中信銀行(國際)
CHINA CITIC BANK INTERNATIONAL

二零一八年半年度報告
INTERIM REPORT 2018

2018

二零一八年半年度報告內容
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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「最佳海外綜合金融服務企業」。

信銀國際網絡遍佈大中華,包括香港的32家分行以及北京、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 overseas integrated financial services institution", with the best international standards and capabilities.

CNCBI's footprint in Greater China includes 32 branches 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.

企業資料

董事會

董事長
孫德順先生

執行董事
張小衛先生*（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）*

非執行董事
方合英先生

獨立非執行董事
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

審核委員會
王國樑先生*（主席）*
方合英先生
武捷思先生

信貸及風險管理委員會
曾璟璇女士*（主席）*
湯世生先生
王國樑先生
張小衛先生

提名委員會
武捷思先生*（主席）*
孫德順先生
湯世生先生
曾璟璇女士

薪酬委員會
武捷思先生*（主席）*
孫德順先生
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
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傳真：(852) 3603 4000
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核數師

羅兵咸永道會計師事務所

Corporate Information

Board of Directors

Chairman
Mr. SUN Deshun

Executive Directors
Mr. ZHANG Xiaowei *(President & Chief Executive Officer)*
Mrs. KAN NG Chau Yuk Helen *(Alternate Chief Executive Officer)*
Mr. BAI Lijun Jeffery *(Alternate Chief Executive Officer)*

Non-executive Director
Mr. FANG Heying

Independent Non-executive Directors
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
Mr. WU Jiesi

Credit & Risk Management Committee
Ms. TSANG King Suen Katherine *(Chairman)*
Mr. TANG Shisheng
Mr. WANG Guoliang
Mr. ZHANG Xiaowei

Nomination Committee
Mr. WU Jiesi *(Chairman)*
Mr. SUN Deshun
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine

Remuneration Committee
Mr. WU Jiesi *(Chairman)*
Mr. SUN Deshun
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine

Registered Office

61-65 Des Voeux Road Central, Hong Kong
Tel: (852) 3603 6633
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Auditor

PricewaterhouseCoopers

簡明綜合收益表

Condensed Consolidated Income Statement

截至2018年6月30日止6個月－未經審核
（以港幣為單位）

For the six months ended 30 June 2018 – unaudited
(Expressed in Hong Kong dollars)

			截至6月30日止6個月 Six months ended 30 June	
		附註 Note	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000
利息收入	Interest income	4(a)	**5,441,182**	4,109,777
利息支出	Interest expense	4(b)	**(2,138,071)**	(1,664,729)
淨利息收入	**Net interest income**		**3,303,111**	2,445,048
費用及佣金收入	Fee and commission income		**837,009**	1,032,181
費用及佣金支出	Fee and commission expense		**(47,275)**	(34,736)
淨費用及佣金收入	**Net fee and commission income**	5	**789,734**	997,445
淨交易收入	Net trading income	6	**235,714**	483,602
淨對沖收益／（損失）	Net hedging gain/(loss)	7	**4,344**	(21)
出售以公允價值計入其他全面收益的金融資產淨收益	Net gain on disposal of financial assets at fair value through other comprehensive income	8	**9,936**	–
出售可供出售證券淨收益	Net gain on disposal of available-for-sale securities	8	**–**	23,978
其他經營收入	Other operating income	9	**19,458**	22,089
經營收入	**Operating income**		**4,362,297**	3,972,141
經營支出	**Operating expenses**	10	**(1,617,443)**	(1,487,028)
扣除減值準備前的經營溢利	**Operating profit before impairment**		**2,744,854**	2,485,113
金融資產預期信貸損失	Expected credit losses on financial assets	11	**(741,030)**	–
貸款及墊款及其他賬項減值損失	Impairment losses on loans and advances and other accounts	11	**–**	(867,472)
其他資產減值損失	Impairment losses on other assets	18	**(32,000)**	–
減值損失	**Impairment losses**		**(773,030)**	(867,472)
經營溢利	**Operating profit**		**1,971,824**	1,617,641
出售物業及設備淨損失	Net loss on disposal of property and equipment		**(527)**	(3,905)
投資物業重估（損失）／收益	Revaluation (loss)/gain on investment properties		**(170)**	7,009
稅前溢利	**Profit before taxation**		**1,971,127**	1,620,745
所得稅	Income tax	12	**(348,638)**	(232,365)
期內溢利	**Profit for the period**		**1,622,489**	1,388,380
歸屬於股東的溢利	**Profit attributable to shareholders**		**1,622,489**	1,388,380

第8頁到第78頁的附註屬本財務報表一部份。

The notes on pages 8 to 78 form part of this interim financial report.

簡明綜合全面收益表

截至2018年6月30日止6個月－未經審核
（以港幣為單位）

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2018 – unaudited
(Expressed in Hong Kong dollars)

		截至6月30日止6個月 Six months ended 30 June	
		2018 **港幣千元** **HK$'000**	2017 港幣千元 HK$'000
期內溢利	**Profit for the period**	**1,622,489**	1,388,380
期內其他全面收益	**Other comprehensive income for the period**		
當滿足特定條件時，其後可能重新分類至綜合收益表	**Items that will be reclassified subsequently to consolidated income statement when specific conditions are met**		
換算海外附屬公司財務報表的匯兑差額	Exchange differences on translation of financial statements of overseas subsidiaries	**(20,873)**	52,184
現金流量對沖	Cash flow hedges		
－期內確認對沖工具公允價值的變動	– effective portion of changes in fair value of hedging instruments recognised during the period	**–**	(751)
－與上述有關的遞延税項	– deferred tax related to the above	**–**	124
		–	(627)
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	**(538,836)**	–
－出售時轉至收益表	– transfer to income statement on disposal	**(11,120)**	–
－減值準備時轉至收益表	– transfer to income statement on impairment	**74,011**	–
－與上述有關的遞延税項	– deferred tax related to the above	**78,474**	–
		(397,471)	–
可供出售證券	Available-for-sale securities		
－公允價值的變動	– change in fair value	**–**	149,872
－出售時轉至收益表	– transfer to income statement on disposal	**–**	(18,839)
－與上述有關的遞延税項	– deferred tax related to the above	**–**	(20,577)
		–	110,456
其後不會重新分類至綜合收益表	**Items that will not be reclassified subsequently to consolidated income statement**		
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 fair value of equity instruments	**731**	–
－與上述有關的遞延税項	– deferred tax related to the above	**(121)**	–
		610	–
期內其他全面收益	**Other comprehensive income for the period**	**(417,734)**	162,013
期內全面收益總額	**Total comprehensive income for the period**	**1,204,755**	1,550,393
歸屬於股東的全面收益總額	**Total comprehensive income attributable to shareholders**	**1,204,755**	1,550,393

第8頁到第78頁的附註屬本財務報表一部份。

The notes on pages 8 to 78 form part of this interim financial report.

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

於2018年6月30日－未經審核
（以港幣為單位）

At 30 June 2018 – unaudited
(Expressed in Hong Kong dollars)

		附註 Note	6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'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	14	**19,412,643**	31,657,854
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	15	**47,106,996**	47,402,438
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	16	**922,185**	1,029,044
衍生金融工具	Derivative financial instruments	17	**9,305,829**	4,770,495
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	18	**203,497,497**	198,986,939
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	19	**67,582,200**	–
可供出售證券	Available-for-sale securities	19	**–**	59,346,677
物業及設備	Property and equipment	20		
－投資物業	– Investment property		**132,610**	132,780
－其他物業	– Other premises		**364,744**	373,100
－設備	– Equipment		**500,689**	514,469
可收回稅項	Tax recoverable	25(a)	**1,701**	29,047
遞延稅項資產	Deferred tax assets	25(b)	**442,903**	65,841
資產總額	**Total Assets**		**349,269,997**	344,308,684
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	21	**5,383,446**	5,187,319
客戶存款	Deposits from customers	22	**270,855,292**	271,471,865
衍生金融工具	Derivative financial instruments	17	**9,021,831**	4,824,483
已發行存款證	Certificates of deposit issued	23	**3,138,313**	3,421,769
已發行債務證券	Debt securities issued	24	**3,542,230**	3,584,064
本期稅項負債	Current tax liabilities	25(a)	**379,629**	497,575
遞延稅項負債	Deferred tax liabilities	25(b)	**8,261**	1,631
其他負債	Other liabilities	26	**9,996,563**	5,422,626
債務資本	Loan capital	27	**6,287,099**	6,340,192
負債總額	**Total Liabilities**		**308,612,664**	300,751,524
權益	**Equity**			
股本	Share capital	28(a)	**18,404,013**	18,404,013
儲備	Reserves		**16,080,068**	18,979,895
股東權益總額	**Total shareholders' equity**		**34,484,081**	37,383,908
額外權益工具	Additional equity instruments	29	**6,173,252**	6,173,252
權益總額	**Total Equity**		**40,657,333**	43,557,160
權益及負債總額	**Total Equity and Liabilities**		**349,269,997**	344,308,684

第8頁到第78頁的附註屬本財務報表一部份。

The notes on pages 8 to 78 form part of this interim financial report.

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至2018年6月30日止6個月－未經審核
（以港幣為單位）

For the six months ended 30 June 2018 – unaudited
(Expressed in Hong Kong dollars)

		股本 Share capital 港幣千元 HK$'000	資本儲備 Capital reserve 港幣千元 HK$'000	一般儲備 General reserve 港幣千元 HK$'000	匯兌差額儲備 Exchange differences reserve 港幣千元 HK$'000	物業重估儲備 Property revaluation reserve 港幣千元 HK$'000	現金流量對沖儲備 Cash flow hedging reserve 港幣千元 HK$'000	投資重估儲備 Investment revaluation reserve 港幣千元 HK$'000	法定盈餘公積 Statutory reserve 港幣千元 HK$'000	法定一般儲備 Regulatory general reserve 港幣千元 HK$'000	保留溢利 Retained profits 港幣千元 HK$'000	儲備總額（附註28(b)） Total reserves (note 28(b)) 港幣千元 HK$'000	額外權益工具 Additional equity instruments 港幣千元 HK$'000	權益總額 Total equity 港幣千元 HK$'000
於2018年1月1日	**At 1 January 2018**	**18,404,013**	**6,589**	**100,000**	**24,940**	**55**	**-**	**(88,136)**	**58,073**	**149,500**	**18,728,874**	**18,979,895**	**6,173,252**	**43,557,160**
首次採納《香港財務報告準則》第9號之變動	Changes on initial adoption of HKFRS 9	-	-	-	-	-	-	69,369	-	-	(1,196,730)	(1,127,361)	-	(1,127,361)
在財政年度開始時重列的權益總額	**Restated total equity at the beginning of the financial year**	**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6月30日止6個月的權益變動：	Changes in equity for the six months ended 30 June 2018:													
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	-	1,622,489	1,622,489	-	1,622,489
期內其他全面收益	Other comprehensive income for the period	-	-	-	(20,873)	-	-	(396,861)	-	-	-	(417,734)	-	(417,734)
期內全面收益總額	**Total comprehensive income for the period**	-	-	-	(20,873)	-	-	(396,861)	-	-	1,622,489	1,204,755	-	1,204,755
支付股息	Dividend paid	-	-	-	-	-	-	-	-	-	(2,808,437)	(2,808,437)	-	(2,808,437)
來自保留溢利	Transfer from retained profits	-	-	-	-	-	-	-	-	-	(168,784)	(168,784)	168,784	-
支付額外一級資本證券票息	Distribution payment for Additional Tier 1 Capital Securities ("AT1 Capital Securities")	-	-	-	-	-	-	-	-	-	-	-	(168,784)	(168,784)
於2018年6月30日	**At 30 June 2018**	**18,404,013**	**6,589**	**100,000**	**4,067**	**55**	**-**	**(415,628)**	**58,073**	**149,500**	**16,177,412**	**16,080,068**	**6,173,252**	**40,657,333**
於2017年1月1日	At 1 January 2017	9,366,271	6,589	100,000	(94,212)	55	1,068	(61,975)	53,845	149,500	16,259,623	16,414,493	6,173,252	31,954,016
截至2017年6月30日止6個月的權益變動：	Changes in equity for the six months ended 30 June 2017:													
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	-	1,388,380	1,388,380	-	1,388,380
期內其他全面收益	Other comprehensive income for the period	-	-	-	52,184	-	(627)	110,456	-	-	-	162,013	-	162,013
期內全面收益總額	Total comprehensive income for the period	-	-	-	52,184	-	(627)	110,456	-	-	1,388,380	1,550,393	-	1,550,393
來自保留溢利	Transfer from retained profits	-	-	-	-	-	-	-	-	-	(167,060)	(167,060)	167,060	-
支付額外一級資本證券票息	Distribution payment for AT1 Capital Securities	-	-	-	-	-	-	-	-	-	-	-	(167,060)	(167,060)
於2017年6月30日	At 30 June 2017	9,366,271	6,589	100,000	(42,028)	55	441	48,481	53,845	149,500	17,480,943	17,797,826	6,173,252	33,337,349
於2017年7月1日	At 1 July 2017	9,366,271	6,589	100,000	(42,028)	55	441	48,481	53,845	149,500	17,480,943	17,797,826	6,173,252	33,337,349
截至2017年12月31日止6個月的權益變動：	Changes in equity for the six months ended 31 December 2017:													
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	-	1,420,057	1,420,057	-	1,420,057
期內其他全面收益	Other comprehensive income for the period	-	-	-	66,968	-	(441)	(136,617)	-	-	-	(70,090)	-	(70,090)
期內全面收益總額	Total comprehensive income for the period	-	-	-	66,968	-	(441)	(136,617)	-	-	1,420,057	1,349,967	-	1,349,967
發行及配發股份，扣除交易成本	Issue and allotment of shares, net of transaction costs	9,037,742	-	-	-	-	-	-	-	-	-	-	-	9,037,742
來自保留溢利	Transfer from retained profits	-	-	-	-	-	-	-	4,228	-	(172,126)	(167,898)	167,898	-
支付額外一級資本證券票息	Distribution payment for AT1 Capital Securities	-	-	-	-	-	-	-	-	-	-	-	(167,898)	(167,898)
於2017年12月31日	At 31 December 2017	18,404,013	6,589	100,000	24,940	55	-	(88,136)	58,073	149,500	18,728,874	18,979,895	6,173,252	43,557,160

第8頁到第78頁的附註屬本財務報表一部份。

The notes on pages 8 to 78 form part of this interim financial report.

簡明綜合現金流量表

Condensed Consolidated Cash Flows Statement

截至2018年6月30日止6個月－未經審核
（以港幣為單位）

For the six months ended 30 June 2018 – unaudited
(Expressed in Hong Kong dollars)

		附註 Note	截至6月30日止6個月 Six months ended 30 June 2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
(用於)／來自經營業務的現金淨額	**Net cash flows (used in)/generated from operating activities**	30(a)	**(8,144,058)**	16,081,753
來自／(用於)投資業務的現金流	**Cash flows generated from/(used in) investing activities**			
已收權益工具股息	Dividends received from equity instruments		**4,361**	4,314
購入物業及設備	Purchase of property and equipment		**(79,073)**	(114,450)
出售物業及設備所得款項	Proceeds from disposal of property and equipment		**–**	52
用於投資業務的現金淨額	**Net cash flows used in investing activities**		**(74,712)**	(110,084)
來自／(用於)融資業務的現金流	**Cash flows generated from/(used in) financing activities**			
已發行債務證券所得款項	Proceeds from debt securities issued		**–**	3,456,755
支付股息	Dividend paid		**(2,808,437)**	–
支付額外一級資本證券票息	Distribution paid on Additional Tier 1 Capital Securities		**(168,784)**	(167,060)
支付已發行債務證券利息	Interest paid on debt securities issued		**(162,523)**	–
支付債務資本利息	Interest paid on loan capital		**(205,525)**	(249,289)
(用於)／來自融資業務的現金淨額	**Net cash flows (used in)/generated from financing activities**		**(3,345,269)**	3,040,406
現金及現金等值(減少)／增加淨額	**Net (decrease)/increase in cash and cash equivalents**		**(11,564,039)**	19,012,075
於1月1日的現金及現金等值項目	**Cash and cash equivalents at 1 January**		**89,385,112**	54,517,271
於6月30日的現金及現金等值項目	**Cash and cash equivalents at 30 June**	30(b)	**77,821,073**	73,529,346

第8頁到第78頁的附註屬本財務報表一部份。

The notes on pages 8 to 78 form part of this interim financial report.

(1) 財務報表編製基礎

本中期財務報告是根據香港會計師公會頒佈《香港會計準則》第34號*「中期財務報告」*的規定編製而成，並符合香港金融管理局（「金管局」）所頒佈《銀行業（披露）規則》的披露規定。中期財務報告應與已根據所有適用的《香港財務報告準則》來編製的截至2017年12月31日年度的財務報表一併閱讀。

本中期財務報告已符合香港會計準則第34條的編製規定，管理層需要對會計政策的應用及截至報表日的資產及負債、年度累計收入及支出總額等作出判斷、估計及假設。而實際的結果可能與該些估計存在差異。在編製本中期財務報告，除在以下附註2.3.4中描述有關首次採用《香港財務報告準則》第9號外，在應用本集團的會計政策及估計不確定性的主要來源均由管理層作出顯著的判斷，與2017年12月31日的綜合財務報表內所採用的會計政策是一致的。

截至2018年6月30日止6個月的中期財務報告所載有關截至2017年12月31日的財務資料只用作對比資料，並不構成本集團該年內之法定年度綜合財務報表，乃源自那些財務報表。根據香港公司條例（第622章）第436條有關這些法定財務報表的披露要求的更多資料如下：

(1) Basis of preparation

The interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the HKICPA. It also contains the disclosure information required under the Banking (Disclosure) Rules issued by the Hong Kong Monetary Authority ("HKMA"). The interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2017 which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs").

The preparation of the interim financial report that conforms with HKAS 34 requires that management make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. In preparing this interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017 except for the first time adoption of HKFRS 9 "Financial Instruments" as described in 2.3.4 below.

The financial information relating to the year ended 31 December 2017 that is included in the interim financial report for the six months ended 30 June 2018 as comparative information does not constitute the Group's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

(1) 財務報表編製基礎（續）

根據香港公司條例（第622章）第662(3)條和附表6第3部要求，本集團已送呈截至2017年12月31日年度的財務報表予公司註冊處。

本集團的核數師已就這份財務報表發出無保留意見的審計報告，當中不包括核數師在並無作出保留意見下提出須注意的任何事宜，以及並無載列香港公司條例（第622章）第406(2)，407(2)或(3)條之聲明。

本中期財務報告是根據《香港財務報告準則》的規定編製而成，除以下列示所採納新訂和修訂的準則外，與2017年度財務報表及往年度中期財務報告期內所採用的會計政策是一致的。

(2) 會計政策

2.1 本集團已採納的新訂及修訂準則

若干新訂及修訂準則於本報告期內生效，以及本集團需要修改本集團的會計政策，並由於採納以下準則因而作出追溯調整：

- 《香港財務報告準則》第9號「金融工具」，及
- 《香港財務報告準則》第15號「與客戶之間的合同產生的收入」。

採納《香港財務報告準則》第9號及有關新訂會計政策之影響於以下附註2.3披露。《香港財務報告準則》第15號於2018年1月1日生效，並取代《香港會計準則》第18號「收入」。《香港財務報告準則》第15號在概念上與《香港會計準則》第18號相似，但對有關確認及計量收入提供更詳細的指引。本集團已對新準則進行評估，並結論採納《香港財務報告準則》第15號對本集團的會計政策並無重大影響，以及沒有需要作出追溯調整。

(1) Basis of preparation *(continued)*

The Group has delivered the financial statements for the year ended 31 December 2017 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Group's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

The interim financial report has been prepared in accordance with the accounting policies adopted to be consistent with the 2017 annual financial statements and corresponding interim reporting period, which have been prepared in accordance with Hong Kong Financial Reporting Standards, except for the adoption of new and amended standards as set out below.

