬公司名稱 Names of subsidiary	主要業務 Principal activities				
恒康香港有限公司 Viewcon Hong Kong Limited	按揭融資 – Mortgage financing			1,332	1,321

(B) 資本充足 (續)**(vii) 綜合基礎 (續)**

另一方面，本行須根據《銀行業（資本）條例》第3C(1)條，就下列附屬公司以綜合基礎計算其總資本：

(B) Capital adequacy (continued)**(vii) Basis of consolidation (continued)**

On the other hand, the Bank is required under section 3C(1) of the Banking (Capital) Rules to calculate its total capital on a consolidated basis in respect of the following subsidiaries:

				2019年12月31日 At 31 December 2019	
				資產總額 Total assets 港幣千元 HK\$'000	權益總額 Total equity 港幣千元 HK\$'000
附屬公司名稱	Names of subsidiary	主要業務	Principal activities		
啟福國際有限公司	Carford International Limited	— 物業持有	– Property holding	39,379	16,045
中信銀行國際（中國）有限公司	CITIC Bank International (China) Limited	— 銀行	– Banking	10,345,120	1,482,823
中信保險服務有限公司	CITIC Insurance Brokers Limited	— 保險經紀	– Insurance broker	345,167	304,496
CKWB-SN Limited	CKWB-SN Limited	— 發行結構票據 和投資	– Issue of structured notes and investments	–	–
CKWH-UT2 Limited	CKWH-UT2 Limited	— 發行後償票據	– Issue of subordinated notes	–	–
香港華人財務有限公司	HKCB Finance Limited	— 消費借貸	– Consumer financing	6,086,021	553,002
嘉華國際財務有限公司	Ka Wah International Merchant Finance Limited	— 沒有業務	– Inactive	3,904	3,856
嘉華銀行（信託）有限公司	The Ka Wah Bank (Trustee) Limited	— 信託服務	– Trustee services	5,435	5,405
恒康香港有限公司	Viewcon Hong Kong Limited	— 按揭融資	– Mortgage financing	1,332	1,321

從事代理人服務的附屬公司均由自身行業的監管機構批准及監管，而該等監管安排與《銀行業（資本）規則》及香港《銀行業條例》闡述有關維持充足資本以支持業務活動之條例相近，故此，根據《銀行業（資本）規則》第3部分，本行以綜合基礎計算其總資本時並不包括以下附屬公司：

Subsidiaries not included in consolidation for regulatory purposes are mainly nominee services companies that are authorised and supervised by a regulator and are subject to supervisory arrangements regarding the maintenance of adequate capital to support business activities comparable to those prescribed for authorised institutions under the Banking (Capital) Rules and the Banking Ordinance. The following subsidiaries are deducted from the Bank's capital base under Part 3 of the Banking (Capital) Rules:

(B) 資本充足 (續)**(B) Capital adequacy (continued)****(vii) 綜合基礎 (續)****(vii) Basis of consolidation (continued)**

				2019年12月31日 At 31 December 2019	
				資產總額 Total assets 港幣千元 HK\$'000	權益總額 Total equity 港幣千元 HK\$'000
附屬公司名稱	Names of subsidiary	主要業務	Principal activities		
香港華人銀行(代理人) 有限公司	The Hongkong Chinese Bank (Nominees) Limited	— 代理人服務	– Nominee services	4	4
嘉華銀行(代理)有限公司	The Ka Wah Bank (Nominees) Limited	— 代理人服務	– Nominee services	3,644	–
Security Nominees Limited	Security Nominees Limited	— 代理人服務	– Nominee services	–	–
中華聯合發展有限公司	Sino-Allied Development Limited	— 沒有業務	– Inactive	10	10
信銀國際投資控股有限公司	CNCBI Investment Holdings Limited	— 投資控股	– Investment holding	665,300	485,266
信銀國際資產管理有限公司	CNCBI Asset Management Limited	— 資產管理	– Asset management	39,462	37,762
信銀國際財務顧問有限公司	CNCBI Financial Consultant Limited	— 未開始營業	– Not yet commenced business	1,327	(3,095)
Prosperous Century Global Investment Fund SPC	Prosperous Century Global Investment Fund SPC	— 投資基金	– Investment fund	635,153	591,660
信銀投(深圳)股權投資管理 有限公司	China CITIC Bank International Asset Management (Shenzhen) Limited	— 資產管理	– Asset management	15,414	14,832

於2019年12月31日，本集團並沒有附屬公司在會計及監管而言均被包含在綜合範圍內，但兩者的綜合方法有所差別。

At 31 December 2019, no subsidiaries were included within both the accounting scope of consolidation and the regulatory scope of consolidation but for which the method of consolidation differs.