(2) Accounting policies

2.1 New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies and make retrospective adjustments as a result of adopting the following standards:

- HKFRS 9 "Financial Instruments", and
- HKFRS 15 "Revenue from Contracts with Customers".

The impact of the adoption of HKFRS 9 and the related new accounting policies are disclosed in note 2.3 below. HKFRS 15 is effective from 1 January 2018 and replaces HKAS 18 "Revenue". HKFRS 15 is conceptually similar to HKAS 18, but includes more granular guidance on recognition and measurement of revenue. The Group has performed an assessment and concluded that the adoption of HKFRS 15 does not have significant impact on the Group's accounting policies and does not require retrospective adjustments.

(2) 會計政策 *(續)*

2.2 本集團未採納已頒佈的準則的影響

《香港財務報告準則》第16號「租賃」將導致差不多所有租賃在資產負債表內確認，經營租賃與融資租賃的劃分已被刪除。根據該新準則，資產（該租賃項目的使用權）與支付租金的金融負債均被確認。唯一例外者為短期租賃和低價值資產租賃。對出租人的會計處理將不會有重大改變。

此準則將主要影響集團經營租賃的會計處理。然而，本集團仍未釐定該等承擔將導致資產和負債就未來付款確認的程度，以及將如何影響集團的利潤和現金流量分類。

此新準則必須在2019年1月1日或之後開始的財政年度採納。目前，本集團預計不會在生效日期前採納此準則。本集團擬採用簡化過渡方法，並將不會重列首次採納前一年的比較金額。

並沒有其他在本中期報告時期首次生效的修訂準則或詮釋，預計會對本集團產生重大影響。

(2) Accounting policies *(continued)*

2.2 Impact of standards issued but not yet applied by the Group

HKFRS 16 "Leases" will result in almost all leases being recognised on the balance sheet, as the distinction between an operating and finance lease is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exemptions are short-term leases and leases of low-value assets. The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂

本集團已採納《香港財務報告準則》第9號，並以2018年1月1日作為過渡日，因而導致會計政策的修訂及對在財務報表中已確認的數值作出調整。本集團於過往期內並沒有提早採納《香港財務報告準則》第9號的任何部份。

在《香港財務報告準則》第9號的過渡條款所准許下，本集團選擇不重列比較數字。任何在過渡日對金融資產及負債的賬面值的調整於期內的期初保留溢利及其他儲備中反映。同時，於採納《香港財務報告準則》第9號，本集團已選擇繼續採納有關《香港會計準則》第39號的對沖會計法。

在附註披露上，有關修訂對《香港財務報告準則》第7號「金融工具：披露」的披露只應用於本報告期內。比較報告期的附註以往年度之披露列示。

採納《香港財務報告準則》第9號導致本集團修訂有關確認、分類及計量金融資產及負債，以及金融資產減值的會計政策。《香港財務報告準則》第9號同時導致重大修訂其他有關金融工具的準則，例如《香港財務報告準則》第7號要求的披露。

除指定為以公允價值計入損益的金融負債工具的信貸風險變動，引致的公允價值變動計入其他全面收益外，金融負債的分類及計量與《香港會計準則》第39號大致相同。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9

The Group has adopted HKFRS 9 with a date of transition of 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements. The Group did not early adopt any part of HKFRS 9 in previous periods.

As permitted by the transitional provisions of HKFRS 9, the Group elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves of the current period. The Group has also elected to continue to apply the hedge accounting requirements of HKAS 39 on adoption of HKFRS 9.

Consequently, for notes disclosures, the consequential amendments to HKFRS 7 "Financial Instruments: Disclosures" disclosures have also only been applied to the current period. The comparative period notes disclosures repeat those disclosures made in the prior years.

The adoption of HKFRS 9 has resulted in changes in the Group's accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. HKFRS 9 also significantly amends other standards dealing with financial instruments such as HKFRS 7 disclosures.

The classification and measurement of financial liabilities remains largely the same as it was under HKAS 39, except for the changes in the fair value of financial liabilities designated at fair value through profit or loss that are attributable to changes in the instrument's credit risk, which are now presented in other comprehensive income.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.1 分類及其後計量

由2018年1月1日起，本集團已採納《香港財務報告準則》第9號及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

(a) 債務工具

債務工具的分類及其後計量視乎：

(i) 本集團管理資產的的業務模型；及

(ii) 資產的現金流特徵。

根據以上因素，本集團將債務工具分類為以下3種計量類別的其中一種：

按攤餘成本

金融資產持有作收取合約現金流而此等現金流僅為本金及利息款項之合約條款，及不是指定為以公允價值計入損益，將按攤餘成本計量。此等資產的賬面值就已確認的預期信貸損失作出調整，並以在本中期財務報告中未經審核補充財務資料信貸風險管理部分中披露的方法計量。此等金融資產的利息收入以實際利率法包括在「利息收入」中。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.1 Classification and subsequent measurement

From 1 January 2018, the Group has applied HKFRS 9 and classifies 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")

(a) Debt instruments

Classification and subsequent measurement of debt instruments depends on:

(i) the Group's business model for managing the asset; and

(ii) the cash flow characteristics of the asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

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 the Unaudited Supplementary Financial Information part of this Interim Financial Report. Interest income from these financial assets is included in 'interest income' using the effective interest rate method.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.1 分類及其後計量（續）

(a) 債務工具（續）

以公允價值計入其他全面收益

金融資產持有作收取合約現金流而此等現金流僅為本金及利息款項之合約條款及持作出售用途，及不是指定為以公允價值計入損益，將按公允價值計入其他全面收益計量。除減值、利息收入及外匯盈虧與按攤餘成本計量的金融資產一致在損益中確認外，賬面值的變動在其他全面收益中反映。在終止確認時，在以前確認的累計損益將由其他全面收益重新分配至當期損益。以公允價值計入其他全面收益的債務工具的利息收入以實際利率法包括在「利息收入」中。

以公允價值計入損益

不符合按攤餘成本或以公允價值計入其他全面收益條件的金融資產以公允價值計入損益計量。債務工具的損益其後以公允價值計量並計入損益，於發生期內同時在「淨交易收入」中確認。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.1 Classification and subsequent measurement (continued)

(a) Debt instruments (continued)

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.

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.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.1 分類及其後計量（續）

(a) 債務工具（續）

業務模型

業務模型指本集團管理金融資產以產生現金流量的方式，即視乎本集團之目的是僅為持有作收取資產的合約現金流或持有作同時收取合約現金流及由出售資產產生的現金流。假若兩種情況均不適用，及該資產只持作買賣用途，該金融資產將以公允價值計入損益分類及計量。

本集團在釐定一組資產的業務模型時的考慮因素包括此等資產如何收取現金流、如何評價此等資產的表現及向主要管理人員匯報、如何評估風險及管理及如何對業務的管理人員作出補償。

僅為本金及利息款項

當業務模型是持有資產作收取合約現金流或收取合約現金流及出售時，本集團評估金融工具的現金流是否代表僅為本金及利息款項（「僅為本金及利息款項測試」）。當作出此評估時，本集團考慮合約現金流是否與基本借貸安排一致，即利息只包括時間值、信貸風險、其他基本借貸風險的補償及與基本借貸安排一致的利潤。

(b) 金融負債

新金融工具準則對本集團金融負債的會計處理並不產生影響，因為僅影響指定為以公允價值計入損益的金融負債，但本集團並無此類金融負債。新金融工具準則的終止確認規則沿用了《香港會計準則》第39號的規定，並保持不變。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.1 Classification and subsequent measurement *(continued)*

(a) Debt instruments (continued)

Business model

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.

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.

SPPI

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.

(b) Financial liabilities

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 and have not been changed.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.1 分類及其後計量（續）

(c) 股權工具

股權工具是指從發行人角度符合權益定義的工具，即是不包含支付合約責任及具有發行人淨資產剩餘權益的工具。

除本集團的管理層在初始確認時選擇不可撤銷地將股權工具指定為以公允價值計入其他全面收益外，本集團其後將以公允價值計入損益計量所有股權工具。本集團的政策是當投資股權工具並非持作產生投資收益目的時，將指定為以公允價值計入其他全面收益。當使用此選擇時，公允價值的收益及損失將在其他全面收益中確認，及包括在出售時，並不會期後重新計入損益中。

(d) 對沖會計

新金融工具準則下的新套期會計規則要求本集團對套期工具的會計處理需要緊貼其風險管理實務。整體而言，由於新金融工具準則採用了強調原則為基礎的方法，更多的套期關係可以滿足運用套期會計的條件。《香港財務報告準則》第9號提供會計政策的選擇保留了《香港會計準則》第39號對沖會計的處理。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.1 Classification and subsequent measurement (continued)

(c) 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.

(d) Hedge accounting

The new hedge accounting rules will align the accounting for hedging instruments more closely with the Group's risk management practices. As a general rule, more hedge relationships might be eligible for hedge accounting, as the standard introduces a more principles-based approach. HKFRS 9 provides a choice of accounting policy to be remained with HKAS 39 hedge accounting.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.2 計量

在初始確認時，本集團以公允價值計量金融工具。如果金融資產不屬於以公允價值計入損益，便需加上直接歸屬於購入金融資產的交易成本，例如費用及佣金。以公允價值計入損益的金融資產的交易成本在損益中支銷。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。

2.3.3 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，及貸款承擔及金融擔保合約的預期信貸損失。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。

一般而言，本集團使用三個主要組成部分計算預期信貸損失，分別為違約或然率、違約損失率及違約風險承擔。12個月預期信貸損失按乘以12個月的違約或然率、違約損失率及違約風險承擔計算，而預期年限信貸損失則使用年限違約或然率計算。12個月及年限違約或然率分別指未來12個月及該工具餘下到期期限發生違約的可能性。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.2 Measurement

At initial recognition, the Group measures financial assets at their fair values 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.

2.3.3 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.

In general, the Group calculates ECL using three main components, probability of default ("PD"), a loss given default ("LGD") and the exposure at default ("EAD"). The 12-month ECL is calculated by multiplying the 12-month PD, LGD and EAD. Lifetime ECL is calculated using the lifetime PD instead. The 12-month and lifetime PD represent the probability of default occurring over the next 12 months and the remaining maturity of the financial asset respectively.

(2) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.3 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）

違約風險承擔指違約的預期結餘，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，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。

《香港財務報告準則》第9號對源生或購入資產時是正常的金融資產的減值引入3個階段方式。此方式概述如下：

– 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%。本集團對違約的定義與監管之定義一致。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

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

The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date date to the default event together with any expected drawdowns of committed facilities. The 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.

HKFRS 9 introduces a three stage 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) 會計政策（續）

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續）

2.3.4 主要會計估計及判斷

預期信貸損失準備的計量

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預期信貸損失準備的計量是需要使用複雜模型及有關未來經濟情況及信貸行為（例如客戶違約的可能性及帶來的損失）的主要假設。對在計量預期信貸損失時使用的數據、假設及估計模式在信貸風險管理披露資料中有更詳細披露。

在採納預期信貸損失的會計需求時，要求多項主要判斷，例如：

－ 信貸風險主要上升的考慮因素；

－ 在計量預期信貸損失時選擇合適的模型及假設；

－ 為每種產品／市場建立前瞻性情景的數值及相關比重，及相關預期信貸損失；及

－ 為計量預期信貸損失建立相類似的金融資產組合。

有關本集團在以上方面使用的估計及判斷於信貸風險管理中的附註披露。

(2) Accounting policies *(continued)*

2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.4 Critical accounting estimates and judgements

Measurement of the expected credit losses allowances

The measurement of the expected credit losses allowances for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in the disclosure information under credit risk management.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

– Determining criteria for significant increase in credit risk;

– Choosing appropriate models and assumptions for the measurement of ECL;

– Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and

– Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in the credit risk management section.

(2) 會計政策（續） (2) Accounting policies *(continued)*

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續） 2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.5 採納《香港財務報告準則》第9號的影響概要 *2.3.5 Summary of impact upon adoption of HKFRS 9*

下表概述於2018年1月1日分類及計量的影響。由於本集團的會計政策修訂，一般情況下採納《香港財務報告準則》第9號並沒有重列比較數字。由採納《香港財務報告準則》第9號的計量修訂引致的金融資產及負債的賬面值披露如下：

The following table summarises the classification and measurement impact at 1 January 2018. As a result of the changes in the Group's accounting policies, HKFRS 9 was generally adopted without restating comparative information. The carrying amount of the financial assets and financial liabilities due to changes in their measurements under HKFRS 9 are disclosed as follows:

	2017年12月31日 At 31 December 2017 《香港會計準則》第39號 HKAS 39 計量類別 Measurement category	2017年12月31日 At 31 December 2017 賬面金額 Carrying amount 港幣千元 HK$'000	採納《香港財務報告準則》第9號的額外減值準備(*) Additional impairment allowances on adoption of HKFRS 9 (*) 港幣千元 HK$'000	2018年1月1日 At 1 January 2018 賬面金額 Carrying amount 港幣千元 HK$'000	2018年1月1日 At 1 January 2018 《香港財務報告準則》第9號 HKFRS 9 計量類別 Measurement category	《香港財務報告準則》第9號 HKFRS 9 分類 Classification
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	攤銷成本 Amortised cost	31,657,854	**(16,876)**	**31,640,978**	**攤銷成本 Amortised cost**	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
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, and other financial institutions	攤銷成本 Amortised cost	47,402,438	**(10,171)**	**47,392,267**	**攤銷成本 Amortised cost**	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, and other financial institutions
以公允價值計入損益的金融資產 Financial assets at fair value through profit or loss						以公允價值計入損益的金融資產 Financial assets at fair value through profit or loss ("FVPL")
－存款證 – Certificate of deposits	以公允價值計入損益 FVPL	213,103	**–**	**213,103**	**以公允價值計入損益 FVPL**	－存款證 – Certificate of deposits
－債務證券 – Debt securities	以公允價值計入損益 FVPL	815,137	**–**	**815,137**	**以公允價值計入損益 FVPL**	－債務證券 – Debt securities
－投資基金 – Investment funds	以公允價值計入損益 FVPL	804	**–**	**804**	**以公允價值計入損益 FVPL**	－投資基金 – Investment funds
		1,029,044	**–**	**1,029,044**		
衍生金融工具 Derivative financial instruments	以公允價值計入損益 FVPL	4,770,495	**–**	**4,770,495**	**以公允價值計入損益 FVPL**	衍生金融工具 Derivative financial instruments
客戶貸款及墊款及其他賬項 Loans and advances to customers and other accounts	攤銷成本 Amortised cost	198,986,939	**(1,271,624)**	**197,715,315**	**攤銷成本 Amortised cost**	客戶貸款及墊款及其他賬項 Loans and advances to customers and other accounts
可供出售證券 Available-for-sale securities ("AFS")						以公允價值計入全面收益的金融資產 Financial assets at fair value through other comprehensive income ("FVOCI")
－可供出售證券－債務證券 – AFS – Debt securities	以公允價值計入其他全面收益 FVOCI	59,254,976	**–**	**59,254,976**	**以公允價值計入其他全面收益 FVOCI**	－以公允價值計入全面收益的金融資產－債務證券 – FVOCI – Debt securities
－可供出售證券－股權證券 – AFS – Equity securities	以公允價值計入其他全面收益 FVOCI	91,701	**–**	**91,701**	**以公允價值計入其他全面收益 FVOCI**	－以公允價值計入全面收益的金融資產－股權證券 – FVOCI – Equity securities
		59,346,677	**–**	**59,346,677**		
金融資產總額 Total financial assets		343,193,447	**(1,298,671)**	**341,894,776**		
遞延稅項資產 Deferred tax assets		65,841	**225,052**	**290,893**		
非金融資產 Non-financial assets		1,049,396	**–**	**1,049,396**		
資產總額 Total Assets		344,308,684	**(1,073,619)**	**343,235,065**		

(2) 會計政策（續） (2) Accounting policies *(continued)*

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續） 2.3 Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.5 採納《香港財務報告準則》第9號的影響概要（續） *2.3.5 Summary of impact upon adoption of HKFRS 9 (continued)*

	2017年12月31日 At 31 December 2017 《香港會計準則》第39號 HKAS 39 計量類別 Measurement category	2017年12月31日 At 31 December 2017 《香港會計準則》第39號 HKAS 39 賬面金額 Carrying amount 港幣千元 HK$'000	採納《香港財務報告準則》第9號的額外減值準備(*) Additional impairment allowances on adoption of HKFRS 9 (*) 港幣千元 HK$'000	2018年1月1日 At 1 January 2018 《香港財務報告準則》第9號 HKFRS 9 賬面金額 Carrying amount 港幣千元 HK$'000	2018年1月1日 At 1 January 2018 《香港財務報告準則》第9號 HKFRS 9 計量類別 Measurement category	《香港財務報告準則》第9號 HKFRS 9 分類 Classification
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	攤銷成本 Amortised cost	(5,187,319)	–	**(5,187,319)**	**攤銷成本 Amortised cost**	銀行及其他金融機構的存款及結存 Deposits and balances of banks and other financial institutions
客戶存款 Deposits from customers	攤銷成本 Amortised cost	(271,471,865)	–	**(271,471,865)**	**攤銷成本 Amortised cost**	客戶存款 Deposits from customers
衍生金融工具 Derivative financial instruments	以公允價值計入損益 FVPL	(4,824,483)	–	**(4,824,483)**	**以公允價值計入損益 FVPL**	衍生金融工具 Derivative financial instruments
已發行存款證 Certificates of deposit issued	攤銷成本 Amortised cost	(3,421,769)	–	**(3,421,769)**	**攤銷成本 Amortised cost**	已發行存款證 Certificates of deposit issued
已發行債務證券 Debt securities issued	攤銷成本 Amortised cost	(3,584,064)	–	**(3,584,064)**	**攤銷成本 Amortised cost**	已發行債務證券 Debt securities issued
債務資本 Loan capital	攤銷成本 Amortised cost	(6,340,192)	–	**(6,340,192)**	**攤銷成本 Amortised cost**	債務資本 Loan capital
其他金融負債 Other financial liabilities	攤銷成本 Amortised cost	(5,422,626)	**(53,742)**	**(5,476,368)**	**攤銷成本 Amortised cost**	其他金融負債 Other financial liabilities
金融負債總額 Total financial liabilities		(300,252,318)	**(53,742)**	**(300,306,060)**		
非金融負債 Non-financial liabilities		(499,206)	–	**(499,206)**		
負債總額 Total Liabilities		(300,751,524)	**(53,742)**	**(300,805,266)**		
權益 Equity						
股本 Share capital		(18,404,013)	–	**(18,404,013)**		
儲備 Reserves		(18,979,895)	**1,127,361**	**(17,852,534)**		
股東權益總額 Total shareholders' equity		(37,383,908)	**1,127,361**	**(36,256,547)**		
額外權益工具 Additional equity instruments		(6,173,252)	–	**(6,173,252)**		
權益總額 Total Equity		(43,557,160)	**1,127,361**	**(42,429,799)**		
權益及負債總額 Total Equity and Liabilities		(344,308,684)	**1,073,619**	**(343,235,065)**		

(*) 《香港財務報告準則》第9號之預期信貸損失已減少淨資產（稅前）港幣1,352,413,000元，主要包括「客戶貸款及墊款及其他賬項」賬面值減少港幣1,271,624,000元及有關貸款承擔及財務擔保合約的預期信貸損失在「其他金融負債」下「準備」增加港幣53,742,000元。

(*) HKFRS 9 expected credit losses have decreased net assets (pre-tax) by HK$1,352,413,000, which mainly included HK$1,271,624,000 reduction in the carrying value of "loans and advances to customers and other accounts", and HK$53,742,000 increase in "provisions" under "other financial liabilities" relating to expected credit losses on loan commitments and financial guarantee contracts.

(2) 會計政策（續） / Accounting policies *(continued)*

2.3 採納《香港財務報告準則》第9號引致會計政策的修訂（續） / Changes in accounting policies on adoption of HKFRS 9 *(continued)*

2.3.6 採納《香港財務報告準則》第9號的影響概要－儲備 / Summary of impact upon adoption of HKFRS 9 – Reserves

由2017年12月31日至2018年1月1日對本集團儲備的總影響如下：

The total impact on the Group's reserves at 1 January 2018 from 31 December 2017 is as follows:

		總額 Total 港幣千元 HK$'000
於2017年12月31日之儲備	**Reserves at 31 December 2017**	**18,979,895**
首次採納《香港財務報告準則》第9號之變動：	Changes on initial adoption of HKFRS 9:	
－在銀行及其他金融機構的結存的預期信貸損失準備增加	– Increase in ECL allowances for balances with banks and other financial institutions	**(16,876)**
－在銀行及其他金融機構的存款及墊款的預期信貸損失準備增加	– Increase in ECL allowances for placements with and advances to banks and financial institutions	**(10,171)**
－客戶貸款及墊款及其他賬項的預期信貸損失準備增加	– Increase in ECL allowances for loans and advances to customers and other accounts	**(1,271,624)**
－貸款承擔和財務擔保合約的預期信貸損失準備增加	– Increase in ECL provisions for loan commitments and financial guarantee contracts	**(53,742)**
－與預期信貸損失準備相關的遞延稅項資產增加	– Increase in deferred tax assets relating to ECL allowances	**225,052**
於2018年1月1日調整儲備－《香港財務報告準則》第9號	**Adjustment to reserves at 1 January 2018 – HKFRS 9**	**(1,127,361)**
重述2018年1月1日期初儲備－《香港財務報告準則》第9號	**Restated opening reserves 1 January 2018 – HKFRS 9**	**17,852,534**

(3) 分部資料

分部資料的呈報形式與呈報予主要營運決策人用作定期審閱及內部評核以決定如何分配資源和評核表現的方式一致。本集團確認了以下四大主要呈報分部：

公司及跨境業務包括香港及海外分行的企業銀行業務和中國銀行業務。企業銀行業務主要包括公司借貸及銀團貸款、貿易融資、存款賬戶服務及現金管理。海外分行包括於香港的管理辦公室及於海外營運的分行。中國銀行業務主要包括一間於中國的附屬銀行。

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銀行業務、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。

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。

於2018年6月30日期內，本集團在編製匯報予高級管理層作為表現評核的資料中已在分配予不同營業單位的收入及支出分配方法作出變更。若干比較資料已重新分類以符合本期分部資料的呈列一致。

(3) Segment reporting

Segment information is presented consistently with reportable segments which are regularly reviewed or evaluated internally by the chief operating decision-maker to allocate resources to the segments and to assess their performance. The Group has identified the following four main reportable segments:

Wholesale and cross-border banking business includes wholesale banking business in Hong Kong and overseas branches, and China banking. 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. China banking mainly includes a subsidiary bank in China.

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.

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 period ended 30 June 2018, the Group has revised certain allocation methods of some income and expenses among different operating units in preparing the information reported to the Group's senior executive management for the purposes of performance assessment. Corresponding amounts have been provided on a basis consistent with the revised segment information.

(3) 分部資料（續） (3) Segment reporting *(continued)*

(a) 可呈報分部 (a) Reportable segments

		截至2018年6月30日止6個月 Six months ended 30 June 2018				
		公司及跨境業務 Wholesale and cross-border 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	1,985,583	867,466	291,551	158,511	3,303,111
其他經營收入╱(支出)	Other operating income/(expenses)	557,747	398,620	248,705	(155,822)	1,049,250
出售以公允價值計入其他全面收益的金融資產淨收益	Net gain on disposal of financial assets at fair value through other comprehensive income	3,821	–	6,115	–	9,936
經營收入	**Operating income**	2,547,151	1,266,086	546,371	2,689	4,362,297
經營支出	Operating expenses	(276,474)	(385,210)	(58,316)	(897,443)	(1,617,443)
分部間的經營收入╱(支出)	Inter-segment income/(expenses)	(190,061)	(273,130)	(65,637)	528,828	–
扣除減值準備前的經營溢利╱(損失)	**Operating profit/(loss) before impairment**	2,080,616	607,746	422,418	(365,926)	2,744,854
金融資產預期信貸損失	Expected credit losses on financial assets	(633,029)	(18,595)	(88,074)	(1,332)	(741,030)
其他資產減值損失	Impairment losses on other assets	(32,000)	–	–	–	(32,000)
經營溢利╱(損失)	**Operating profit/(loss)**	1,415,587	589,151	334,344	(367,258)	1,971,824
出售物業及設備淨損失	Net loss on disposal of property and equipment	–	(527)	–	–	(527)
投資物業重估損失	Revaluation loss on investment properties	–	–	–	(170)	(170)
稅前溢利╱(損失)	**Profit/(loss) before taxation**	1,415,587	588,624	334,344	(367,428)	1,971,127
所得稅	Income tax	–	–	–	(348,638)	(348,638)
期內溢利╱(損失)	**Profit/(loss) for the period**	1,415,587	588,624	334,344	(716,066)	1,622,489
其他分部項目：	**Other segment items:**					
折舊	Depreciation	7,966	7,823	281	84,430	100,500

		2018年6月30日 At 30 June 2018				
其他分部項目：	**Other segment items:**					
分部資產	Segment assets	165,173,167	50,777,684	162,841,405	(29,522,259)	349,269,997
分部負債	Segment liabilities	162,083,919	148,275,331	29,057,882	(30,804,468)	308,612,664
期內的資本開支	Capital expenditure during the period	7,046	24,098	165	47,764	79,073

(3) 分部資料（續） (3) Segment reporting *(continued)*

(a) 可呈報分部（續） (a) Reportable segments *(continued)*

		截至2017年6月30日止6個月（重列） Six months ended 30 June 2017 (Restated)				
		公司及跨境業務 Wholesale and cross-border 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／（支出）	Net interest income/(expense)	1,705,297	792,587	(103,421)	50,585	2,445,048
其他經營收入／（支出）	Other operating income/(expenses)	740,928	338,724	555,483	(132,020)	1,503,115
出售可供出售證券淨收益	Net gain on disposal of available-for-sale securities	–	–	23,978	–	23,978
經營收入／（損失）	**Operating income/(loss)**	2,446,225	1,131,311	476,040	(81,435)	3,972,141
經營支出	Operating expenses	(262,853)	(362,636)	(48,495)	(813,044)	(1,487,028)
分部間的經營（支出）／收入	Inter-segment (expenses)/income	(180,716)	(254,585)	(76,070)	511,371	–
扣除減值準備前的經營溢利／（損失）	**Operating profit/(loss) before impairment**	2,002,656	514,090	351,475	(383,108)	2,485,113
貸款及墊款及其他賬項減值損失回撥／（準備）	Impairment losses written-back/(charged) on loans and advances and other accounts	(867,367)	(515)	(12,617)	13,027	(867,472)
經營溢利／（損失）	**Operating profit/(loss)**	1,135,289	513,575	338,858	(370,081)	1,617,641
出售物業及設備淨收益／（損失）	Net gain/(loss) on disposal of property and equipment	13	(689)	–	(3,229)	(3,905)
投資物業重估收益	Revaluation gain on investment properties	–	–	–	7,009	7,009
稅前溢利／（損失）	**Profit/(loss) before taxation**	1,135,302	512,886	338,858	(366,301)	1,620,745
所得稅	Income tax	–	–	–	(232,365)	(232,365)
期內溢利／（損失）	**Profit/(loss) for the period**	1,135,302	512,886	338,858	(598,666)	1,388,380
其他分部項目：	**Other segment items:**					
折舊	Depreciation	5,666	8,995	546	68,263	83,470
		2017年12月31日 At 31 December 2017				
其他分部項目：	**Other segment items:**					
分部資產	Segment assets	169,309,209	46,734,253	154,693,458	(26,428,236)	344,308,684
分部負債	Segment liabilities	169,622,631	136,958,804	22,065,874	(27,895,785)	300,751,524
年內的資本開支	Capital expenditure during the year	38,265	10,698	9,050	256,137	314,150

(3) 分部資料 *(續)* / Segment reporting *(continued)*

(b) 區域資料 / Geographical information

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。

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

截至6月30日止6個月 / Six months ended 30 June

		2018 稅前溢利／（虧損） Profit/(loss) before taxation 港幣千元 HK$'000	2017 稅前溢利／（虧損） Profit/(loss) before taxation 港幣千元 HK$'000	**2018** 經營收入／（支出） Operating income/(expense) 港幣千元 HK$'000	2017 經營收入 Operating income 港幣千元 HK$'000
香港	Hong Kong	**1,864,017**	1,480,744	**3,955,728**	3,620,640
中國內地	Mainland China	**(65,402)**	(68,081)	**134,997**	89,961
美國	United States	**116,269**	84,808	**140,285**	117,664
新加坡	Singapore	**47,333**	100,154	**98,559**	122,763
其他	Others	**9,052**	23,104	**32,870**	21,097
分部間項目	Inter-segment items	**(142)**	16	**(142)**	16
		1,971,127	1,620,745	**4,362,297**	3,972,141

		2018年6月30日 At 30 June 2018 總資產 Total assets 港幣千元 HK$'000	2017年12月31日 At 31 December 2017 總資產 Total assets 港幣千元 HK$'000	**2018年6月30日 At 30 June 2018** 總負債 Total liabilities 港幣千元 HK$'000	2017年12月31日 At 31 December 2017 總負債 Total liabilities 港幣千元 HK$'000
香港	Hong Kong	**334,212,620**	323,505,089	**294,212,208**	280,773,786
中國內地	Mainland China	**11,104,564**	17,592,204	**9,537,388**	15,909,898
美國	United States	**11,069,263**	11,781,864	**10,931,005**	11,593,690
新加坡	Singapore	**15,099,222**	14,074,332	**15,044,048**	13,840,590
其他	Others	**2,580,729**	2,863,100	**2,562,909**	2,824,018
分部間項目	Inter-segment items	**(24,796,401)**	(25,507,905)	**(23,674,894)**	(24,190,458)
		349,269,997	344,308,684	**308,612,664**	300,751,524

(4) 利息收入及利息支出 (4) Interest income and interest expense

(a) 利息收入 (a) Interest income

		截至6月30日止6個月 Six months ended 30 June	
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
上市證券	Listed securities	**556,487**	314,208
非上市證券	Unlisted securities	**264,114**	197,104
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	**629,289**	312,151
墊款及其他賬項（註）	Advances and other accounts (Note)	**3,991,292**	3,286,314
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	**5,441,182**	4,109,777

註：

截至2018年6月30日止6個月，其他利息收入包括減值金融資產的應計利息收入港幣27,216,000元（2017年6月30日止6個月：港幣21,633,000元），其中已包括貸款減值損失折現撥回的利息收入港幣24,764,000元（2017年6月30日止6個月 ：港幣17,606,000元）。

Note:

Included in the above is interest income accrued on impaired financial assets of HK$27,216,000 (six months ended 30 June 2017: HK$21,633,000), which includes interest income of HK$24,764,000 for the six months ended 30 June 2018 (six months ended 30 June 2017: HK$17,606,000) on unwinding of the discount on loan impairment losses.

(b) 利息支出 (b) Interest expense

		截至6月30日止6個月 Six months ended 30 June	
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'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	**1,809,025**	1,303,509
已發行存款證	Certificates of deposit issued	**39,792**	92,277
已發行債務證券	Debt securities issued	**82,909**	16,145
已發行債務資本	Loan capital issued	**206,345**	252,798
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	**2,138,071**	1,664,729

(5) 淨費用及佣金收入 (5) Net fee and commission income

		截至6月30日止6個月 Six months ended 30 June 2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
費用及佣金收入	Fee and commission income		
票據業務佣金	Bills commission	**44,146**	60,605
信用卡相關收入	Card-related income	**18,851**	15,065
一般銀行服務	General banking services	**59,418**	77,981
保險	Insurance	**188,738**	176,559
投資及結構性投資產品	Investment and structured investment products	**255,222**	283,303
貸款、透支及融資費用	Loans, overdrafts and facilities fees	**270,284**	418,303
其他	Others	**350**	365
		837,009	1,032,181
費用及佣金支出	Fee and commission expense	**(47,275)**	(34,736)
		789,734	997,445
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)，屬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	**333,281**	493,973
－費用及佣金支出	– Fee and commission expense	**(13,208)**	(11,037)
		320,073	482,936

(6) 淨交易收入 (6) Net trading income

		截至6月30日止6個月 Six months ended 30 June	
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
買賣外幣收益減損失	Gains less losses from dealing in foreign currencies	**262,546**	368,319
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	**(24,184)**	(4,840)
其他買賣活動收益減損失	Gains less losses from other dealing activities	**(48,804)**	61,087
交易活動淨利息收入	Net interest income on trading activities		
－上市	– Listed	**22,139**	22,347
－非上市	– Unlisted	**24,017**	36,689
		235,714	483,602

(7) 淨對沖收益／(損失) (7) Net hedging gain/(loss)

		截至6月30日止6個月 Six months ended 30 June	
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
公允價值對沖淨收益／(損失)	Net hedging gain/(loss) on fair value hedges		
－歸屬對沖風險的對沖項目淨(損失)／收益	– Net (loss)/gain on hedged items attributable to the hedged risk	**(23,852)**	43,403
－對沖工具淨收益／(損失)	– Net gain/(loss) on hedging instruments	**28,196**	(43,293)
		4,344	110
－現金流量對沖淨損失	– Net hedging loss on cash flow hedges	**–**	(131)
		4,344	(21)

(8) 出售以公允價值計入其他全面收益的金融資產淨收益╱出售可供出售證券淨收益

(8) Net gain on disposal of financial assets at fair value through other comprehensive income/available-for-sale securities

		截至6月30日止6個月 Six months ended 30 June	
		2018	2017
		港幣千元	港幣千元
		HK$'000	HK$'000
出售以公允價值計入其他全面收益的金融資產淨收益	Net gain on disposal of financial assets at fair value through other comprehensive income		
由儲備轉撥的淨重估收益	Net revaluation gain transferred from reserves	**11,120**	–
本期產生的淨損失	Net loss arising in current period	**(1,184)**	–
		9,936	–
出售可供出售證券淨收益	Net gain on disposal of available-for-sale debt securities		
由儲備轉撥的淨重估收益	Net revaluation gain transferred from reserves	**–**	18,839
本期產生的淨收益	Net gain arising in current period	**–**	5,139
		–	23,978

(9) 其他經營收入

(9) Other operating income

		截至6月30日止6個月 Six months ended 30 June	
		2018	2017
		港幣千元	港幣千元
		HK$'000	HK$'000
股息收入	Dividend income		
－上市投資	– Listed investments	**201**	214
－非上市投資	– Unlisted investments	**4,160**	4,100
投資物業租金收入減直接支出：港幣150,000元（2017年6月30日止6個月：港幣147,000元）	Rental income from investment properties less direct outgoings of HK$150,000 (six months ended 30 June 2017: HK$147,000)	**2,710**	2,634
其他	Others	**12,387**	15,141
		19,458	22,089

(10) 經營支出 (10) Operating expenses

				截至6月30日止6個月 Six months ended 30 June	
				2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
(a)	**員工成本**	**(a)**	**Staff costs**		
	薪金及其他員工成本		Salaries and other staff costs	**981,123**	909,921
	退休金成本		Retirement costs	**53,456**	50,510
				1,034,579	960,431
(b)	**折舊**	**(b)**	**Depreciation**		
	物業及設備折舊		Depreciation of property and equipment		
	－根據經營租賃持有的資產		– Assets held for use under operating leases	**9,528**	9,680
	－其他資產		– Other assets	**90,972**	73,790
				100,500	83,470
(c)	**其他經營支出**	**(c)**	**Other operating expenses**		
	物業及設備支出(不包括折舊)(註)		Property and equipment expenses (excluding depreciation) (Note)		
	－物業租金		– Rental of properties	**151,495**	135,784
	－其他		– Others	**135,361**	119,580
	核數師酬金		Auditor's remuneration	**4,031**	4,027
	廣告費		Advertising	**26,723**	16,413
	通訊費、印刷及文儀用品		Communication, printing and stationery	**53,780**	47,338
	法律及專業費用		Legal and professional fees	**25,168**	23,245
	其他		Others	**85,806**	96,740
				482,364	443,127
經營支出總額		**Total operating expenses**		**1,617,443**	1,487,028

註：

截至2018年6月30日止6個月，其他經營支出包括根據經營租賃支付的最低應付租賃支出，分別為設備租賃支出港幣2,904,000元（2017年6月30日止6個月：港幣2,599,000元）及其他資產租賃支出（包括物業租金）港幣144,581,000元（2017年6月30日止6個月：港幣129,690,000元）。

Note:

Included in other operating expenses are the minimum lease payments under operating leases of HK$2,904,000 (six months ended 30 June 2017: HK$2,599,000) for renting equipment, and HK$144,581,000 (six months ended 30 June 2017: HK$129,690,000) for renting property and other assets for the six months ended 30 June 2018.

(11) 金融資產預期信貸損失／貸款及墊款及其他賬項減值損失

(11) Expected credit losses on financial assets/Impairment losses on loans and advances and other accounts

(a) 金融資產預期信貸損失提撥／（回撥）

(a) Expected credit losses ("ECL") charged/(written back) on financial assets

		截至2018年6月30日止6個月 Six months ended 30 June 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	(39)	–	–	(39)
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	(5,309)	–	–	(5,309)
客戶貸款及墊款	Loans and advances to customers	(170,569)	519,860	350,309	699,600
其他賬項	Other accounts	(1,006)	(372)	7,762	6,384
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	(33,977)	30,072	77,916	74,011
貸款承擔及擔保（包括在或有負債及承擔）	Loan commitments and guarantees (included in contingent liabilities and commitments)	187	–	–	187
		(210,713)	549,560	435,987	774,834
收回金額	Recoveries				(33,804)
					741,030

(11) 金融資產預期信貸損失／貸款及墊款及其他賬項減值損失（續）

(11) Expected credit losses on financial assets/Impairment losses on loans and advances and other accounts *(continued)*

(b) 貸款及墊款及其他賬項減值損失

(b) Impairment losses on loans and advances and other accounts

		截至2017年6月30日止6個月 Six months ended 30 June 2017 港幣千元 HK$'000
減值損失	Impairment losses	
－貸款及墊款	– Loans and advances	854,779
－其他賬項	– Other accounts	12,693
		867,472
貸款及墊款及其他賬項減值損失提撥	Impairment losses charged on loans and advances and other accounts	
－個別評估	– Individual assessment	801,766
－綜合評估	– Collective assessment	65,706
		867,472
其中：	of which:	
－提撥	– Additions	1,020,859
－回撥	– Releases	(135,747)
－收回金額	– Recoveries	(17,640)
		867,472

(12) 綜合收益表所示的所得稅　(12) Income tax in the consolidated income statement

		截至6月30日止6個月 Six months ended 30 June	
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
本期稅項－香港利得稅	**Current tax – Hong Kong Profits Tax**		
期內準備	Provision for the period	**365,594**	220,204
過往年度稅項準備回撥	Over-provision in respect of prior periods	**–**	(14,000)
		365,594	206,204
本期稅項－海外稅項	**Current tax – Overseas**		
期內準備	Provision for the period	**46,544**	14,645
過往年度稅項準備補提	Under-provision in respect of prior periods	**3,388**	20,727
		49,932	35,372
遞延稅項	**Deferred tax**		
暫時性差額轉回（附註25(b)）	Reversal of temporary differences (note 25(b))	**(66,888)**	(9,211)
		348,638	232,365

中期期間的收入稅項使用適用於預期年度總收益的稅率計算。

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

香港利得稅稅項以期內估計應課稅溢利按稅率16.5%（截至2017年6月30日止6個月：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 is calculated at 16.5% (six months ended 30 June 2017: 16.5%) of the estimated assessable profits for the period. Taxation for overseas branches and subsidiaries is charged at the appropriate current rates of taxation in the relevant countries.