此外，本集團沒有任何附屬公司只包含在就監管而言的綜合範圍內，而不包括在會計而言的綜合範圍內。

There are also no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation.

(C) 業務操作風險的資本支出

於結算日，本集團就使用基本指標計算法計算業務操作風險的資本要求為：

(C) Capital charge for operational risk

The capital charge for operational risk of the Group calculated in accordance with the basic indicator approach at the end of the reporting period is:

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
業務操作風險的資本支出	Capital charge for operational risk	1,231,453	1,134,746

(D) 平均流動性覆蓋比率

(D) Average liquidity coverage ratio

		2019	2018
截至12月31日止季度平均流動性覆蓋比率*	Average LCR for the quarter ended 31 December*	225.7%	258.5%

* 根據《銀行業（披露）規則》，本集團採用金管局指定的標準披露模板披露有關本集團流動資金的資料，並可在本行網站內「監管披露」部份進行查看。

* For the purposes of compliance with Banking (Disclosure) Rules, information relating to the Group's liquidity are published by using standard disclosure templates as specified by the HKMA and they can be viewed in the Regulatory Disclosures section of our Bank's website.

(E) 進一步分析客戶貸款及墊款

客戶貸款及墊款是按抵押品、逾期金額及減值準備的覆蓋面作出分析。按經濟行業進行的分析是以金管局所採用的分類及定義為準。

(E) Further analysis on loans and advances to customers

Loans and advances to customers analysed by the coverage of collateral, overdue amount and the impairment allowance is as follows. The economic sector analysis is based on the categories and definitions used by the HKMA.

		2019		2018	
		客戶貸款及 墊款總額 Gross loans and advances to customers 港幣千元 HK\$'000	佔有抵押的 客戶貸款及 墊款總額 百分率 % of gross loans and advances to customers covered by collateral	客戶貸款及 墊款總額 Gross loans and advances to customers 港幣千元 HK\$'000	佔有抵押的 客戶貸款及 墊款總額 百分率 % of gross loans and advances to customers covered by collateral
工商金融	Industrial, commercial and financial				
— 物業發展	— Property development	2,892,578	31	4,584,774	44
— 物業投資	— Property investment	17,394,845	94	17,289,899	91
— 金融企業	— Financial concerns	16,997,699	40	18,058,392	24
— 股票經紀	— Stockbrokers	1,929,344	26	3,131,658	9
— 批發及零售業	— Wholesale and retail trade	9,427,728	77	9,156,964	77
— 製造業	— Manufacturing	9,940,067	32	12,099,051	22
— 運輸及運輸設備	— Transport and transport equipment	1,379,288	32	1,537,234	28
— 娛樂活動	— Recreational activities	2,858,389	6	3,471,434	11
— 資訊科技	— Information technology	6,678,785	6	6,674,493	5
— 其他	— Others	7,154,646	81	9,364,279	79
個人	Individuals				
— 購買「居者有其屋計劃」、 「私人發展商參建居屋 計劃」及「租者置其屋 計劃」的樓宇貸款	— Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	27,410	100	22,413	100
— 購買其他住宅物業的貸款	— Loans for the purchase of other residential properties	17,848,823	100	15,560,640	100
— 信用咭墊款	— Credit card advances	452,680	—	506,195	—
— 其他	— Others	14,725,757	93	10,983,726	91
在香港使用的貸款及 墊款總額	Gross loans and advances for use in Hong Kong	109,708,039	67	112,441,152	59
貿易融資	Trade finance	5,442,284	28	4,325,261	37
在香港以外使用的貸款及 墊款總額	Gross loans and advances for use outside Hong Kong	74,227,006	20	85,053,469	25
客戶貸款及墊款總額	Gross loans and advances to customers	189,377,329	47	201,819,882	44