(13) 支付股息　(13) Dividend paid

2017年末期股息港幣2,808,437,000元（2017年6月30日：無）已於2018年6月30日期內批准及分派。

The final dividend of HK$2,808,437,000 in respect of 2017 was approved and paid during the period ended 30 June 2018 (30 June 2017: Nil).

(14) 現金及在銀行、中央銀行及其他金融機構的結存

(14) Cash and balances with banks, central banks and other financial institutions

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
現金	Cash in hand	**233,453**	294,775
在中央銀行的結存	Balances with central banks	**2,198,726**	4,626,082
在銀行的結存	Balances with banks	**10,347,232**	18,674,413
在其他金融機構的結存	Balances with other financial institutions	**6,650,069**	8,062,584
		19,429,480	31,657,854
預期信貸損失準備－第1階段	Expected credit losses allowances – Stage 1	**(16,837)**	–
		19,412,643	31,657,854

截至2018年6月30日包括在中央銀行受到外匯管制和監管限制的餘額是港幣591,117,000元（2017年12月31日：港幣956,962,000元）。

Included in the balances with central banks are balances subject to exchange control or regulatory restrictions, amounting to HK$591,117,000 at 30 June 2018 (31 December 2017: HK$956,962,000).

截至2018年6月30日及2017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 balances with banks and other financial institutions at 30 June 2018 and at 31 December 2017.

(15) 在銀行、中央銀行及其他金融機構的存款及墊款

(15) Placements with and advances to banks, central banks and other financial institutions

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
在銀行的存款	Placements with banks	**44,508,156**	46,898,050
在銀行的墊款	Advances to banks	**2,603,702**	504,388
		47,111,858	47,402,438
預期信貸損失準備－第1階段	Expected credit losses allowances – Stage 1	**(4,862)**	–
		47,106,996	47,402,438
到期日：	Maturing:		
－1個月內	– Within 1 month	**42,746,442**	34,613,848
－1個月至1年內	– Between 1 month and 1 year	**4,360,554**	12,788,590
		47,106,996	47,402,438

於2018年6月30日及2017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 advances to banks and other financial institutions at 30 June 2018 and at 31 December 2017.

(16) 以公允價值計入損益的金融資產

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

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
存款證	Certificate of deposits	**–**	213,103
債務證券	Debt securities	**921,605**	815,137
投資基金	Investment funds	**580**	804
		922,185	1,029,044
以上項目的發行機構如下：	Issued by:		
政府機關	Sovereigns	**703**	572
銀行及其他金融機構	Banks and other financial institutions	**571,631**	829,164
企業	Corporate entities	**349,851**	199,308
		922,185	1,029,044
上市	Listed	**725,037**	1,020,468
非上市	Unlisted	**197,148**	8,576
		922,185	1,029,044

(17) 衍生金融工具

(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：

(17) Derivative financial instruments

(a) Notional amounts of derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or index. The notional amounts of these instruments 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:

		2018年6月30日 At 30 June 2018			2017年12月31日 At 31 December 2017		
		為對沖持有 Held for hedging 港幣千元 HK$'000	其他（包括持作買賣） Others (including held for trading) 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000	為對沖持有 Held for hedging 港幣千元 HK$'000	其他（包括持作買賣） Others (including held for trading) 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000
匯率衍生工具	**Currency derivatives**						
遠期交易	Forwards	–	92,639,261	92,639,261	–	64,036,378	64,036,378
掉期交易	Swaps	–	723,679,859	723,679,859	–	455,766,010	455,766,010
買入期權	Options purchased	–	16,461,831	16,461,831	–	17,431,861	17,431,861
賣出期權	Options written	–	17,312,770	17,312,770	–	17,000,340	17,000,340
利率衍生工具	**Interest rate derivatives**						
遠期及期貨交易	Forwards/Futures	–	7,571,181	7,571,181	–	6,490,462	6,490,462
掉期交易	Swaps	9,718,101	118,943,646	128,661,747	11,767,566	63,403,485	75,171,051
買入期權	Options purchased	–	–	–	–	1,000,000	1,000,000
賣出期權	Options written	–	–	–	–	1,078,151	1,078,151
		9,718,101	976,608,548	986,326,649	11,767,566	626,206,687	637,974,253

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.

(17) 衍生金融工具（續） (17) 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 values and credit risk-weighted amounts of derivatives

		2018年6月30日 At 30 June 2018			2017年12月31日 At 31 December 2017		
		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	**8,860,968**	**8,725,572**	**9,087,660**	4,511,710	4,705,217	5,405,671
利率衍生工具	Interest rate derivatives	**444,861**	**296,259**	**140,639**	258,785	119,266	152,750
		9,305,829	**9,021,831**	**9,228,299**	4,770,495	4,824,483	5,558,421

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。或有負債及承擔的風險加權由0%至150%不等（2017年12月31日：0%至150%），而匯率、利率及其他衍生工具合約則由0%至150%不等（2017年12月31日：0%至150%）。

The credit risk-weighted amount is the amount calculated in accordance with the Banking (Capital) Rules on capital adequacy and it depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 150% (31 December 2017: 0% to 150%) for contingent liabilities and commitments, and from 0% to 150% (31 December 2017: 0% to 150%) for exchange rate, interest rate and other derivatives contracts.

本集團沒有在期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 arrangement during the period, 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 (c) Fair value of derivatives designated as hedging instruments

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：

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

		2018年6月30日 At 30 June 2018		2017年12月31日 At 31 December 2017	
		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	**173,961**	**19,384**	147,493	21,811

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.

(17) 衍生金融工具（續）

(17) Derivative financial instruments *(continued)*

(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：

(d) Remaining life of derivatives

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

2018年6月30日
At 30 June 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	**850,093,721**	**817,433,792**	**32,659,929**	**–**
利率衍生工具	Interest rate derivatives	**136,232,928**	**84,257,292**	**48,760,269**	**3,215,367**
		986,326,649	**901,691,084**	**81,420,198**	**3,215,367**

2017年12月31日
At 31 December 2017

		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	554,234,589	531,212,264	22,835,977	186,348
利率衍生工具	Interest rate derivatives	83,739,664	44,272,259	36,619,831	2,847,574
		637,974,253	575,484,523	59,455,808	3,033,922

(18) 客戶貸款及墊款及其他賬項

(18) Loans and advances to customers and other accounts

(a) 客戶貸款及墊款及其他賬項減預期信貸損失／減值準備

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

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
客戶貸款及墊款總額	Gross loans and advances to customers	**199,892,556**	196,286,922
－預期信貸損失準備	– Expected credit losses allowances	**(2,411,281)**	–
－個別評估減值準備	– Individually assessed impairment allowances	**–**	(1,127,014)
－綜合評估減值準備	– Collectively assessed impairment allowances	**–**	(395,843)
		197,481,275	194,764,065
其他賬項	Other accounts	**6,086,894**	4,325,352
－預期信貸損失準備	– Expected credit losses allowances	**(38,672)**	–
－個別評估減值準備	– Individually assessed impairment allowances	**(32,000)**	(102,478)
		6,016,222	4,222,874
		203,497,497	198,986,939

(18) 客戶貸款及墊款及其他賬項（續） (18) Loans and advances to customers and other accounts *(continued)*

(b) 按行業分析的客戶貸款及墊款 Loans and advances to customers analysed by industry sectors

以下按經濟行業進行的分析是根據金管局所採用的分類及定義作出。

The following economic sector analysis is based on the categories and definitions used by the HKMA.

		2018年6月30日 At 30 June 2018		2017年12月31日 At 31 December 2017	
		客戶貸款及墊款總額 Gross loans and advances to customers 港幣千元 HK$'000	有抵押的客戶貸款及墊款總額百分率 % of gross loans and advances to customers covered by collateral	客戶貸款及墊款總額 Gross loans and advances to customers 港幣千元 HK$'000	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	**1,086,535**	**66**	17,177,318	19
－物業投資	– Property investment	**14,574,522**	**90**	26,312,638	65
－金融企業	– Financial concerns	**17,932,087**	**25**	16,250,264	26
－股票經紀	– Stockbrokers	**4,958,373**	**18**	6,564,251	20
－批發及零售業	– Wholesale and retail trade	**11,822,821**	**82**	14,236,238	80
－製造業	– Manufacturing	**14,911,200**	**25**	17,020,091	24
－運輸及運輸設備	– Transport and transport equipment	**2,156,979**	**21**	2,356,396	23
－娛樂活動	– Recreational activities	**3,870,360**	**18**	813,764	61
－資訊科技	– Information technology	**6,381,041**	**5**	221,297	100
－其他	– Others	**10,964,893**	**87**	10,155,897	75
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	**23,358**	**100**	24,255	100
－購買其他住宅物業的貸款	– Loans for the purchase of other residential properties	**14,677,827**	**100**	14,439,796	100
－信用卡墊款	– Credit card advances	**489,699**	**–**	503,789	–
－其他	– Others	**10,786,896**	**90**	8,950,693	88
在香港使用的貸款及墊款總額	Gross loans and advances for use in Hong Kong	**114,636,591**	**59**	135,026,687	54
貿易融資	Trade finance	**5,040,752**	**33**	6,564,657	32
在香港以外使用的貸款及墊款總額	Gross loans and advances for use outside Hong Kong	**80,215,213**	**30**	54,695,578	31
客戶貸款及墊款總額	**Gross loans and advances to customers**	**199,892,556**	**47**	196,286,922	47

(18) 客戶貸款及墊款及其他賬項（續） (18) Loans and advances to customers and other accounts *(continued)*

(c) 客戶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

2018年6月30日
At 30 June 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
轉移：	Transfer:								
－轉入第1階段	– Transfer to Stage 1	266,460	22,381	(266,460)	(22,381)	–	–	–	–
－轉入第2階段	– Transfer to Stage 2	(6,415,350)	(69,637)	6,415,590	69,876	(240)	(239)	–	–
－轉入第3階段	– Transfer to Stage 3	(161,650)	(1,129)	(262,880)	(287)	424,530	1,416	–	–
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 arsing from transfer between stage transfer	–	(20,510)	–	635,881	–	94,441	–	709,812
源生或購入之新金融資產	New financial assets originated or purchased	66,437,850	317,026	3,379,950	30,252	2,010	2,006	69,819,810	349,284
終止確認或還款的金融資產	Financial assets derecognised or repaid during the period	(62,880,182)	(136,004)	(1,692,874)	(68,130)	(585,544)	(12,752)	(65,158,600)	(216,886)
違約或然率／違約損失率／違約風險承擔之變動	Changes in PDs/LGDs/EADs	–	(237,788)	–	(125,351)	–	265,437	–	(97,702)
其他模型數據之變動	Changes in other model inputs	–	(44,908)	–	–	–	–	–	(44,908)
貸款減值損失折現回撥（附註4(a)）	Unwinding of discount on loan impairment losses (Note 4(a))	–	–	–	–	–	(24,764)	–	(24,764)
沖銷數額	Amounts written-off	(880)	(880)	(400)	(400)	(1,054,296)	(1,054,296)	(1,055,576)	(1,055,576)
2018年6月30日	**At 30 June 2018**	183,332,888	704,540	15,309,196	1,258,805	1,250,472	447,936	199,892,556	2,411,281

(18) 客戶貸款及墊款及其他賬項（續）

(18) Loans and advances to customers and other accounts *(continued)*

(c) 客戶貸款和墊款的賬面總值和預期信貸損失準備的對賬（續）

有關客戶貸款及墊款的以下減值變動已包括在2017年中期／年度報告中，且並未反映《香港財務報告準則》第9號的採納。因此，該等變動轉移概要不能與上述2018年《香港財務報告準則》第9號的當前披露直接比較。

(c) Reconciliation of gross carrying amount and ECL allowances for loans and advances to customers *(continued)*

The following impairment movement disclosures on loans and advances to customers were included in the 2017 interim/annual reports and do not reflect the adoption of HKFRS 9. Therefore, these impairment movement summary cannot directly comparable to the above 2018 current disclosures on an HKFRS 9 basis.

		2017年12月31日 At 31 December 2017		
		個別評估 Individually assessed 港幣千元 HK$'000	綜合評估 Collectively assessed 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000
2017年1月1日的減值準備	Impairment allowances at 1 January 2017	627,498	322,864	950,362
在收益表列支的減值損失	Impairment losses charged to the income statement	940,267	67,894	1,008,161
在收益表回撥的減值損失	Impairment losses released to the income statement	(151,194)	(2,188)	(153,382)
沖銷數額	Amounts written off	(213,017)	(10,115)	(223,132)
收回以往年度已沖銷的貸款及墊款	Recoveries of loans and advances written off in previous year	15,452	2,188	17,640
貸款減值損失折現回撥（附註4(a)）	Unwinding of discount on loan impairment losses (Note 4(a))	(17,606)	–	(17,606)
2017年6月30日的減值準備	Impairment allowances at 30 June 2017	1,201,400	380,643	1,582,043
2017年7月1日的減值準備	Impairment allowances at 1 July 2017	1,201,400	380,643	1,582,043
在收益表列支的減值損失	Impairment losses charged to the income statement	532,108	24,390	556,498
在收益表回撥的減值損失	Impairment losses released to the income statement	(47,527)	(1,878)	(49,405)
沖銷數額	Amounts written off	(544,574)	(9,190)	(553,764)
收回以往年度已沖銷的貸款及墊款	Recoveries of loans and advances written off in previous year	4,873	1,878	6,751
貸款減值損失折現回撥	Unwinding of discount on loan impairment losses	(19,266)	–	(19,266)
2017年12月31日的減值準備	Impairment allowances at 31 December 2017	1,127,014	395,843	1,522,857

(18) 客戶貸款及墊款及其他賬項（續）

(18) 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

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
減值客戶貸款及墊款總額	Gross impaired loans and advances to customers	**1,250,472**	2,464,012
預期信貸損失準備－第3階段	Expected credit losses allowances – Stage 3	**(447,936)**	–
個別評估減值準備	Individually assessed impairment allowances	**–**	(1,127,014)
		802,536	1,336,998
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	**0.63%**	1.26%

經減值客戶貸款及墊款的預期信貸損失準備（2017年：個別評估減值準備）評估已計算所持抵押品的可變現價值為港幣998,932,000元（2017年12月31日：港幣812,652,000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$998,932,000 (31 December 2017: HK$812,652,000) have been taken into account in respect of the assessment of the expected credit loss allowances (2017: individually assessed allowances) on impaired loans and advances to customers. Collateral mainly comprises mortgages on residential or commercial properties and cash placed with the Group.

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：

An analysis of impaired loans and advances to customers by individual loan usage, which accounted for 10% or more of the gross loans and advances to customers, is as follows:

		2018年6月30日 At 30 June 2018			
		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$'000**	**減值客戶 貸款及墊款 Impaired loans and advances to customers 港幣千元 HK$'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	**410,864**	**449,903**	**380,918**	**1,105,010**

(18) 客戶貸款及墊款及其他賬項（續） (18) Loans and advances to customers and other accounts *(continued)*

(d) 減值客戶貸款及墊款（續） (d) Impaired loans and advances to customers *(continued)*

		2017年12月31日 31 December 2017		
		個別減值準備 Individual impairment allowances 港幣千元 HK$'000	綜合減值準備 Collective impairment allowances 港幣千元 HK$'000	減值客戶貸款及墊款 Impaired loans and advances to customers 港幣千元 HK$'000
在香港使用的貸款及墊款總額：	Gross loans and advances for use in Hong Kong:			
－物業投資	– Property investment	9	720	23,111
在香港以外使用的貸款及墊款總額	Gross loans and advances for use outside Hong Kong	729,479	106,013	1,355,216
		729,488	106,733	1,378,327

(19) 以公允價值計入其他全面收益的金融資產／可供出售證券 (19) Financial assets at fair value through other comprehensive income/available-for-sale securities

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
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	**13,770,850**	–
債務證券	Debt securities	**40,234,879**	–
國庫券（包括外匯基金票據）	Treasury bills (including Exchange Fund Bills)	**13,483,553**	–
以公允價值計入其他全面收益的金融資產－債務證券	Financial assets at fair value through other comprehensive income – Debt securities	**67,489,282**	–
以公允價值計入其他全面收益的金融資產－股權證券	Financial assets at fair value through other comprehensive income – Equity securities	**92,918**	–
		67,582,200	–

(19) 以公允價值計入其他全面收益的金融資產／可供出售證券（*續*）

(19) Financial assets at fair value through other comprehensive income/available-for-sale securities *(continued)*

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
可供出售證券	Available-for-sale securities		
持有的存款證	Certificates of deposit held	–	10,622,679
債務證券	Debt securities	–	36,950,662
國庫券（包括外匯基金票據）	Treasury bills (including Exchange Fund Bills)	–	11,681,635
可供出售證券－債務證券	Available-for-sale securities – Debt securities	–	59,254,976
可供出售證券－股權證券	Available-for-sale securities – Equity securities	–	91,701
		–	59,346,677
以上項目的發行機構如下：	Issued by:		
政府機關	Sovereigns	**13,793,843**	12,796,288
銀行及其他金融機構	Banks and other financial institutions	**40,469,499**	36,553,639
企業	Corporate entities	**11,223,774**	8,614,579
公營機構	Public entities	**2,095,084**	1,382,171
		67,582,200	59,346,677
上市	Listed	**35,138,030**	32,193,830
非上市	Unlisted	**32,444,170**	27,152,847
		67,582,200	59,346,677

於2018年6月30日，個別已減值債務證券的公允價值為港幣44,851,000元（2017年12月31日：港幣125,042,000元）。

At 30 June 2018, the fair value of individually impaired debt securities was HK$44,851,000 (31 December 2017: HK$125,042,000).

(20) 物業及設備

(20) 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$'000	電腦設備 Computer equipment 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000
成本或估值：	**Cost or valuation:**					
於2018年1月1日	At 1 January 2018	**132,780**	**709,009**	**1,009,544**	**767,332**	**2,618,665**
增加	Additions	**–**	**–**	**58,215**	**20,858**	**79,073**
出售	Disposals	**–**	**–**	**(16,572)**	**(32)**	**(16,604)**
重估損失	Deficit on revaluation	**(170)**	**–**	**–**	**–**	**(170)**
匯兌調整	Exchange adjustments	**–**	**–**	**(862)**	**(750)**	**(1,612)**
於2018年6月30日	**At 30 June 2018**	**132,610**	**709,009**	**1,050,325**	**787,408**	**2,679,352**
於2017年1月1日	At 1 January 2017	138,490	689,009	961,215	527,868	2,316,582
增加	Additions	–	–	69,166	244,984	314,150
重新分類	Reclassification	(20,000)	20,000	–	–	–
出售	Disposals	–	–	(29,813)	(5,520)	(35,333)
重估盈餘	Surplus on revaluation	14,290	–	–	–	14,290
匯兌調整	Exchange adjustments	–	–	8,976	–	8,976
於2017年12月31日	At 31 December 2017	132,780	709,009	1,009,544	767,332	2,618,665
累計折舊：	**Accumulated depreciation:**					
於2018年1月1日	At 1 January 2018	**–**	**335,909**	**821,208**	**441,199**	**1,598,316**
期內折舊（附註10(b)）	Charge for the period (note 10(b))	**–**	**8,356**	**44,071**	**48,073**	**100,500**
因出售而回撥	Written back on disposals	**–**	**–**	**(16,045)**	**(32)**	**(16,077)**
匯兌調整	Exchange adjustments	**–**	**–**	**(715)**	**(715)**	**(1,430)**
於2018年6月30日	**At 30 June 2018**	**–**	**344,265**	**848,519**	**488,525**	**1,681,309**
於2017年1月1日	At 1 January 2017	–	319,530	758,550	342,626	1,420,706
年度折舊	Charge for the year	–	16,379	83,384	100,903	200,666
因出售而回撥	Written back on disposals	–	–	(28,891)	(2,330)	(31,221)
匯兌調整	Exchange adjustments	–	–	8,165	–	8,165
於2017年12月31日	At 31 December 2017	–	335,909	821,208	441,199	1,598,316
賬面淨值：	**Net book value:**					
於2018年6月30日	**At 30 June 2018**	**132,610**	**364,744**	**201,806**	**298,883**	**998,043**
於2017年12月31日	At 31 December 2017	132,780	373,100	188,336	326,133	1,020,349

投資物業重估

於2018年6月30日，本集團管理層參照由獨立測量師行提供的物業估值報告重估本集團的投資物業。物業估值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」的定義。本集團重估損失為港幣170,000元（2017年12月31日止年度：錄得重估盈餘為港幣14,290,000元），並已計入2018年6月30日期間的收益表中。

Investment properties

All investment properties of the Group were revalued and assessed by the management of the Group at 30 June 2018 with reference to a property valuation report which was 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 loss of HK$170,000 (year ended 31 December 2017: a revaluation gain of HK$14,290,000) was recognised and charged to the income statement for the period ended 30 June 2018.