(E) 進一步分析客戶貸款及墊款 (續)

佔客戶貸款及墊款總額10%或以上，並按個別貸款用途分類的減值客戶貸款及墊款分析如下：

(E) Further analysis on loans and advances to customers (continued)

The analysis of impaired loans and advances to customers of the individual loan usage category, which accounted for 10% or more of the gross loans and advances to customers, is as follows:

		2019					年內在收益表 撥備的預期 信貸損失
		逾期客戶 貸款及墊款 Overdue loans and advances to customers 港幣千元 HK\$' 000	減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK\$' 000	第1階段 預期信貸 損失準備 Stage 1 ECL allowances 港幣千元 HK\$' 000	第2階段 預期信貸 損失準備 Stage 2 ECL allowances 港幣千元 HK\$' 000	第3階段 預期信貸 損失準備 Stage 3 ECL allowances 港幣千元 HK\$' 000	Expected credit losses on income statement during the year 港幣千元 HK\$' 000
在香港以外使用的 貸款及墊款總額	Gross loans and advances for use outside Hong Kong	213,257	405,677	422,424	1,520,150	145,667	845,373
		2018					年內在收益表 撥備的預期 信貸損失
		逾期客戶 貸款及墊款 Overdue loans and advances to customers 港幣千元 HK\$' 000	減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK\$' 000	第1階段 預期信貸 損失準備 Stage 1 ECL allowances 港幣千元 HK\$' 000	第2階段 預期信貸 損失準備 Stage 2 ECL allowances 港幣千元 HK\$' 000	第3階段 預期信貸 損失準備 Stage 3 ECL allowances 港幣千元 HK\$' 000	Expected credit losses on income statement during the year 港幣千元 HK\$' 000
在香港以外使用的 貸款及墊款總額	Gross loans and advances for use outside Hong Kong	381,594	846,979	292,892	837,706	317,605	822,556

(E) 進一步分析客戶貸款及墊款(續)

(E) Further analysis on loans and advances to customers
(continued)

按地區分析

By geographical areas

		2019					
		客戶貸款 及墊款 Loans and advances to customers 港幣千元 HK\$' 000	逾期客戶 貸款及墊款 Overdue loans and advances to customers 港幣千元 HK\$' 000	減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK\$' 000	第1階段 預期信貸 損失準備 Stage 1 ECL allowances 港幣千元 HK\$' 000	第2階段 預期信貸 損失準備 Stage 2 ECL allowances 港幣千元 HK\$' 000	第3階段 預期信貸 損失準備 Stage 3 ECL allowances 港幣千元 HK\$' 000
香港	Hong Kong	112,057,703	256,698	314,262	329,070	1,594,234	38,488
中國內地	Mainland China	54,737,559	1,520,887	1,553,281	294,806	148,190	913,919
美國	United States	7,812,490	164,436	323,273	11,770	299	85,989
新加坡	Singapore	2,305,334	-	-	27,211	-	-
其他	Others	12,464,243	79,949	79,949	98,835	7,070	47,106
		189,377,329	2,021,970	2,270,765	761,692	1,749,793	1,085,502

		2018					
		客戶貸款 及墊款 Loans and advances to customers 港幣千元 HK\$' 000	逾期客戶 貸款及墊款 Overdue loans and advances to customers 港幣千元 HK\$' 000	減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK\$' 000	第1階段 預期信貸 損失準備 Stage 1 ECL allowances 港幣千元 HK\$' 000	第2階段 預期信貸 損失準備 Stage 2 ECL allowances 港幣千元 HK\$' 000	第3階段 預期信貸 損失準備 Stage 3 ECL allowances 港幣千元 HK\$' 000
香港	Hong Kong	114,341,202	123,082	753,215	282,575	776,875	216,898
中國內地	Mainland China	55,148,825	1,035	648,527	209,139	817,621	56,697
美國	United States	7,303,786	19,345	19,345	27,470	25,753	12,363
新加坡	Singapore	5,625,789	256,362	256,362	6,040	-	88,618
其他	Others	19,400,280	38,689	38,689	106,146	7,977	24,726
		201,819,882	438,513	1,716,138	631,370	1,628,226	399,302

上述地區分析已按交易對手的所在地劃分，並已考慮風險轉移。由與交易對手處於不同國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。

The above geographical analysis is classified by the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor.

逾期貸款及墊款是指逾期超過3個月的貸款。

Overdue loans and advances are loans that have been overdue for more than three months.

減值貸款及墊款是指按個別基準出現客觀減值證據而需個別評估的貸款。

Impaired loans and advances are individually assessed loans which exhibit objective evidence of impairment on an individual basis.

(F) 逾期資產

(F) Overdue assets

逾期客戶貸款及墊款

Overdue loans and advances to customers

		2019		2018	
		佔客戶貸款 及墊款總額 百分率 % of total loans and advances to customers		佔客戶貸款 及墊款總額 百分率 % of total loans and advances to customers	
		港幣千元 HK\$'000		港幣千元 HK\$'000	
貸款及墊款總額	The gross amount of loans and advances				
已逾期達：	has been overdue for periods of:				
– 3個月以上至6個月	– 6 months or less but over 3 months	1,273,990	0.67	92,265	0.05
– 6個月以上至1年	– 1 year or less but over 6 months	113,496	0.06	174	0.00
– 1年以上	– over 1 year	634,484	0.34	346,074	0.17
		2,021,970	1.07	438,513	0.22
有抵押逾期貸款及墊款	Secured overdue loans and advances	866,415		257,944	
無抵押逾期貸款及墊款	Unsecured overdue loans and advances	1,155,555		180,569	
		2,021,970		438,513	
持有有抵押逾期貸款及 墊款之抵押品市值	Market value of collateral held against the secured overdue loans and advances	1,031,977		341,501	
預期信貸損失準備	Expected credit losses allowances	1,045,362		160,224	

有明確還款日之貸款及墊款，若其本金或利息已逾期，並於年結日仍未償還，則列作逾期處理。即時到期之貸款，若已向借款人送達還款通知，但借款人仍未按指示還款，及／或貸款已超出借款人獲通知的批准限額，而此情況持續超過上述逾期期限，亦列作逾期處理。

Loans and advances with specific repayment dates are classified as overdue when the principal or interest is overdue and remains unpaid at the year end. Loans repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, and/or when the loans have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

(F) 逾期資產 (續)**逾期客戶貸款及墊款 (續)**

對於逾期貸款及墊款，本行持有的合格實質抵押品主要包括房地產物業。合格抵押品須符合下列條件：

- (a) 該資產的市值是可即時決定或可合理地確定及證實。
- (b) 該資產可於市場出售及有二手市場可即時將該資產出售。
- (c) 本行擁有可在沒有障礙的情況下按法律行使收回資產的權利。
- (d) 本行在有需要時可對該資產行使控制權。

於2019年及2018年12月31日，本集團並無逾期超過3個月的銀行及其他金融機構墊款。

(F) Overdue assets (continued)**Overdue loans and advances to customers (continued)**

Eligible collateral, which is held in respect of the overdue loans and advances, is 'Eligible Physical Collateral' which mainly comprises real estate properties. The eligible collateral should generally satisfy the following:

- (a) The market value of the asset is readily determinable or can be reasonably established and verified.
- (b) The asset is marketable and there exists a readily available secondary market for disposal of the asset.
- (c) The Bank's right to repossess the asset is legally enforceable and without impediment.
- (d) The Bank is able to secure control over the asset if necessary.

There were no advances to banks and other financial institutions which were overdue for over three months at 31 December 2019 and 2018.

(G) 經重組貸款**(G) Rescheduled loans**

		2019		2018	
		佔客戶貸款 及墊款總額 百分率 % of total loans and advances to customers		佔客戶貸款 及墊款總額 百分率 % of total loans and advances to customers	
		港幣千元 HK\$'000		港幣千元 HK\$'000	
經重組貸款	Rescheduled loans	36,160	0.019	5,588	0.003

經重組貸款是指借款人因為財政困難或無能力如期還款而經雙方同意達成重組還款計劃的墊款，這些經修訂的還款條件對本集團而言並非一般商業條款。客戶重組貸款已扣除其後逾期超過3個月並已於附註(F)匯報的逾期墊款。

Rescheduled loans are those advances which have been restructured or renegotiated because of a deterioration in the financial position of the borrower, or the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms are non-commercial to the Group. Rescheduled loans to customers are stated net of any advances that have subsequently become overdue for over three months and are reported as overdue advances in note (F).