(21) 銀行及其他金融機構的存款及結存 (21) Deposits and balances of banks and other financial institutions

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
銀行的存款及結存	Deposits and balances from banks	**5,383,446**	5,187,319

(22) 客戶存款 (22) Deposits from customers

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
活期及往來賬戶存款	Demand deposits and current deposits	**26,504,241**	37,989,050
儲蓄存款	Savings deposits	**52,577,325**	60,305,655
定期、即期及短期通知存款	Time, call and notice deposits	**191,773,726**	173,177,160
		270,855,292	271,471,865

(23) 已發行存款證 (23) Certificates of deposit issued

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
攤銷成本	At amortised cost	**3,138,313**	3,421,769

(24) 已發行債務證券 (24) Debt securities issued

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
攤銷成本	At amortised cost	**3,542,230**	3,584,064

本行於2017年發行的債券的票面利率為年利率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.

(25) 綜合財務狀況表所示的所得稅 (25) Income tax in the consolidated statement of financial position

(a) 綜合財務狀況表所示的本期稅項為： (a) Current taxation in the consolidated statement of financial position represents:

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
香港利得稅	**Hong Kong Profits Tax**	**351,357**	461,736
海外稅項	**Overseas Taxation**	**26,571**	6,792
		377,928	468,528
其中：	Of which:		
可收回稅項	Tax recoverable	**(1,701)**	(29,047)
本期稅項負債	Current tax liabilities	**379,629**	497,575
		377,928	468,528

(25) 綜合財務狀況表所示的所得稅（續）

(25) Income tax in the consolidated statement of financial position *(continued)*

(b) 已確認的遞延稅項資產及負債

已於綜合財務狀況表確認的遞延稅項（資產）／負債的組合及於本期內的變動如下：

(b) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the period 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$'000	以公允價值計入其他全面收益的金融資產／可供出售證券的重估調整 Revaluation adjustments for FVOCI/available-for-sale securities 港幣千元 HK$'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:**						
於2018年1月1日	**At 1 January 2018**	**65,786**	**(99,394)**	**1,639**	**(20,463)**	**(11,778)**	**(64,210)**
首次採納《香港財務報告準則》第9號之變動	Changes on initial adoption of HKFRS 9	**–**	**(209,483)**	**–**	**(15,569)**	**–**	**(225,052)**
於財政年度開始時重列的遞延稅項	**Restated deferred tax at the beginning of the financial year**	**65,786**	**(308,877)**	**1,639**	**(36,032)**	**(11,778)**	**(289,262)**
綜合收益表內撇銷／（回撥）（附註12）	Charged/(credited) to consolidated income statement (note 12)	**(1,586)**	**(74,967)**	**6,630**	**–**	**3,035**	**(66,888)**
於儲備內回撥	Credited to reserves	**–**	**–**	**–**	**(78,353)**	**–**	**(78,353)**
匯兌及其他調整	Exchange and other adjustments	**14**	**(203)**	**–**	**–**	**50**	**(139)**
於2018年6月30日	**At 30 June 2018**	**64,214**	**(384,047)**	**8,269**	**(114,385)**	**(8,693)**	**(434,642)**
於2017年1月1日	At 1 January 2017	45,017	(51,568)	1,525	(12,815)	1,144	(16,697)
綜合收益表內撇銷／（回撥）	Charged/(credited) to consolidated income statement	20,819	(47,878)	114	–	(12,691)	(39,636)
於儲備內回撥	Credited to reserves	–	–	–	(7,648)	(211)	(7,859)
匯兌及其他調整	Exchange and other adjustments	(50)	52	–	–	(20)	(18)
於2017年12月31日	At 31 December 2017	65,786	(99,394)	1,639	(20,463)	(11,778)	(64,210)

(25) 綜合財務狀況表所示的所得稅（續）

(25) Income tax in the consolidated statement of financial position *(continued)*

(b) 已確認的遞延稅項資產及負債（續）

(b) Deferred tax assets and liabilities recognised *(continued)*

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
在綜合財務狀況表確認的淨遞延稅項資產	Net deferred tax assets recognised in the consolidated statement of financial position	**(442,903)**	(65,841)
在綜合財務狀況表確認的淨遞延稅項負債	Net deferred tax liabilities recognised in the consolidated statement of financial position	**8,261**	1,631
		(434,642)	(64,210)

(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，於2018年6月30日，本集團並未確認累計稅項損失的遞延稅項資產為港幣694,000元（2017年12月31日：港幣686,000元）。根據現時稅務條例，這些稅項損失沒有到期日。

(c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of HK$694,000 at 30 June 2018 (31 December 2017: HK$686,000), as it is improbable 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 the current tax legislation.

(26) 其他負債

(26) Other liabilities

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
應計及其他應付賬項及準備	Accruals and other payables and provisions	**9,996,563**	5,422,626

於2018年6月30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53,931,000元。

At 30 June 2018, included above is the provision for expected credit losses (Stage 1) on loan commitments and guarantees amounted to HK$53,931,000.

(27) 債務資本 (27) Loan capital

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
後償票據，以攤銷成本及公允價值套期調整：	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美元的定息後償票據*	US$500 million Subordinated Fixed Rate Notes at 6.875%, due 2020*	**3,953,994**	4,009,985
於2024年到期年息率為6.000%，面值300,000,000美元的定息後償票據**	US$300 million Subordinated Fixed Rate Notes at 6.000%, due 2024**	**2,333,105**	2,330,207
		6,287,099	6,340,192

* 2010年6月24日，本行根據於2007年12月推出的2,000,000,000美元的中期票據計劃（「中期票據計劃」）及於2010年6月發出的發售通函，發行年息率為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。

** 2013年11月7日，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，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%年利率重新釐訂。這些票據在香港交易及結算所有限公司上市，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。

* Under a US$2 billion Medium Term Note Programme ("the Programme") issued in December 2007 and the new 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.

** Under the Programme and the new 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 bear 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 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 7 May 2024 with an optional redemption date falling on 7 May 2019.

(28) 資本及儲備

(a) 股本

(i) 普通股

(28) Capital and reserves

(a) Share capital

(i) Ordinary shares

		2018年6月30日 At 30 June 2018		2017年12月31日 At 31 December 2017	
		股本數目 No. of shares	港幣千元 HK$'000	股本數目 No. of shares	港幣千元 HK$'000
已發行及繳足普通股：	**Ordinary shares, issued and fully paid:**				
於1月1日	**At 1 January**	**12,111,121,568**	**18,404,013**	9,083,341,176	9,366,271
年內發行的股份	Shares issued during the year	**–**	**–**	3,027,780,392	9,053,063
		12,111,121,568	**18,404,013**	12,111,121,568	18,419,334
減：發行股份產生的交易成本	Less: Transaction costs arising on shares issued	**–**	**–**	–	(15,321)
於6月30日／於12月31日	**At 30 June/31 December**	**12,111,121,568**	**18,404,013**	12,111,121,568	18,404,013

(ii) 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。

(ii) 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.

(b) 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分來設立，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。

(iv) 物業重估儲備

物業重估儲備是不可分派予股東，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。

(b) 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 it 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.

(iv) Property revaluation reserve

The property revaluation reserve 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).

(28) 資本及儲備（續）

(b) 儲備性質及目的（續）

(v) 現金流量對沖儲備

現金流量對沖儲備包括與對沖交易相關的現金流量對沖工具的累計公允價值淨變動的有效部分。

(vi) 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／可供出售證券的累計淨公允價值變動。

(vii) 法定盈餘公積

根據中國相關法例規定，本行的全資國內附屬子銀行，中信銀行國際（中國）有限公司（「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。

(viii) 法定一般儲備

根據中國銀行法規，中信銀行國際（中國）需設立法定一般儲備，透過從當年度的利潤分配，直接轉撥提取風險資產在結算日的總賬面值的1%作為一般準備，以彌補未被發現的潛在損失。法定一般準備是組成本集團權益的其中一部分。

(ix) 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2018年6月30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1,124,748,000元（2017年12月31日：港幣2,814,520,000元），但於派發前本行須諮詢金管局。

(28) Capital and reserves *(continued)*

(b) Nature and purpose of components of reserves *(continued)*

(v) Cash flow hedging reserve

The cash flow hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions.

(vi) 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/available-for-sale securities held at the end of the reporting period.

(vii) Statutory reserve

Under the relevant legislation of Mainland China, the Bank's wholly-owned PRC subsidiary bank, CITIC Bank International (China) Limited ("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.

(viii) 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 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.

(ix) 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 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 30 June 2018, HK$1,124,748,000 (31 December 2017: HK$2,814,520,000) was included in retained profits in this respect, which is distributable to equity holders of the Bank subject to consultation with the HKMA.

(29) 額外權益工具 (29) Additional equity instruments

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'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 of US$300 million*	**2,310,168**	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 of US$500 million**	**3,863,084**	3,863,084
		6,173,252	6,173,252

* 根據於2007年12月發行的2,000,000,000美元的中期票據計劃(「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」)。此額外一級資本證券並無固定到期日，並在香港交易及結算所有限公司上市，由發行日期至2019年4月22日之可選擇贖回日的票面年利率為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。

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。截至2018年6月30日期內的分派付款的支付為10,875,000美元(等值港幣85,373,000元)(2017年12月31日止年度：21,750,000美元(等值港幣169,426,000元))。

* Under a US$2 billion Medium Term Note Programme ("the Programme") issued in December 2007 and the new Offering Circular issued 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.

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$85,373,000) was paid during the period ended 30 June 2018 (for the year ended 31 December 2017: US$21,750,000, equivalent to HK$169,426,000).

(29) 額外權益工具（續）

** 根據於2007年12月發行的2,000,000,000美元的中期票據計劃（「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》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」）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）額外一級資本證券並無固定到期日，並在香港交易及結算所有限公司上市，由發行日期至2021年10月11日之可選擇贖回日的票面年利率為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，本行可行使相關香港處置權自行決定調整未償還額外一級資本總額。截至2018年6月30日期內的分派付款的支付為10,625,000美元（等值港幣83,411,000元）（2017年12月31日止年度：21,250,000美元（等值港幣165,532,000元））。

(29) Additional equity instruments *(continued)*

** Under a US$2 billion Medium Term Note Programme ("the Programme") issued in December 2007 and the new and supplemental offering circulars issued 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 ("AT1 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 Bail-in Power in accordance with the Hong Kong Financial Institutions (Resolution) Ordinance (Cap.628). A distribution payment of US$10,625,000 (equivalent to HK$83,411,000) was paid during the period ended 30 June 2018 (for the year ended 31 December 2017: US$21,250,000, equivalent to HK$165,532,000).

(30) 綜合現金流量表附註 (30) Notes to consolidated cash flows statement

		6月30日 At 30 June 2018 港幣千元 HK$'000	6月30日 At 30 June 2017 港幣千元 HK$'000
(a) 經營溢利與經營業務之現金淨額的對賬	**(a) Reconciliation of operating profit to net cash flows from operating activities**		
經營業務	**Operating activities**		
税前溢利	Profit before taxation	**1,971,127**	1,620,745
非現金項目調整：	Adjustments for non-cash items:		
金融資產預期信貸損失	Expected credit losses on financial assets	**741,030**	–
客戶貸款及墊款及其他賬項減值損失	Impairment losses on loans and advances and other accounts	**–**	867,472
其他資產減值損失	Impairment losses on other assets	**32,000**	–
出售以公允價值計入其他全面收益的金融資產淨收益	Net gain on disposal of financial assets at fair value through other comprehensive income	**(9,936)**	–
出售可供出售證券淨收益	Net gain on disposal of available-for-sale securities	**–**	(23,978)
出售物業及設備淨損失	Net loss on disposal of property and equipment	**527**	3,905
投資物業重估損失／(收益)	Revaluation loss/(gain) on investment properties	**170**	(7,009)
遞延支出攤銷	Amortisation of deferred expenses	**17,464**	7,492
物業及設備折舊	Depreciation on property and equipment	**100,500**	83,470
股權證券股息收入	Dividend income from equity securities	**(4,361)**	(4,314)
債務資本及已發行債務證券利息支出	Interest expense on loan capital and debt securities issued	**289,254**	252,798
匯兑差額	Foreign exchange differences	**(28,019)**	181,095
營運資金變動前的經營溢利	**Operating profit before changes in working capital**	**3,109,756**	2,981,676
經營資產(增加)／減少	**(Increase)/decrease in operating assets**		
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	Placements with and advances to banks, central banks and other financial institutions with original maturity beyond 3 months	**266,523**	3,447,557
原到期日超過3個月的國庫券	Treasury bills with original maturity beyond 3 months	**(1,291,458)**	2,156,835
原到期日超過3個月的持有存款證	Certificates of deposit held with original maturity beyond 3 months	**(2,970,238)**	2,130,788
衍生金融工具	Derivative financial instruments	**(4,428,475)**	2,061,401
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	**(6,498,981)**	(11,432,027)
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	**(3,824,722)**	–
可供出售證券	Available-for-sale securities	**–**	(1,215,407)
		(18,747,351)	(2,850,853)

(30) 綜合現金流量表附註（續） (30) Notes to consolidated cash flows statement *(continued)*

		6月30日 At 30 June 2018 港幣千元 HK$'000	6月30日 At 30 June 2017 港幣千元 HK$'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 flows from operating activities** *(continued)*		
經營負債增加／（減少）	**Increase/(decrease) 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	**196,127**	1,144,384
客戶存款	Deposits from customers	**(616,764)**	17,333,257
衍生金融工具	Derivative financial instruments	**4,197,348**	(850,191)
已發行存款證	Certificates of deposit issued	**(374,435)**	56,399
其他負債	Other liabilities	**4,596,630**	(1,635,556)
		7,998,906	16,048,293
（用於）／來自經營業務的現金額	**Cash flows (used in)/generated from operating activities**	**(7,638,689)**	16,179,116
已付所得稅	**Income tax paid**		
已付香港利得稅	Hong Kong Profits Tax paid	**(475,973)**	(80,162)
已付海外稅項	Overseas tax paid	**(29,396)**	(17,201)
（用於）／來自經營業務的現金淨額	**Net cash flows (used in)/generated from operating activities**	**(8,144,058)**	16,081,753
經營業務產生的現金流量包括：	**Cash flows from operating activities include:**		
已收利息	Interest received	**5,202,452**	4,075,040
已付利息	Interest paid	**(1,509,550)**	(1,391,019)

(30) 綜合現金流量表附註（續） (30) Notes to consolidated cash flows statement *(continued)*

		6月30日 At 30 June 2018 港幣千元 HK$'000	6月30日 At 30 June 2017 港幣千元 HK$'000
(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	**18,838,363**	41,832,821
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	**46,209,694**	20,720,983
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	**12,773,016**	–
－可供出售證券	– Available-for-sale securities	**–**	10,975,542
		77,821,073	73,529,346

		融資業務的負債 Liabilities from financing activities	
		已發行債務證券 Debt securities issued 港幣千元 HK$'000	貸款資金 Loan capital 港幣千元 HK$'000
(c) 融資業務產生的負債變化	**(c) Changes in liabilities arising from financing activities**		
於2018年1月1日	**At 1 January 2018**	**3,584,064**	**6,340,192**
於期內新發行	New issue during the period	**–**	**–**
贖回	Redemption	**–**	**–**
匯兑差額	Foreign exchange differences	**(44,146)**	**24,756**
其他非現金調整	Other non-cash adjustments	**2,312**	**(77,849)**
於2018年6月30日	**At 30 June 2018**	**3,542,230**	**6,287,099**

(31) 到期日分析

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，而客戶存款則可能已到期但沒有提取的情況下，因此，合約到期日並不代表預計獲得未來現金流量的日期。

(31) Maturity profile

The following maturity profile is based on the remaining period at the end of the reporting period date and the contractual maturity date.

As the trading portfolio may be sold before maturity or deposits from customers mature without being withdrawn, the contractual maturity dates do not represent expected dates of future cash flows.

		2018年6月30日 At 30 June 2018							
		總額 Total 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$'000	1個月以上至3個月 3 months or less but over 1 month 港幣千元 HK$'000	3個月以上至1年 1 year or less but over 3 months 港幣千元 HK$'000	1年以上至5年 5 years or less but over 1 year 港幣千元 HK$'000	5年以上 Over 5 years 港幣千元 HK$'000	無註明日期 Undated 港幣千元 HK$'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	19,412,643	18,821,526	–	–	–	–	–	591,117
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	47,106,996	–	42,746,442	4,029,928	330,626	–	–	–
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	922,185	–	–	200	387,966	533,439	–	580
衍生金融工具	Derivative financial instruments	9,305,829	9,305,829	–	–	–	–	–	–
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	203,497,497	8,193,209	17,752,568	18,858,975	54,767,689	77,279,583	23,043,130	3,602,343
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	67,582,200	–	4,948,069	12,417,460	24,598,593	22,999,506	2,525,654	92,918
可收回稅項	Tax recoverable	1,701	–	–	–	1,701	–	–	–
無註明日期資產	Undated assets	1,440,946	–	–	–	–	–	–	1,440,946
資產總額	**Total assets**	349,269,997	36,320,564	65,447,079	35,306,563	80,086,575	100,812,528	25,568,784	5,727,904
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	5,383,446	1,715,491	1,764,710	1,471,727	431,518	–	–	–
客戶存款	Deposits from customers	270,855,292	79,081,566	75,561,376	62,041,627	53,603,884	562,439	4,400	–
衍生金融工具	Derivative financial instruments	9,021,831	9,021,831	–	–	–	–	–	–
已發行存款證	Certificates of deposit issued	3,138,313	–	–	–	3,138,313	–	–	–
已發行債務證券	Debt securities issued	3,542,230	–	–	–	–	3,542,230	–	–
本期稅項負債	Current tax liabilities	379,629	–	–	–	379,629	–	–	–
其他負債	Other liabilities	9,996,563	–	1,870,295	399,004	71,755	–	–	7,655,509
債務資本	Loan capital	6,287,099	–	–	–	2,333,105	3,953,994	–	–
無註明日期負債	Undated liabilities	8,261	–	–	–	–	–	–	8,261
負債總額	**Total liabilities**	308,612,664	89,818,888	79,196,381	63,912,358	59,958,204	8,058,663	4,400	7,663,770
資產－負債差距	**Asset-liability gap**		(53,498,324)	(13,749,302)	(28,605,795)	20,128,371	92,753,865	25,564,384	

(31) 到期日分析（續） (31) Maturity profile *(continued)*

		2017年12月31日 At 31 December 2017							
		總額 Total 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$'000	1個月以上至3個月 3 months or less but over 1 month 港幣千元 HK$'000	3個月以上至1年 1 year or less but over 3 months 港幣千元 HK$'000	1年以上至5年 5 years or less but over 1 year 港幣千元 HK$'000	5年以上 Over 5 years 港幣千元 HK$'000	無註明日期 Undated 港幣千元 HK$'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	31,657,854	30,700,892	–	–	–	–	–	956,962
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	47,402,438	–	34,613,848	12,369,195	419,395	–	–	–
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	1,029,044	–	213,103	–	103,779	630,698	80,660	804
衍生金融工具	Derivative financial instruments	4,770,495	4,770,495	–	–	–	–	–	–
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	198,986,939	5,964,803	18,761,646	17,521,562	57,021,544	71,587,931	23,104,398	5,025,055
可供出售證券	Available-for-sale securities	59,346,677	–	7,105,308	15,018,183	8,689,867	25,466,195	2,975,423	91,701
可收回税項	Tax recoverable	29,047	–	–	–	29,047	–	–	–
無註明日期資產	Undated assets	1,086,190	–	–	–	–	–	–	1,086,190
資產總額	**Total assets**	344,308,684	41,436,190	60,693,905	44,908,940	66,263,632	97,684,824	26,160,481	7,160,712
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	5,187,319	2,931,754	693,491	1,535,988	26,086	–	–	–
客戶存款	Deposits from customers	271,471,865	98,294,705	76,423,268	69,880,222	26,491,435	373,935	8,300	–
衍生金融工具	Derivative financial instruments	4,824,483	4,824,483	–	–	–	–	–	–
已發行存款證	Certificates of deposit issued	3,421,769	–	1,406,774	2,014,995	–	–	–	–
已發行債務證券	Debt securities issued	3,584,064	–	–	–	–	3,584,064	–	–
本期税項負債	Current tax liabilities	497,575	–	–	–	497,575	–	–	–
其他負債	Other liabilities	5,422,626	–	417,561	747,577	117,846	–	–	4,139,642
債務資本	Loan capital	6,340,192	–	–	–	–	6,340,192	–	–
無註明日期負債	Undated liabilities	1,631	–	–	–	–	–	–	1,631
負債總額	**Total liabilities**	300,751,524	106,050,942	78,941,094	74,178,782	27,132,942	10,298,191	8,300	4,141,273
資產－負債差距	**Asset-liability gap**		(64,614,752)	(18,247,189)	(29,269,842)	39,130,690	87,386,633	26,152,181	

(32) 重大關聯方交易

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：

(a) 與集團公司交易

期內，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。

期內關聯方交易的數額及於結算日的結欠如下：

(32) Material related-party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related-party transactions:

(a) Transactions with group companies

During the period, 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 inter-bank deposits, and 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 under normal commercial terms.

The amount of related-party transactions during the periods and outstanding balances at the end of the period/year are set out below:

		最終控權方及中間控股母公司 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(註(i)) Associates (note (i))		關聯公司(註(ii)) Related companies (note (ii))	
		截至6月30日止6個月 Six months ended 30 June									
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000
利息收入	Interest income	**46,462**	18,801	**-**	-	**22,141**	24,387	**23,673**	8,229	**-**	24,330
利息支出	Interest expense	**(65,979)**	(95,161)	**(2,400)**	(2,189)	**(38,588)**	(23,864)	**(11,349)**	(11,610)	**(298)**	(2)
費用及佣金收入／(支出)	Fee and commission income/(expense)	**(800)**	(1,723)	**-**	-	**-**	-	**10**	4,545	**-**	-
經營支出	Operating expenses	**-**	-	**-**	-	**(4,179)**	(2,730)	**-**	-	**-**	-
淨交易收益／(損失)	Net trading gain/(loss)	**(111,989)**	100,191	**-**	-	**747**	769	**9,214**	14,667	**-**	(8,340)

(32) 重大關聯方交易（續） (32) Material related-party transactions *(continued)*

(a) 與集團公司交易（續） (a) Transactions with group companies *(continued)*

		最終控權方及中間控股母公司 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（註(i)） Associates (note (i))		關聯公司（註(ii)） Related companies (note (ii))	
		2018年6月30日／2017年12月31日 At 30 June 2018/ 31 December 2017									
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'000	**2018 港幣千元 HK$'000**	2017 港幣千元 HK$'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	**204,039**	–	**–**	–	**–**	–	**172,172**	–	**–**	–
可供出售證券	Available-for-sale securities	**–**	–	**–**	–	**–**	–	**–**	173,064	**–**	–
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	**–**	54,127	**–**	–	**–**	–	**–**	–	**–**	–
衍生金融工具	Derivative financial instruments	**80,148**	29,223	**–**	–	**–**	–	**21,577**	10,185	**–**	–
其他應收賬項	Other receivables	**21,007**	2,896	**–**	–	**3,659**	3,667	**3,421**	3,231	**–**	–
負債	**Liabilities**										
衍生金融工具	Derivative financial instruments	**207,807**	351,294	**–**	–	**16,147**	18,455	**–**	–	**–**	–
其他應付賬項	Other payables	**28,697**	13,625	**1,392**	900	**12,205**	11,748	**1,860**	4,647	**131**	–
貸款活動：	**Lending activities:**										
於6月30日／12月31日	At 30 June/31 December	**2,767,463**	2,432,965	**–**	–	**965,205**	1,178,127	**1,083,426**	1,095,420	**–**	–
期內／年度平均金額	Average for the period/year	**2,776,369**	1,733,455	**–**	–	**965,661**	2,278,078	**1,382,116**	858,770	**–**	–
接受存款：	**Acceptance of deposits:**										
於6月30日／12月31日	At 30 June/31 December	**10,139,492**	10,667,653	**645,916**	243,710	**5,691,944**	9,465,073	**6,363,245**	5,532,947	**40,754**	39,988
期內／年度平均金額	Average for the period/year	**8,642,480**	12,442,225	**448,254**	372,866	**6,452,767**	6,334,452	**6,082,667**	4,587,592	**40,629**	10,034
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)**	(115,158)	**–**	–	**–**	–
租賃承擔	Lease commitments	**–**	–	**–**	–	**5,162**	15,401	**–**	–	**–**	–
其他承擔	Other commitments	**–**	–	**–**	–	**779,618**	1,442,054	**913,593**	896,764	**–**	–
衍生金融工具－名義金額	Derivative financial instruments – notional amounts	**24,328,658**	23,846,041	**–**	–	**925,802**	922,185	**190,971**	186,863	**–**	–

(32) 重大關聯方交易（續）

(a) 與集團公司交易（續）

並無就上述關聯方貸款及存款作出減值準備。

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) 關聯公司是指與直接控股母公司擁有共同董事的公司。

(b) 與主要管理人員的交易

本集團和本行主要管理人員酬金總額包括付予本行董事及若干最高薪金僱員，詳情如下：

(32) 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 with common directors of the intermediate parents.

(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 and certain employees with the highest emoluments are as follows:

		截至6月30日止6個月 Six months ended 30 June	
		2018 港幣千元 HK$'000	2017 港幣千元 HK$'000
短期僱員福利	Short-term employee benefits	**38,338**	42,698
離職後福利	Post-employment benefits	**1,795**	1,652
		40,133	44,350

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)).

(32) 重大關聯方交易（續）

(32) Material related-party transactions *(continued)*

(b) 與主要管理人員的交易（續）

期內，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與其他僱員（如適用）進行可比較交易的條款大致相同。

(b) Transactions with key management personnel *(continued)*

During the period, 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.

		2018 **港幣千元** **HK$'000**	2017 港幣千元 HK$'000
於1月1日	At 1 January	**17,444**	21,404
於2018年6月30日／2017年12月31日	At 30 June 2018/31 December 2017	**14,661**	17,444
期內／年內最高結欠總額	Maximum amount during the period/year	**22,539**	23,559

本集團沒有就主要管理人員於期內的結欠額確認任何減值損失，也沒有就主要管理人員和他們的近親於期末的結欠額提撥個別評估的減值準備。

No impairment losses have been recorded against balances outstanding with key management personnel during the period, and no individually assessed impairment allowance has been made on balances with key management personnel and their immediate relatives at the period end.

(33) 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：

(33) 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 values are determined according to the following fair value hierarchy:

		於2018年6月30日公允價值計量 Fair value measurements as at 30 June 2018 using			
		公允價值（總額） Fair value (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 inputs (Level 2) 港幣千元 HK$'000	主要而非可觀察的數據（第3層級） Significant unobservable inputs (Level 3) 港幣千元 HK$'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	921,605	714,554	207,051	–
－投資基金	– Investment funds	580	–	–	580
		922,185	714,554	207,051	580
衍生金融工具	Derivative financial instruments				
－衍生工具的正公允價值	– Positive fair values of derivatives	9,305,829	2,241	9,303,588	–
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	13,770,850	118,761	13,652,089	–
－國庫券（包括外匯基金票據）	– Treasury bills (including Exchange Fund Bills)	13,483,553	13,483,553	–	–
－債務證券	– Debt securities	40,234,879	36,414,732	3,771,296	48,851
－股權證券	– Equity securities	92,918	–	–	92,918
		67,582,200	50,017,046	17,423,385	141,769
		77,810,214	50,733,841	26,934,024	142,349
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	9,021,831	2,181	9,019,650	–

(33) 公允價值計量的金融工具（續）

(33) Fair value measurement of financial instruments *(continued)*

(a) 以公允價值計量的金融工具（續）

(i) 層級計算公允價值（續）

(a) Financial instruments measured at fair value *(continued)*

(i) Fair value hierarchy (continued)

於2017年12月31日公允價值計量
Fair value measurements as at 31 December 2017 using

		公允價值（總額）Fair value (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 inputs (Level 2) 港幣千元 HK$'000	主要而非可觀察的數據（第3層級）Significant unobservable inputs (Level 3) 港幣千元 HK$'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				
－持有的存款證	– Certificates of deposit held	213,103	213,103	–	–
－債務證券	– Debt securities	815,137	785,249	29,888	–
－投資基金	– Investment funds	804	–	–	804
		1,029,044	998,352	29,888	804
衍生金融工具	Derivative financial instruments				
－衍生工具的正公允價值	– Positive fair values of derivatives	4,770,495	1,743	4,768,752	–
可供出售證券	Available-for-sale securities				
－持有的存款證	– Certificates of deposit held	10,622,679	125,199	10,497,480	–
－國庫券(包括外匯基金票據)	– Treasury bills (including Exchange Fund Bills)	11,681,635	11,681,635	–	–
－債務證券	– Debt securities	36,950,662	34,344,626	2,602,036	4,000
－股權證券	– Equity securities	91,701	–	–	91,701
		59,346,677	46,151,460	13,099,516	95,701
		65,146,216	47,151,555	17,898,156	96,505
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	4,824,483	478	4,824,005	–

截至2018年6月30日期間及2017年12月31日年度，公允價值層級第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33(a)(iii)中披露。

During the period ended 30 June 2018 and year ended 31 December 2017, 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 33(a)(iii) below.

(33) 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) 參考同一或類似不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。

(33) Fair value measurement of financial instruments *(continued)*

(a) Financial instruments measured at fair value *(continued)*

(ii) Determination of fair value

The Group measures fair values 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 values 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 values 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.

(33) 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。

(33) 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.

(33) 公允價值計量的金融工具（續）

(33) Fair value measurement of financial instruments *(continued)*

(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

(a) Financial instruments measured at fair value *(continued)*

(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
投資基金 Investment funds	經紀報價 Broker quote	不適用 Not applicable	不適用 Not applicable
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
股權證券 Equity securities	註如下 See note below	註如下 See note below	不適用 Not applicable

註：

於第3層級公允價值計量的股權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（2017年：可供出售證券），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根據投資對象的財務狀況、業績、股息貼現及其他因素的分析。因此，要列報主要而非可觀察的數據是不實際的。

Note:

Equity securities under Level 3 fair value measurements are generally classified as financial assets at fair value through other comprehensive income (2017: available-for-sale securities) and are not traded in an active market. In the absence of an active market, the fair value is estimated based on the analysis of the investee's financial position, results and dividend discounts or other factors. Accordingly, it is not practical to quote significant unobservable inputs.

(33) 公允價值計量的金融工具（續） (33) Fair value measurement of financial instruments *(continued)*

(a) 以公允價值計量的金融工具（續） Financial instruments measured at fair value *(continued)*

(iii) 第3層級的公允價值計量資料（續） *Information about Level 3 fair value measurements (continued)*

下表顯示第3層級的公允價值層級期初及期末餘額的對賬情況：

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:

2018年6月30日 At 30 June 2018

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	股權證券 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	(29)	–	–	(29)
由第2層級轉入	Transfer from Level 2	–	44,851	–	44,851
於收益表確認的損益	Gains or losses recognised in the income statement	(195)	–	(14)	(209)
於其他全面收益中確認的公允價值變動	Change in fair value recognised in other comprehensive income	–	–	731	731
於2018年6月30日	**At 30 June 2018**	**580**	**48,851**	**92,918**	**142,349**
於結算日仍持有的資產於期內在收益表中確認的損益總額：	Total gains or losses for the period 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	–	–	(14)	(14)
－買賣交易用途證券收益減損失	– Gains less losses from financial assets at fair value through profit or loss	(195)	–	–	(195)
於其他全面收益中確認的公允價值變動總額	Total change in fair value recognised in other comprehensive income	–	–	731	731

(33) 公允價值計量的金融工具（續） (33) Fair value measurement of financial instruments *(continued)*

(a) 以公允價值計量的金融工具（續） Financial instruments measured at fair value *(continued)*

(iii) 第3層級的公允價值計量資料（續） *(iii) Information about Level 3 fair value measurements (continued)*

2017年12月31日
At 31 December 2017

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	可供出售證券 Available-for-sale securities		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	股權證券 Equity securities 港幣千元 HK$'000	港幣千元 HK$'000
於2017年1月1日	At 1 January 2017	1,078	4,000	23,496	28,574
買入	Purchases	–	–	18,500	18,500
賣出	Sales	(172)	–	–	(172)
於收益表確認的損益	Gains or losses recognised in the income statement	(102)	–	72	(30)
於其他全面收益中確認的公允價值變動	Change in fair value recognised in other comprehensive income	–	–	49,633	49,633
於2017年12月31日	At 31 December 2017	804	4,000	91,701	96,505
於結算日仍持有的資產於年內在收益表中確認的損益總額：	Total gains or losses for the period 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	–	–	72	72
－買賣交易用途證券收益減損失	– Gains less losses from trading securities	(102)	–	–	(102)
於其他全面收益中確認的公允價值變動總額	Total change in fair value recognised in other comprehensive income	–	–	49,633	49,633

(33) 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）

(iv) 由重要而非可觀察的假設改變為合理可行的另類假設所產生的影響

第3層級的金融工具計量公允價值所使用的估值模式中包含的假設並非依據可觀察的市場數據。下表顯示出第3層級公允價值計量的敏感度因轉用至合理可行的另類假設所產生的公允價值正、負10%的並行變動。

(33) Fair value measurement of financial instruments *(continued)*

(a) Financial instruments measured at fair value *(continued)*

(iv) Effects of changes from using significant unobservable assumptions to reasonable possible alternative assumptions

The fair value of level 3 financial instruments is measured using valuation models that incorporate assumptions that are not based on observable market data. The following table shows the sensitivity of level 3 fair value measurements due to a parallel movement of plus or minus 10% of change in fair value to reasonably possible alternative assumptions.

2018年6月30日
At 30 June 2018

		於收益表反映 Effect on income statement		於其他全面收益反映 Effect on other comprehensive income	
		有利 Favourable	（不利） (Unfavourable)	有利 Favourable	（不利） (Unfavourable)
資產	Assets	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss				
－投資基金	– Investment funds	58	(58)	–	–
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	– Debt securities	–	–	4,885	(4,885)
－股權證券	– Equity securities	–	–	9,292	(9,292)

(33) 公允價值計量的金融工具（續） (33) Fair value measurement of financial instruments *(continued)*

(a) 以公允價值計量的金融工具（續） Financial instruments measured at fair value *(continued)*

(iv) 由重要而非可觀察的假設改變為合理可行的另類假設所產生的影響（續） *(iv) Effects of changes from using significant unobservable assumptions to reasonable possible alternative assumptions (continued)*

2017年12月31日
At 31 December 2017

資產	Assets	於收益表反映 Effect on income statement 有利 Favourable 港幣千元 HK$'000	於收益表反映 Effect on income statement (不利) (Unfavourable) 港幣千元 HK$'000	於其他全面收益反映 Effect on other comprehensive income 有利 Favourable 港幣千元 HK$'000	於其他全面收益反映 Effect on other comprehensive income (不利) (Unfavourable) 港幣千元 HK$'000
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss				
－投資基金	– Investment funds	80	(80)	–	–
可供出售證券	Available-for-sale securities				
－債務證券	– Debt securities	–	–	400	(400)
－股權證券	– Equity securities	–	–	9,170	(9,170)

雖然本集團相信上述金融工具的公允價值估計是適當的，但不同的方式或假設可能導致不同的公允價值計量。

The Group believes that its estimates of fair value for the above financial instruments are appropriate but the use of different methodologies or assumptions could lead to different measurements of fair value.

(33) 公允價值計量的金融工具（續）

(b) 以公允價值以外計量的金融工具公允價值

除另有説明外，所有金融工具均以公允價值列賬，或以與截至2018年6月30日及2017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，基本上於3個月內重新定價，故非常接近於其賬面值。

以公允價值計入損益及以公允價值計入其他全面收益的金融資產（2017年：可供出售證券）在財務報表內以公允價值列賬。

(33) 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 30 June 2018 and 31 December 2017 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.

Financial assets at fair value through profit or loss and at fair value through other comprehensive income (2017: available-for-sale securities) are stated at fair value in the financial statements.

(33) 公允價值計量的金融工具（續）

(33) Fair value measurement of financial instruments *(continued)*

(b) 以公允價值以外計量的金融工具公允價值（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2018年6月30日及2017年12月31日的公允價值分別不大的賬面值入賬：

(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 values at 30 June 2018 and 31 December 2017, except the following:

2018年6月30日 At 30 June 2018

		賬面金額 Carrying amount 港幣千元 HK$'000	公允價值 Fair value 港幣千元 HK$'000	第1層級 Level 1 港幣千元 HK$'000	第2層級 Level 2 港幣千元 HK$'000	第3層級 Level 3 港幣千元 HK$'000
金融負債	**Financial liabilities**					
已發行存款証	Certificates of deposit issued	**3,138,313**	**3,112,254**	**–**	**3,112,254**	**–**
已發行債務證券	Debt securities issued	**3,542,230**	**3,541,193**	**–**	**3,541,193**	**–**
債務資本	Loan capital	**6,287,099**	**6,517,255**	**6,517,255**	**–**	**–**
		12,967,642	**13,170,702**	**6,517,255**	**6,653,447**	**–**

2017年12月31日 At 31 December 2017

		賬面金額 Carrying amount 港幣千元 HK$'000	公允價值 Fair value 港幣千元 HK$'000	第1層級 Level 1 港幣千元 HK$'000	第2層級 Level 2 港幣千元 HK$'000	第3層級 Level 3 港幣千元 HK$'000
金融負債	**Financial liabilities**					
已發行存款証	Certificates of deposit issued	3,421,769	3,421,510	–	3,421,510	–
已發行債務證券	Debt securities issued	3,584,064	3,531,079	–	3,531,079	–
債務資本	Loan capital	6,340,192	6,642,421	6,642,421	–	–
		13,346,025	13,595,010	6,642,421	6,952,589	–

(34) 用作抵押的資產

(34) Assets pledged as security

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'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	**1**	13
用作抵押以公允價值計入其他全面收益的金融資產的法定存款（註）	Financial assets at fair value through other comprehensive income pledged as statutory deposits (Note)	**188,320**	–
用作抵押可供出售證券的法定存款（註）	Available-for-sale securities pledged as statutory deposits (Note)	**–**	140,660
		188,321	140,673

註：

用作債券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 debt securities pledged as statutory deposits by the overseas branches of the Bank to the Office of the Comptroller of the Currency in the United States.

(35) 或有資產、負債及承擔

(35) Contingent assets, liabilities and commitments

(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：

(a) Contingent liabilities and commitments to extend credit

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment:

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
直接信貸代替品	Direct credit substitutes	**2,529,513**	3,869,439
與交易有關的或有項目	Transaction-related contingencies	**274,451**	365,203
與貿易有關的或有項目	Trade-related contingencies	**1,430,380**	1,987,228
遠期有期存款	Forward forward deposits placed	**1,726,072**	–
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	**76,947,653**	92,291,172
－原到期日在1年或以下	– with an original maturity of not more than 1 year	**2,736,040**	3,021,463
－原到期日在1年以上	– with an original maturity of more than 1 year	**5,357,551**	3,986,946
		91,001,660	105,521,451
信貸風險加權數額	Credit risk-weighted amounts	**6,456,582**	5,445,027

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。由於有關備用信貸可能在到期時仍未被動用，故合約金額並非預期未來現金流量。

Contingent liabilities and commitments are credit-related instruments, including 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 if the contract is fully drawn upon and the client defaults. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

用於計算信貸風險加權數額的風險加權由0%至150%（2017年12月31日：0%至150%）不等。

The risk weights used in the computation of credit risk-weighted amounts range from 0% to 150% (31 December 2017: 0% to 150%).