於2019年及2018年12月31日，本集團並無已重組的銀行及其他金融機構墊款。

There were no advances to banks and other financial institutions which were rescheduled at 31 December 2019 and 2018.

(H) 取回資產**(H) Repossessed assets**

		2019 港幣千元 HK\$'000	2018 港幣千元 HK\$'000
已計入客戶貸款及墊款及其他賬項中	Included in loans and advances to customers and other accounts	118,334	166,617

以上數額為2019年及2018年12月31日取回資產的估計市場價值。

The amount represents the estimated market value of the repossessed assets at 31 December 2019 and 2018.

(I) 國際債權

國際債權指所有貨幣之跨境債權和本地之外幣債權的總和並參照香港金融管理局有關國際銀行業務統計報表指定的方法計算。國際債權包含資產負債表內呈示的按交易對手所在國家或地區分部的風險承擔轉移後佔國際債權總額不少於10%的國家或地區分部如下：

(I) International claims

International claim refers to the sum of cross-border claims in all currencies and local claims in foreign currencies determined as based on the calculation methodology specified in the HKMA's Return of International Banking Statistics. International claims are on-balance sheet exposures of counterparties which attributable to the country or segment, after taking into account risk recognised transfer, constitute to not less than 10% of the aggregate claims are disclosed as follows.

		2019				
		非銀行私人機構				
		Non-bank private sector				
		非銀行		非金融		總額
		金融機構	Non-bank	私人機構	Non-financial	
		Banks	Official Sector	institutions	private sector	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
已發展國家	Developed countries	32,246,182	33,691	2,628,932	4,531,552	39,440,357
離岸中心	Offshore centres	13,106,799	32,505	9,613,134	41,823,801	64,576,239
其中香港	of which Hong Kong	6,293,883	32,003	9,203,500	30,860,173	46,389,559
發展中亞太區	Developing Asia-Pacific	46,644,129	2,400,773	8,683,970	53,873,468	111,602,340
其中中國內地	of which Mainland China	42,891,517	2,400,110	8,683,970	52,313,249	106,288,846

		2018				
		非銀行私人機構				
		Non-bank private sector				
		非銀行		非金融		總額
		金融機構	Non-bank	私人機構	Non-financial	
		Banks	Official Sector	institutions	private sector	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
已發展國家	Developed countries	22,881,847	30,452	1,787,729	5,265,326	29,965,354
離岸中心	Offshore centres	14,938,225	792	17,107,420	46,162,347	78,208,784
其中香港	of which Hong Kong	11,879,024	116	10,418,174	32,477,257	54,774,571
發展中亞太區	Developing Asia-Pacific	65,752,116	512,056	6,628,107	47,932,710	120,824,989
其中中國內地	of which Mainland China	65,577,390	511,443	6,628,107	47,021,182	119,738,122

(J) 內地業務

內地業務是指本集團對非銀行交易對手的中國內地風險承擔。此乃根據金管局《內地業務報表》所列示之機構類別及直接風險之類別作分類。

(J) Mainland Activities

Mainland Activities are Mainland China exposures to non-bank counterparties and their categories and the type of direct exposures defined by the HKMA's Return of Mainland Activities.