(35) 或有資產、負債及承擔（續）

(35) Contingent assets, liabilities and commitments *(continued)*

(b) 資本承擔

於結算日，因購入物業及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：

(b) Capital commitments

Capital commitments for the purchase of properties and equipment outstanding at the date of financial position and not provided for in the financial statements are as follows:

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
已授權及訂約	Authorised and contracted for	**159,816**	170,569

(c) 有關法律申索的或有負債

於2018年6月30日及2017年12月31日，本集團並沒有涉及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 30 June 2018 and 31 December 2017.

(A) 財務狀況摘要 / (A) Summary of financial position

截至半年末	For the half-year ended	6月30日 30 June 2018	6月30日 30 June 2017
財務比率	Financial ratios		
期內平均流動性維持比率*	Average liquidity maintenance ratio for the period-ended*	**N/A**	57.9%
平均流動性覆蓋比率**	Average liquidity coverage ratio**	**220.7%**	N/A
成本對收入比率	Cost to income	**37.1%**	37.4%
資產回報率	Return on assets	**0.94%**	0.86%
本行股東平均權益回報率	Return on average total equity attributable to equity shareholders of the Bank	**8.96%**	10.41%

於期末／年末	At period-ended/year-ended	6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
客戶貸款及墊款	Loans and advances to customers	**199,892,556**	196,286,922
客戶貸款及墊款減值準備	Impairment allowances on loans and advances to customers	**2,411,281**	1,522,857
資產總額	Total assets	**349,269,997**	344,308,684
客戶存款總額	Total customers deposits	**273,993,605**	274,893,634
權益總額	Total equity	**40,657,333**	43,557,160
財務比率	Financial ratios		
普通股權一級資本比率	Common Equity Tier 1 ("CET1") capital ratio	**12.7%**	14.5%
一級資本比率	Tier 1 capital ratio	**15.1%**	17.1%
總資本比率	Total capital ratio	**17.8%**	20.3%
貸存比率	Loans to deposits	**73.0%**	71.4%
貸款對資產總值比率	Loans to total assets	**57.2%**	57.0%

* 根據香港金融管理局（「金管局」）要求，平均流動性維持比率的計算基於截至2017年9月30日的每月流動性維持比率的簡單平均數，亦涵蓋了本行及本行主要附屬公司綜合基礎計算。

** 自2017年10月1日起本集團被金管局指定為第一類機構，因此，根據銀行（流動資金）規則，本集團作為第一類機構須維持流動性覆蓋比率高於法定最低要求，並取代了流動性維持比率的監管要求。

* The average liquidity maintenance ratio ("LMR") was calculated based on the arithmetic mean of the average value of LMR for each month up to 30 September 2017, which was also computed on the consolidated basis covering the Bank and certain of its subsidiaries as required by the Hong Kong Monetary Authority ("HKMA").

** The Group was designated by the HKMA as a Category 1 institution with effect from 1 October 2017. As a result, under the Banking (Liquidity) Rules, the Group is required to maintain a Liquidity Coverage Ratio ("LCR") above the statutory minimum requirement, which superseded the regulatory requirements of the Liquidity Maintenance Ratio ("LMR").

(B) 銀行網站提供的資本資料披露

為符合銀行業（披露）規則，本集團已採用金管局要求的標準模板披露一切關於本集團的監管資本工具及其他披露信息。相關披露可在本行的網站www.cncbinternational.com內「監管披露」部份進行查閱。

(B) Capital information available on the Bank's website

For the purposes of compliance with the Banking (Disclosure) Rules, information relating to the Group's regulatory capital and other disclosures 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.

(C) 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》而定。資本充足比率是根據金管局的規定，按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」。

(C) Capital adequacy

(i) Capital base

Capital adequacy ratios ("CAR") comply with the Banking (Capital) Rules issued by the HKMA. The CAR 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.

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'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一級資本工具及相關股份溢價	Directly issued qualifying CET1 capital instruments plus any related share premium	**18,211,257**	18,404,013
保留溢利	Retained earnings	**16,177,317**	18,728,874
披露儲備	Disclosed reserves	**(97,344)**	251,021
扣除法定減項前普通股權一級資本	**CET1 capital before regulatory deductions**	**34,291,230**	37,383,908
普通股權一級資本：法定減項	**CET1 capital: regulatory deductions**		
遞延税項資產減遞延税項負債淨額	Deferred tax assets net of deferred tax liabilities	**442,903**	65,841
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 (covering both own-use and investment properties)	**84,163**	84,333
一般銀行風險監管儲備	Regulatory reserve for general banking risks	**1,124,748**	2,814,520
估值調整	Valuation adjustments	**5,434**	7,138
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	**2,100**	1,285
普通股權一級資本法定減項後總額	**Total regulatory deductions to CET1 capital**	**1,659,348**	2,973,117
普通股權一級資本	**CET1 capital**	**32,631,882**	34,410,791
額外一級資本	**Additional Tier 1 ("AT1") capital**		
額外一級資本總額	Total Additional Tier 1 capital	**6,177,015**	6,177,015
一級資本	**Tier 1 capital**	**38,808,897**	40,587,806
二級資本工具及儲備	**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	**3,921,714**	4,687,678
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	**37,874**	37,950
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	**2,927,675**	2,732,777
扣除減項前的二級資本	**Tier 2 capital base before deductions**	**6,887,263**	7,458,405
二級資本：法定減項	**Tier 2 capital: regulatory deductions**		
二級資本的法定減項	Total regulatory deductions to Tier 2 capital	**–**	–
二級資本	**Tier 2 capital**	**6,887,263**	7,458,405
資本總額	**Total capital**	**45,696,160**	48,046,211

(C) 資本充足（續） Capital adequacy *(continued)*

(ii) 風險加權數額 Risk-weighted amount

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
－信貸風險	– Credit risk	**237,313,828**	219,918,986
－市場風險	– Market risk	**5,994,788**	4,425,300
－營運風險	– Operational risk	**13,613,688**	12,572,238
		256,922,304	236,916,524

(iii) 資本充足比率 Capital adequacy ratios

		6月30日 At 30 June 2018	12月31日 At 31 December 2017
－普通股權一級資本比率	– CET1 capital ratio	**12.7%**	14.5%
－一級資本比率	– Tier 1 capital ratio	**15.1%**	17.1%
－總資本比率	– Total capital ratio	**17.8%**	20.3%

(iv) 防護緩衝資本比率以及逆週期緩衝資本比率 Capital conservation buffer ratio and countercyclical capital buffer ratio

由2016年1月1日起實施以下的緩衝資本比率，而本集團按綜合基準計算如下：

With effect from 1 January 2016, the capital buffer ratios applicable to the Group on a consolidated basis are follows:

		6月30日 At 30 June 2018	12月31日 At 31 December 2017
防護緩衝資本比率	Capital conservation buffer ratio	**1.875%**	1.250%
逆週期緩衝資本比率	Countercyclical capital buffer ("CCyB") ratio	**1.011%**	0.707%
		2.886%	1.957%

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，並可在本行網站內「監管資本披露」部份進行查閱。

The detailed 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.

(C) 資本充足（續） / Capital adequacy *(continued)*

(v) 資本工具 / Capital instruments

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：

The following is a summary of the Group's CET1, AT1 capital securities and Tier 2 capital instruments.

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
本行發行的普通股權一級資本工具	**CET1 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

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
額外一級資本證券	**Additional Tier 1 Capital Securities**		
面值3億美元的永續型非累積後償資本證券	Undated non-cumulative subordinated capital securities of US$300 million	**2,310,168**	2,310,168
面值5億美元的永續型非累積後償資本證券	Undated non-cumulative subordinated capital securities of US$500 million	**3,863,084**	3,863,084
		6,173,252	6,173,252

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'000
二級資本工具	**Tier 2 capital instruments**		
本行發行	Issued by the Bank		
面值5億美元的後償票據固定利率為6.875%	US$500 million Subordinated Fixed Rate Notes at 6.875%	**3,953,994**	4,009,985
面值3億美元的後償票據固定利率為6.000%	US$300 million Subordinated Fixed Rate Notes at 6.000%	**2,333,105**	2,330,207
		6,287,099	6,340,192

(C) 資本充足（續）

(C) Capital adequacy *(continued)*

(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。

(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.

		6月30日 At 30 June 2018	12月31日 At 31 December 2017
槓桿比率	Leverage ratio	**10.7%**	11.3%

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。

The detailed relevant disclosure of the leverage ratio using the standard templates as specified by the HKMA can be viewed in the Regulatory Disclosure section of our Bank's website.

(vii) 綜合基礎

除特別列明外，本中期財務報告內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：

(vii) Basis of consolidation

Unless otherwise stated, all financial information contained in the interim financial report is prepared on 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 below:

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：

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:

				2018年6月30日 At 30 June 2018	
附屬公司名稱	Names of subsidiary	主要業務	Principal activities	資產總額 Total assets 港幣千元 HK$'000	權益總額 Total equity 港幣千元 HK$'000
恒康香港有限公司	Viewcon Hong Kong Limited	按揭融資	Mortgage financing	**1,365**	**1,315**

(C) 資本充足（續） (C) Capital adequacy *(continued)*

(vii) 綜合基礎（續） (vii) Basis of consolidation *(continued)*

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：

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:

				2018年6月30日 At 30 June 2018	
附屬公司名稱	Names of subsidiaries	主要業務	Principal activities	資產總額 Total assets 港幣千元 HK$'000	權益總額 Total equity 港幣千元 HK$'000
啓福國際有限公司	Carford International Limited	物業持有	Property holding	**37,730**	**8,401**
中信銀行國際(中國)有限公司	CITIC Bank International (China) Limited	銀行	Banking	**11,263,654**	**1,733,167**
中信保險服務有限公司	CITIC Insurance Brokers Limited	保險經紀	Insurance broker	**1,344,460**	**119,479**
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	**6,117,565**	**526,442**
嘉華國際財務有限公司	Ka Wah International Merchant Finance Limited	沒有業務	Inactive	**3,904**	**3,859**
嘉華銀行(信託)有限公司	The Ka Wah Bank (Trustee) Limited	信託服務	Trustee services	**5,483**	**5,468**
恒康香港有限公司	Viewcon Hong Kong Limited	按揭融資	Mortgage financing	**1,365**	**1,315**

(C) 資本充足（續）

(vii) 綜合基礎（續）

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：

(C) Capital adequacy *(continued)*

(vii) Basis of consolidation *(continued)*

Subsidiaries not included in consolidation for regulatory purposes are nominee services companies 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:

附屬公司名稱	Names of subsidiaries	主要業務	Principal activities	2018年6月30日 At 30 June 2018 資產總額 Total assets 港幣千元 HK$'000	2018年6月30日 At 30 June 2018 權益總額 Total equity 港幣千元 HK$'000
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**	**–**
嘉華銀行（代理）有限公司	The Ka Wah Bank (Nominees) Limited	代理人服務	Nominee services	**3,535**	**101**
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	**11,000**	**11,000**
信銀國際資產管理有限公司	CNCBI Asset Management Limited	沒有業務	Inactive	**5,000**	**5,000**
信銀國際財務顧問有限公司	CNCBI Financial Consultant Limited	沒有業務	Inactive	**–**	**–**

截至2018年6月30日止期內，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，但兩者的綜合方法卻有所差別。

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。

As at 30 June 2018, there are no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation, the method of consolidation of which differs.

There is also no subsidiary which is included in the regulatory scope of consolidation but not in the accounting scope of consolidation.

(D) 客戶貸款及墊款的分部資料 — 按地區劃分

(D) Segmental information on loans and advances to customers – by geographical areas

2018年6月30日
At 30 June 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	106,457,875	206,648	573,634	298,550	458,634	242,051
中國內地	Mainland China	68,208,181	70,586	253,053	224,655	785,295	139,152
美國	United States	6,167,504	7,004	–	47,681	3,791	–
新加坡	Singapore	4,835,262	256,952	256,952	50,161	–	–
其他	Others	14,223,734	–	166,833	83,493	11,085	66,733
		199,892,556	541,190	1,250,472	704,540	1,258,805	447,936

2017年12月31日
At 31 December 2017

		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$'000	個別減值準備 Individual impairment allowances 港幣千元 HK$'000	綜合減值準備 Collective impairment allowances 港幣千元 HK$'000
香港	Hong Kong	107,422,724	874,934	1,230,989	611,854	189,954
中國內地	Mainland China	71,077,957	931,923	965,597	404,880	143,775
美國	United States	6,672,615	6,995	6,996	–	14,889
新加坡	Singapore	3,705,562	–	–	–	2,201
其他	Others	7,408,064	93,597	260,430	110,280	45,024
		196,286,922	1,907,449	2,464,012	1,127,014	395,843

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.

(E) 逾期客戶貸款及墊款

(E) Overdue loans and advances to customers

		2018年6月30日 At 30 June 2018 港幣千元 HK$'000	2018年6月30日 At 30 June 2018 佔客戶貸款及墊款總額百分率 % of total loans and advances to customers	2017年12月31日 At 31 December 2017 港幣千元 HK$'000	2017年12月31日 At 31 December 2017 佔客戶貸款及墊款總額百分率 % of total loans and advances to customers
貸款及墊款總額已逾期達：	The gross amount of loans and advances has been overdue for periods of:				
－3個月以上至6個月	– 6 months or less but over 3 months	**1,328**	**0.00**	822,734	0.42
－6個月以上至1年	– 1 year or less but over 6 months	**275,722**	**0.14**	471,579	0.24
－1年以上	– over 1 year	**264,140**	**0.13**	613,136	0.31
		541,190	**0.27**	1,907,449	0.97
有抵押逾期貸款及墊款	Secured overdue loans and advances	**477,457**		293,785	
無抵押逾期貸款及墊款	Unsecured overdue loans and advances	**63,733**		1,613,664	
		541,190		1,907,449	
持有有抵押逾期貸款及墊款的抵押品市值	Market value of collateral held against the secured overdue loans and advances	**852,350**		375,391	
預期信貸損失準備／個別減值準備	Expected credit losses allowances/ Individual impairment allowances made	**115,064**		1,068,504	

有明確還款日期的貸款及墊款，若其本金或利息已逾期，並於期末仍未償還，則列作逾期處理。即時到期的貸款，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 a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the period 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.

(E) 逾期客戶貸款及墊款（續）

對於逾期貸款及墊款，本集團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2018年6月30日及2017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。

(E) Overdue loans and advances to customers *(continued)*

Eligible collateral 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 should be readily determinable or can be reasonably established and verified.

(b) The asset is marketable and there exists a readily available secondary market for disposing 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 and other assets which were overdue for over three months at 30 June 2018 and 31 December 2017 respectively.

(F) 經重組貸款

(F) Rescheduled loans

		2018年6月30日 At 30 June 2018		2017年12月31日 At 31 December 2017	
		港幣千元 HK$'000	**佔客戶貸款及墊款總額百分率 % of total loans and advances to customers**	港幣千元 HK$'000	佔客戶貸款及墊款總額百分率 % of total loans and advances to customers
經重組貸款	Rescheduled loans	**537,289**	**0.269**	537,979	0.274

(F) 經重組貸款（續）

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(E)匯報的逾期墊款。

於2018年6月30日及2017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。

(F) Rescheduled loans *(continued)*

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 (E).

There were no advances to banks and other financial institutions which were rescheduled at 30 June 2018 and 31 December 2017 respectively.

(G) 取回資產

(G) Repossessed assets

		2018年 6月30日 At 30 June 2018 港幣千元 HK$'000	2017年 12月31日 At 31 December 2017 港幣千元 HK$'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	**188,688**	184,411

以上數額為2018年6月30日及2017年12月31日取回資產的估計市場價值。

The amount represented the estimated market value of the repossessed assets at 30 June 2018 and 31 December 2017 respectively.

(H) 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：

(H) 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 shown as follows:

2018年6月30日
At 30 June 2018

				非銀行私人機構 Non-bank private sector		
		銀行 Banks 港幣千元 HK$'000	官方機構 Official Sector 港幣千元 HK$'000	非銀行金融機構 Non-bank financial institutions 港幣千元 HK$'000	非金融私人機構 Non-financial private sector 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000
已發展國家	Developed countries	**15,860,681**	**420,752**	**784,955**	**6,136,079**	**23,202,467**
離岸中心	Offshore centres	**7,441,575**	**448**	**12,191,358**	**39,511,861**	**59,145,242**
其中香港	of which Hong Kong	**6,416,876**	**11**	**11,487,836**	**27,072,107**	**44,976,830**
發展中亞太區	Developing Asia-Pacific	**63,791,711**	**58,028**	**5,531,063**	**61,974,779**	**131,355,581**
其中中國內地	of which Mainland China	**63,163,692**	**57,460**	**5,531,063**	**60,792,573**	**129,544,788**

2017年12月31日
At 31 December 2017

				非銀行私人機構 Non-bank private sector		
		銀行 Banks 港幣千元 HK$'000	官方機構 Official Sector 港幣千元 HK$'000	非銀行金融機構 Non-bank financial institutions 港幣千元 HK$'000	非金融私人機構 Non-financial private sector 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000
離岸中心	Offshore centres	7,120,802	869	13,827,960	37,914,745	58,864,376
其中香港	of which Hong Kong	6,489,207	282	13,081,673	29,814,181	49,385,343
發展中亞太區	Developing Asia-Pacific	66,646,716	83,611	5,916,565	60,216,815	132,863,707
其中中國內地	of which Mainland China	66,309,598	83,040	5,916,565	58,878,966	131,188,169

(I) 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》所定義的機構類別及直接風險額之種類作分類。

(I) 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.

		2018年6月30日 At 30 June 2018		
		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	Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	28,383,320	504,432	28,887,752
(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	Local governments, local government-owned entities and their subsidiaries and JVs	13,803,990	269,405	14,073,395
(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	PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	65,937,962	4,284,885	70,222,847
(4) 不包括在上述第1項的其他中央政府機構	Other entities of central government not reported in item 1 above	14,359,898	540,611	14,900,509
(5) 不包括在上述第2項的其他地方政府機構	Other entities of local governments not reported in item 2 above	194,362	197,632	391,994
(6) 信貸額用於中國內地的境外中國公民或中國境外成立機構	PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	22,095,041	2,748,380	24,843,421
(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	Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	15,883,695	1,087,443	16,971,138
總額	**Total**	**160,658,268**	**9,632,788**	**170,291,056**
已扣減準備金的資產總額	**Total assets after provision**	**349,269,997**		
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**	**46.0%**		

(I) 內地業務（續） (I) Mainland Activities *(continued)*

		2017年12月31日 At 31 December 2017		
		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	Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	28,973,542	986,287	29,959,829
(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	Local governments, local government-owned entities and their subsidiaries and JVs	15,138,695	745,750	15,884,445
(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	PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	62,576,230	4,079,754	66,655,984
(4) 不包括在上述第1項的其他中央政府機構	Other entities of central government not reported in item 1 above	6,796,166	297,253	7,093,419
(5) 不包括在上述第2項的其他地方政府機構	Other entities of local governments not reported in item 2 above	188,578	206,342	394,920
(6) 信貸額用於中國內地的境外中國公民或中國境外成立機構	PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	9,682,747	3,309,615	12,992,362
(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	Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	26,655,744	786,898	27,442,642
總額	Total	150,011,702	10,411,899	160,423,601
已扣減準備金的資產總額	Total assets after provision	344,308,684		
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	43.6%		

(J) 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。

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、交易衍生品及資產負債表外業務，如貸款承擔。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以更有效反映在信貸考慮中的風險因素。

於2017年，本集團已實施多項新的信貸風險措施，以加強風險管理的系統、實踐及文化。本集團已經為企業和零售部門開發了新的信用評級模型。通過採用新的和更細化的24級評級總評量表，本集團增強了信用評級框架。此外，本集團已實施計算預期信貸損失的自動化解決方案，以符合香港財務報告準則第9號，提供更具前瞻的撥備。

(J) Risk management

The Group manages its risks under the oversight of the Board of Directors and its delegated committees. The Risk Management Group 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.