		2019		
		財務狀況表內的風險承擔 On-statement of financial position exposure 港幣千元 HK\$' 000	財務狀況表外的風險承擔 Off-statement of financial position exposure 港幣千元 HK\$' 000	總額 Total 港幣千元 HK\$' 000
(1) 中央政府、中央政府控股的機構及其附屬公司和合資企業	(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	38,930,094	1,047,110	39,977,204
(2) 地方政府、地方政府控股的機構及其附屬公司和合資企業	(2) Local governments, local government-owned entities and their subsidiaries and JVs	12,837,141	713,237	13,550,378
(3) 境內中國公民或在中國內地成立的其他機構及其附屬公司和合資企業	(3) PRC national residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	59,852,632	3,776,776	63,629,408
(4) 不包括上述第 1 項的其他中央政府機構	(4) Other entities of central government not reported in item 1 above	5,695,927	491,794	6,187,721
(5) 不包括上述第 2 項的其他地方政府機構	(5) Other entities of local governments not reported in item 2 above	299,800	10,295	310,095
(6) 信貸額用於中國內地的境外中國公民或對中國境外成立的機構	(6) PRC national residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	19,289,655	2,767,733	22,057,388
(7) 其他被申報機構視為中國內地非銀行交易對手之風險承擔	(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	9,120,511	144,720	9,265,231
總額	Total	146,025,760	8,951,665	154,977,425
已扣減準備金的資產總額	Total assets after provision	361,221,502		
資產負債表內風險承擔佔總資產百分率	On-balance sheet exposures as percentage of total assets	40.4%		

(J) 內地業務 (續)

(J) Mainland Activities (continued)

		2018		
		財務狀況表內的風險承擔	財務狀況表外的風險承擔	總額
		On-statement of financial position exposure	Off-statement of financial position exposure	Total
		港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000
(1) 中央政府、中央政府控股的機構及其附屬公司和合資企業	(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	31,479,387	472,197	31,951,584
(2) 地方政府、地方政府控股的機構及其附屬公司和合資企業	(2) Local governments, local government-owned entities and their subsidiaries and JVs	12,284,640	549,357	12,833,997
(3) 境內中國公民或在中國內地成立的其他機構及其附屬公司和合資企業	(3) PRC national residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	67,756,250	3,906,080	71,662,330
(4) 不包括上述第 1 項的其他中央政府機構	(4) Other entities of central government not reported in item 1 above	15,222,043	162,342	15,384,385
(5) 不包括上述第 2 項的其他地方政府機構	(5) Other entities of local governments not reported in item 2 above	756,526	137,980	894,506
(6) 信貸額用於中國內地的境外中國公民或對中國境外成立的機構	(6) PRC national residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	17,432,219	2,365,071	19,797,290
(7) 其他被申報機構視為中國內地非銀行交易對手之風險承擔	(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	13,992,493	57,433	14,049,926
總額	Total	158,923,558	7,650,460	166,574,018
已扣減準備金的資產總額	Total assets after provision	362,944,791		
資產負債表內風險承擔佔總資產百分率	On-balance sheet exposures as percentage of total assets	43.8%		

(K) 企業管治

(K) Corporate governance

本集團致力於保持高企業管治水平，在本年度內及在所有重要的事項上均符合金管局頒佈的監管政策手冊內「本地註冊認可機構的企業管治」及「穩健薪酬制度指引」所載的規定。本行董事會已設立以下委員會包括審計委員會、信貸及風險管理委員會、提名委員會及薪酬委員會。該等委員會的構成和職能將會詳載於「企業管治及其他資料」並包括在本集團之印刷本報告內。

The Group is committed to high standards of corporate governance and has complied, in all material respects, throughout the year with the modules on 'Corporate Governance of Locally Incorporated Authorised Institutions' and 'Guideline on a Sound Remuneration System' issued by the HKMA. The Board of Directors of the Bank has established a number of committees including the Audit Committee, the Credit & Risk Management Committee, the Nomination Committee and the Remuneration Committee. Their composition and functions are explained in detail in "Corporate Information" and "Corporate Governance and Other Information", which will be included in the printed version of the Group's annual report.

企業管治及其他資料

本集團致力於保持高企業管治水平，在本年度內及在所有重要的事項上均符合金管局頒佈的監管政策手冊內「本地註冊認可機構的企業管治」及「穩健的薪酬制度指引」所載的規定。

董事委員會

本行董事會已設立以下委員會：

(i) 審計委員會

審計委員會為獨立機構，協助董事會獨立檢討及監察本行的財務匯報流程及內部控制制度的有效性。

該委員會由四名委員組成，當中大部份委員（包括委員會主席）為獨立非執行董事。委員名單和簡介載於「企業資料」和「董事簡介」章節內。

審計委員會於每季度最少召開一次會議，外聘核數師、本行的高級管理人員包括行政總裁、財務總監、審計總監、風險管理總監和行政總裁辦公室總監等高管人員，會獲邀請出席該等會議。截至2019年12月31日止年度，審計委員會共召開四次會議。

Corporate Governance and Other Information

The Group is committed to high standards of corporate governance and has complied, in all material respects, throughout the year with the modules on “Corporate Governance of Locally Incorporated Authorized Institutions” and “Guideline on a Sound Remuneration System” issued by the HKMA.

Board Committees

The Board of Directors of the Bank has established the following committees:

(i) Audit Committee

The Audit Committee, being an independent body, assists the Board of Directors of the Bank in providing independent review of, and monitoring, the effectiveness of the Bank’s financial reporting process and internal control systems.

It comprises four members, majority of whom (including the chairman) are Independent Non-executive Directors. Their names and biographies are set out in the sections of “Corporate Information” and “Biographies of Directors”.

Meetings of the Audit Committee shall be held not less than once in each quarter. Representatives of the external auditor and senior management including Chief Executive Officer, Chief Financial Officer, Chief Auditor, Chief Risk Officer and Director of CEO Office of the Bank are invited to attend these meetings. Four meetings were held during the year ended 31 December 2019.

董事委員會 (續)**(ii) 信貸及風險管理委員會**

信貸及風險管理委員會監察及管理本行的風險相關事宜，包括但不限於風險戰略、偏好／承受能力、狀況、政策（包括主要風險程序）、公允價值實踐、資本充足和風險文化、系統及各項風險相關項目，並確保本行的風險管理職能和合規職能可在充足權限、規範、獨立性、管理層支持和資源下履行。有關的風險主要包括信貸風險、市場風險、利率風險、流動性風險、操作風險（包括欺詐風險）、信譽風險、法律風險、合規風險、戰略風險和有關進入新市場、新業務範疇和經營新產品或服務所涉及的風險。該委員會亦負責審批與內部資本充足評估程序有關事宜、反向壓力測試方法，以及審議每年度需提呈董事會審批的恢復規劃文件。信貸及風險管理委員會通過本行管理層面的多個委員會監督本行的風險管理工作，包括信貸委員會、不良貸款委員會、投資審議委員會、市場風險委員會、資產及負債委員會、操作風險管理委員會、合規委員會、新產品委員會以及管理委員會。

該委員會由四名委員組成，當中大部份委員（包括委員會主席）為獨立非執行董事。委員名單和簡介載於「企業資料」和「董事簡介」章節內。

信貸及風險管理委員會於每季度最少召開一次會議，本行的風險管理總監、財務總監、信息科技總監、營運總監、行政總裁辦公室總監、監控及合規總監、審計總監、個人及商務銀行業務總監和公司業務兼財資及環球市場總監等高管人員，會獲邀請出席該等會議。截至2019年12月31日止年度，信貸及風險管理委員會共召開四次會議。

Board Committees (continued)**(ii) Credit & Risk Management Committee**

The Credit & Risk Management Committee oversees and manages the Bank's risk related matters including, but not limited to, the risk strategy, appetite/tolerance, profile, policies (including key risk procedures), fair value practices, capital adequacy and risk cultural, systems and various risk-related initiatives and projects. It has to ensure that the risk management function and the compliance function of the Bank have adequate authority, stature, independence, management support and resources to perform its duties. The risks concerned primarily include credit risk, market risk, interest rate risk, liquidity risk, operational risk (including fraud risk), reputation risk, legal risk, compliance risk, strategic risk and any risks associated with entering new markets, new areas of business, or dealing in new products or services. It is also responsible for approving matters relating to Internal Capital Adequacy Assessment Process (ICAAP), the Reverse Stress Testing (RST) methodology, and endorsing the recovery planning document before reporting to the Board for approval on an annual basis. The committee carries out its oversight function on the Bank's risk management through various committees at the Bank's management level, including the Credit Committee, the Non-Performing Loans Committee, the Investment Review Committee, the Market Risk Committee, the Asset and Liability Committee, the Operational Risk Management Committee, the Compliance Committee, the New Product Committee and the Management Committee.

It comprises four members, majority of whom (including the chairman) are Independent Non-executive Directors. Their names and biographies are set out in the sections of "Corporate Information" and "Biographies of Directors".

Meetings of the Credit & Risk Management Committee shall be held not less than once in each quarter. Chief Risk Officer, Chief Financial Officer, Chief Information Officer, Chief Operations Officer, Director of CEO Office, Chief Controls & Compliance Officer, Chief Auditor, Group Head of Personal & Business Banking and Group Head of Wholesale Banking and Treasury & Global Markets of the Bank are invited to attend these meetings. Four meetings were held during the year ended 31 December 2019.

董事委員會 (續)**(iii) 提名委員會**

提名委員會協助本行董事會評估董事會和董事會層面的多個委員會的架構、規模和組成，並在需要作出修訂時提出意見。該委員會亦協助董事會物色合適人選出任董事、行政總裁、副行政總裁及替任行政總裁，並就本行董事、董事長和行政總裁的繼任計劃向董事會提出意見。

該委員會由四名委員組成，當中大部份委員（包括委員會主席）為獨立非執行董事。委員名單和簡介載於「企業資料」和「董事簡介」章節內。

提名委員會於每年度最少召開一次會議，本行的人力資源總監會獲邀請出席該等會議。截至2019年12月31日止年度，提名委員會召開了兩次會議。

(iv) 薪酬委員會

薪酬委員會負責審批本行薪酬相關的制度和架構，以及按照現行浮動薪酬計劃而釐定花紅資金池。該委員會亦負責董事長和按照總薪酬制度所指的高級管理人員及關鍵員工的具體薪酬安排和被解僱及免職的董事的賠償安排。該委員會亦需確保對本行薪酬制度及其運作進行年度獨立審閱，包括合法合規。

該委員會由四名委員組成，當中大部份委員（包括委員會主席）為獨立非執行董事。委員名單和簡介載於「企業資料」和「董事簡介」章節內。

薪酬委員會於每年度最少召開一次會議，本行的人力資源總監會獲邀請出席該等會議。截至2019年12月31日止年度，薪酬委員會共召開三次會議。

Board Committees (continued)**(iii) Nomination Committee**

The Nomination Committee assists the Board of Directors of the Bank to review the structure, size and composition of the Board and of the committees at the Board's level, and to make recommendations on any proposed changes if necessary. It also assists in identifying suitable candidates qualified to become Directors, Chief Executive Officer, Deputy Chief Executive Officer and Alternate Chief Executive Officer, and making recommendations to the Board on succession planning for Directors, Chairman of the Board and the Chief Executive Officer of the Bank.

It comprises four members, majority of whom (including the chairman) are Independent Non-executive Directors. Their names and biographies are set out in the sections of "Corporate Information" and "Biographies of Directors".

Meetings of the Nomination Committee shall be held not less than once in each year. Chief Human Resources Officer of the Bank is invited to attend these meetings. Two meetings were held during the year ended 31 December 2019.

(iv) Remuneration Committee

The Remuneration Committee is responsible for reviewing and approving the remuneration-related policies and structure of the Bank, and also the bonus pool proposed pursuant to the prevailing variable compensation schemes. It is also responsible for approving the remuneration packages of the Chairman of the Board, senior management and key personnel as defined in the Master Remuneration Policy, and compensation arrangements relating to the dismissal or removal of Directors. The committee has to ensure that an annual review of the Bank's remuneration system and its operations, which includes an assessment of consistency with the relevant regulatory rules or guidelines, is conducted independently of management.

It comprises four members, majority of whom (including the chairman) are Independent Non-executive Directors. Their names and biographies are set out in the sections of "Corporate Information" and "Biographies of Directors".

Meetings of the Remuneration Committee shall be held not less than once in each year. Chief Human Resources Officer of the Bank is invited to attend these meetings. Three meetings were held during the year ended 31 December 2019.

香港德輔道中61-65號
61-65 Des Voeux Road Central, Hong Kong
電話 Tel: (852) 3603 6633
傳真 Fax: (852) 3603 4000

info@cncbinternational.com
www.cncbinternational.com