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.

Since 2017, the Group has implemented a number of new credit risk initiatives to reinforce the risk management system, practices and culture. The Group has developed new credit rating models for corporate and retail segments. The Group has enhanced the credit rating framework by adopting a new and more granular 24-grade Rating Master Scale. Furthermore, the Group has implemented an automated solution for computing Expected Credit Losses (ECL) towards a more forward looking provisioning in compliance with the Hong Kong Financial Reporting Standard 9.

(J) 風險管理（續）

(a) 信貸風險管理（續）

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。

產品的信貸風險會在產品計劃中識別及計量。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，與本集團管理企業借貸風險的方式相同，並根據各債券發行人的風險評級，設定個別風險額度。

(J) Risk management *(continued)*

(a) Credit risk management *(continued)*

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.

Credit risk embedded in products is identified and measured in product programmes. 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 lending risk. Risk grading is applied to the debt issuers, with individual credit limits set.

(J) 風險管理（*續*）

(a) 信貸風險管理（*續*）

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。

(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。

(J) Risk management *(continued)*

(a) Credit risk management *(continued)*

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.

(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.

(J) 風險管理（續）

(a) 信貸風險管理（續）

(i) 信貸質量（續）

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：

(J) Risk management *(continued)*

(a) Credit risk management *(continued)*

(i) Credit quality (continued)

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:

	參考ECAI評級 Reference ECAI Rating			
債務人級別 Obligor Grade	穆迪 Moody's	標準普爾 S&P	惠譽國際 Fitch	評級説明 Rating Description
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附屬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，即使可能沒有任何附屬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.
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，即使可能沒有任何附屬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，而沒有任何附屬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.

(J) 風險管理（續） (J) Risk management *(continued)*

(a) 信貸風險管理（續） (a) Credit risk management *(continued)*

(i) 信貸質量（續） *(i) Credit quality (continued)*

債務人級別 Obligor Grade	參考ECAI評級 Reference ECAI Rating 穆迪 Moody's	標準普爾 S&P	惠譽國際 Fitch	評級說明 Rating Description
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，即使可能沒有任何附屬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，但可能在沒有任何附屬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.
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 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 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 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 Substandard	D	D	D	次級。根據資產分類政策。 Substandard. In accordance with the Asset Classification Policy.
G23 呆滯 Doubtful	D	D	D	呆滯。根據資產分類政策。 Doubtful. In accordance with the Asset Classification Policy.
G24 損失 Loss	D	D	D	損失。根據資產分類政策。 Loss. In accordance with the Asset Classification Policy.

(J) 風險管理（續）

(J) Risk management *(continued)*

(a) 信貸風險管理（續）

(a) Credit risk management *(continued)*

(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：

(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:

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'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	**19,412,643**	31,657,854
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	**47,106,996**	47,402,438
以公允價值計入損益的金融資產	Financial assets at fair value through profit or loss	**921,605**	1,028,240
衍生金融工具	Derivative financial instruments	**9,305,829**	4,770,495
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	**202,893,659**	198,539,113
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	**67,489,282**	–
可供出售證券	Available-for-sale securities	**–**	59,254,976
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	**5,960,416**	6,221,870
貸款承擔及其他與信貸有關的承擔	Loan commitments and other credit-related commitments	**85,041,244**	99,299,581
		438,131,674	448,174,567

按信貸質量及階段分佈的金融資產的進一步分析呈列於未經審核補充財務資料附註(J)(a)(vii)。

Further detailed analyses of the credit quality of financial assets by credit quality and stage distribution are provided in the note (J)(a)(vii) of the Unaudited Supplementary Information.

(J) 風險管理（續）

(J) Risk management (continued)

(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。

(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.

2018年6月30日
At 30 June 2018

		在財務狀況表內匯報的衍生金融工具淨額 Derivative financial instruments presented in the statement of financial position	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		潛在風險承擔額 Potential exposure
			金融工具 Financial instruments	持有現金抵押 Cash collateral received	
		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17)	– Derivative financial instruments (note 17)	9,305,829	(5,066,354)	(2,761,374)	1,478,101
金融負債	**Financial liabilities**				
－衍生金融工具(附註17)	– Derivative financial instruments (note 17)	9,021,831	(5,066,354)	–	3,955,477

(J) 風險管理（續） / Risk management *(continued)*

(a) 信貸風險管理（續） / Credit risk management *(continued)*

(iii) 主要淨額結算協議（續） / Master netting arrangement (continued)

2017年12月31日
At 31 December 2017

		在財務狀況表內匯報的衍生金融工具淨額 Derivative financial instruments presented in the statement of financial position 港幣千元 HK$'000	在財務狀況表內沒有抵銷的相關數額 Related amounts that are not offset in the statement of financial position — 金融工具 Financial instruments 港幣千元 HK$'000	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 received 港幣千元 HK$'000	潛在風險承擔額 Potential exposure 港幣千元 HK$'000
金融資產	Financial assets				
－衍生金融工具（附註17）	– Derivative financial instruments (note 17)	4,770,495	(3,087,306)	(466,466)	1,216,723
金融負債	Financial liabilities				
－衍生金融工具（附註17）	– Derivative financial instruments (note 17)	4,824,483	(3,087,306)	–	1,737,177

(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、備用信用證及上市的債務證券。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無抵押貸款。

(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.

(J) 風險管理（續） Risk management *(continued)*

(a) 信貸風險管理（續） Credit risk management *(continued)*

(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2018年6月30日及2017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：

(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 30 June 2018 and 31 December 2017, excluding impaired exposure, is broken down as follows:

		6月30日 At 30 June 2018 港幣千元 HK$'000	12月31日 At 31 December 2017 港幣千元 HK$'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	**91,975,927**	89,089,655
－逾期但沒有減值	– past due but not impaired	**1,092,142**	1,498,422
		93,068,069	90,588,077

(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的資本，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。

(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.

(J) 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。

(vi) 預期信貸損失計量

在《香港財務報告準則》第9號下，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。預期信貸損失模型的應用對於從前《香港會計準則》第39號的已產生損失模型是一個重大的變動。預期信貸損失準備的計算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。前瞻性資料和其相關的專業判斷是預期信貸損失準備模型的一個重要因素。相反，已產生損失模型只考慮包括宏觀經濟因素及事件的過往及現時狀況。

預期信貸損失計量

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、基準及下行情景的概率加權情景的預期數值以計算預期現金短缺，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，並由已減值金融資產產生的概率加權回收金額。

(J) 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.

(vi) Expected credit losses measurement

Under HKFRS 9, expected credit losses ("ECL") 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 application of an ECL model represents a significant change from the incurred loss model under HKAS 39. The ECL allowance 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 forecast 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. In contrast, the incurred loss model incorporated factors, including macroeconomic factors and information about past events and current conditions.

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 ('SIC') 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.

(J) 風險管理（續）

(a) 信貸風險管理（續）

(vi) 預期信貸損失計量（續）

預期信貸損失計量（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。

階段轉移及信貸風險重大上升

第1階段包括所有自初始確認後沒有觸發信貸風險重大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重大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算期年限貸款損失。在其後的報告期內，如金融資產的信貸風險改善並不再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，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。

(J) 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 and SIC

Stage 1 is comprised of all non-impaired financial assets which have not triggered a SIC 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 SIC 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 SIC 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.

(J) 風險管理（續）

(a) 信貸風險管理（續）

(vi) 預期信貸損失計量（續）

階段轉移及信貸風險重大上升（續）

購買或源生在初始確認時已是信貸減值的金融資產，其預期信貸損失準備一直以全期基準確認。

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，從風險管理目的上本集團有權考慮更長時間段即考慮本集團面臨信貸風險的最長合約期（包括任何借款人的延長選擇權）。

在預期信貸損失計算所用到的前瞻性資料

評估信貸風險重大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。在此過程需要應用專業判斷。此等經濟變數（基準經濟情景）的預測由本集團經濟專家提供並包括外部實際及預測資料的考慮。本集團制定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）。

(J) Risk management *(continued)*

(a) Credit risk management *(continued)*

***(vi) Expected credit losses measurement** (continued)*

Stage transfer and SIC (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 maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Group has the right to consider a longer period.

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 external 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.

(J) 風險管理（續）

(J) Risk management *(continued)*

(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）

基準情景的比重為65%，代表最可能的情景，亦即持續現時經濟狀況；上行情景的比重為7%，代表進一步改善現時經濟環境的可能性；以及輕微、中等及嚴重3個下行情景（比重合計為28%），代表在不同程度下經濟下行的可能情況。以下經濟數據反映上行、基準及下行情景：

(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 carrying weighting of 65% represents the most likely scenario of continuing the current economic situation; the one upside scenario, carrying 7% weighting, represents likelihood of further improving the current economic prospect; and the three downside scenarios, namely, mild, medium and severe, carrying weighting of 28% in total, represents the likelihood of economic downturn of different severities. The following economic figures characterise the upside, base and downside scenarios:

		香港 Hong Kong			中國內地 Mainland China		
2018年第3季至2023年第2季平均	**Average 3rd quarter 2018 – 2nd quarter 2023**	**上行 Upside**	**基準 Base**	**下行 Downside**	**上行 Upside**	**基準 Base**	**下行 Downside**
國內生產總值增長率(%)	GDP growth rate (%)	3.1	3.0	0.7	6.8	6.5	4.9
通脹率(%)	Inflation (%)	2.8	2.6	0.8	1.6	1.6	-0.1
失業率(%)	Unemployment (%)	3.1	3.2	4.4	3.8	4.0	4.8
物業價格指數	Property price index	330.7	315.0	258.1			
實際匯率	Real exchange rate	121.3	115.5	98.7			
6個月之結算率(%)	Settlement rate in 6 months (%)	1.5	1.4	0.9			
12個月之結算率(%)	Settlement rate in 12 months (%)	2.0	1.9	1.3			

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及管理層在需要時作出加疊判斷的加權計算。

The ECL recognised in the financial statements reflect the probability weighted outcomes of a range of possible scenarios above and the management overlay where required.

(J) 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

本集團的基準情景是在2018至2023年期間世界經濟大致穩定增長。預計在此期間全球國內生產總值年均增長3.5%，其中，2018至2020年增長3.5%至4.0%，2020至2023年增長3.0%至3.5%。2020－2023年增長放緩反映全球經濟復甦將在2020年後接近尾聲。

預計中國內地國內生產總值增長速度將比近幾年有所放緩，反映從發展階段論角度內地經濟在持續調整和改革的同時增長持續但逐步放緩的趨勢。

預計香港經濟增長將在2018至2020年間繼續復甦，而在2020至2023年間放緩至3.0%。

預計2018年主要經濟體通貨膨脹率將高於2017年，並在預測期內以不同的速度向各央行的2%目標邁進。因此，預計美國和歐元區的央行將逐步加息，推動貨幣政策正常化。

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。這一趨勢預計將在預測期內持續，發達經濟體失業率將進一步下降，中國內地和香港失業率則仍將保持低位。

(J) 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

The Group's Base Scenario is characterised by largely stable growth over the forecast period 2018-2023. Global GDP growth is forecast to average 3.5% over the period, with 3.5%-4.0% during 2018-2020 and 3.0%-3.5% in 2020-2023. The slower growth in 2020-2023 reflects that global economic recovery will approach its end after 2020.

Mainland China GDP growth is forecast to be moderately slower over the forecast period than those recorded in the recent years, indicating a continued but gradual growth slowdown amid sustained economic rebalancing and reforms from a development stage point of view.

Hong Kong growth is expected to continue recovering in 2018-2020 and settle down towards 3.0% in 2020-2023.

Inflation is expected to edge higher in 2018 in major economies than in 2017, moving towards the central banks' target of 2% at different paces over the forecast period. As a result, US and Eurozone central banks are projected to hike interest rates at a gradual pace, pressing ahead with monetary policy normalisation.

Unemployment rates have experienced significant improvements in advanced economies and been near historical lows in Mainland China and Hong Kong. Such positive developments are expected to continue over the forecast period, with the unemployment rates falling further in advanced economies and remaining low in Mainland China and Hong Kong.

(J) 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）

危機情景

在危機情景下，受中美及全球貿易戰，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，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，通貨膨脹率快速下滑，失業率大幅上升。

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危機情景之間，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。

(J) Risk management *(continued)*

(a) Credit risk management *(continued)*

*(vi) **Expected credit losses measurement** (continued)*

Forward-looking information incorporated in the ECL models (continued)

The Severe Scenario

Under the Severe Scenario, the global economy falls into recession hit by China-US and global trade wars, policy failures by governments in major economies, or geopolitical tensions. GDP growth is forecast to become negative in most of the advanced economies 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.

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.

(J) 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

本集團對違約金融資產的定義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支付出現逾期超過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及確定其本金及利息已根據原有合約條款或已修訂市場條款應可全數收回，及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

當沒有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。沒有合理預期收回的指標包括：(i)終止執行及(ii)本集團的收回方法是處理抵押品及依據抵押品價值沒有合理預期可以全數收回金融資產。

(J) 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, which is fully aligned with the definition of credit-impaired under HKFRS 9.

In assessing whether a borrower is in default, the Group considers indicators that are: (i) qualitative – e.g. in breach of financial covenant(s), deceased, insolvent or in long-term forbearance; (ii) quantitative – e.g. 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 contractual terms or revised market 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 foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

(J) 風險管理（續） (J) Risk management *(continued)*

(a) 信貸風險管理（續） (a) Credit risk management *(continued)*

(vii) 金融資產的信貸質量 *(vii) Credit quality of financial assets*

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。

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.

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。

Distribution of financial instruments to which the impairment requirements in HKFRS 9 are applied, by credit quality and stage distribution.

		賬面／名義總額 Gross carrying/notional 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$'000	預期信貸損失準備 ECL allowances 港幣千元 HK$'000	賬面淨額 Net carrying amount 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	19,196,027	–	–	–	19,196,027	(16,837)	19,179,190
–第1階段	– Stage 1	19,196,027	–	–	–	19,196,027	(16,837)	19,179,190
–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	46,920,499	191,359	–	–	47,111,858	(4,862)	47,106,996
–第1階段	– Stage 1	46,920,499	191,359	–	–	47,111,858	(4,862)	47,106,996
–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	126,362,245	56,587,989	15,691,850	1,250,472	199,892,556	(2,411,281)	197,481,275
–第1階段	– Stage 1	124,648,069	55,156,248	3,528,571	–	183,332,888	(704,540)	182,628,348
–第2階段	– Stage 2	1,714,176	1,431,741	12,163,279	–	15,309,196	(1,258,805)	14,050,391
–第3階段	– Stage 3	–	–	–	1,250,472	1,250,472	(447,936)	802,536
其他金融資產按攤銷成本	Other financial assets at amortised cost	5,504,769	311,227	69,603	42,640	5,928,239	(38,672)	5,889,567
–第1階段	– Stage 1	5,467,804	311,227	51,509	–	5,830,540	(713)	5,829,827
–第2階段	– Stage 2	36,965	–	18,094	–	55,059	(79)	54,980
–第3階段	– Stage 3	–	–	–	42,640	42,640	(37,880)	4,760
貸款承擔和財務擔保合約（註1）	Loan commitments and financial guarantee contracts (Note 1)	5,664,004	5,368,686	1,295,245	–	12,327,935	(53,931)	12,274,004
–第1階段	– Stage 1	5,664,004	5,368,686	1,295,245	–	12,327,935	(53,931)	12,274,004
–第2階段	– Stage 2	–	–	–	–	–	–	–
–第3階段	– Stage 3	–	–	–	–	–	–	–
於2018年6月30日	**At 30 June 2018**	**203,647,544**	**62,459,261**	**17,056,698**	**1,293,112**	**284,456,615**	**(2,525,583)**	**281,931,032**
以公允價值計入其他全面收益的金融資產－債務證券（註2）	Financial assets at fair value through other comprehensive income – Debt securities (Note 2)	66,200,964	1,194,990	141,395	44,851	67,582,200	(159,014)	
–第1階段	– Stage 1	66,200,964	1,194,990	–	–	67,395,954	(39,359)	
–第2階段	– Stage 2	–	–	141,395	–	141,395	(41,739)	
–第3階段	– Stage 3	–	–	–	44,851	44,851	(77,916)	
於2018年6月30日	**At 30 June 2018**	**67,952,105**	**2,626,731**	**12,322,768**	**44,851**	**82,946,455**	**(1,417,898)**	

(J) 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中期財務報告附註34(a)有所不同。

(2) 於2018年6月30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。

(J) 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. Figures disclosed in the above do not agree with the figures disclosed in note 34(a) of the interim financial report.

(2) Debt securities measured at financial assets at fair value through other comprehensive income are held at fair value at 30 June 2018. 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.

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

(J) 風險管理（續） (J) Risk management *(continued)*

(a) 信貸風險管理（續） (a) Credit risk management *(continued)*

(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金融資產的信貸質量

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。

(viii) Credit quality of financial assets at debt securities measured at FVPL and FVOCI

For the usage of credit rating to debt securities, where issue specific rating from external credit agencies is available, the issue specific rating would be taken as reference for credit risk rating assignment. If issue specific rating is not available but issuer rating is available, issuer rating would be taken as reference for credit risk rating assignment. The following table presents an analysis of the credit quality of investments in debt securities at the end of the reporting period.

		2018年6月30日 At 30 June 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	–	2,548,700	2,548,700
Aa3至Aa1	Aa3 to Aa1	703	15,185,187	15,185,890
A3至A1	A3 to A1	28,216	36,861,108	36,889,324
低於A3	Lower than A3	703,441	11,088,105	11,791,546
		732,360	65,683,100	66,415,460
未評級	Unrated	189,245	1,806,182	1,995,427
總額	Total	921,605	67,489,282	68,410,887

(J) 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金融資產的信貸質量（續）

(J) Risk management *(continued)*

(a) Credit risk management *(continued)*

(viii) Credit quality of financial assets at debt securities measured at FVPL and FVOCI (continued)

2017年12月31日
At 31 December 2017

		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$'000	可供出售證券 – 債務證券 Available-for-sale securities – debt securities 港幣千元 HK$'000	總額 Total 港幣千元 HK$'000
Aaa	Aaa	–	2,490,087	2,490,087
Aa3至Aa1	Aa3 to Aa1	36,473	13,423,924	13,460,397
A3至A1	A3 to A1	59,980	30,084,326	30,144,306
低於A3	Lower than A3	739,541	10,977,542	11,717,083
		835,994	56,975,879	57,811,873
未評級	Unrated	192,246	2,279,097	2,471,343
總額	Total	1,028,240	59,254,976	60,283,216

(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做市、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。

(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, optimize 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.

(J) 風險管理（續）

(b) 市場風險管理（續）

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。

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。

所有新產品在解決涉及新引入的風險時均受到信貸風險管理委員會設定的「新產品評估及批核政策」所約束。在執行新產品發佈前，每個新產品必須經各部門進行審查和獲得風險評估許可，部門包括業務部的高級管理層、財務管理部、營運及科技管理部、法律部、合規部、內部監控部和風險管理部等。風險評估經各部門審核後，建議新產品的業務主管需獲得行政總裁／副行政總裁／替任行政總裁，資訊及營運總監和風險管理總監作出最後的審批。

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頭寸因市場利率和價格在正常市場條件下特定時段因波動所產生的潛在損失。模型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。

(J) Risk management *(continued)*

(b) Market risk management *(continued)*

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 responsibility 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.

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.

In addressing newly introduced risks, all new products are governed by the "New Product Evaluation and Approval Policy" approved by CRMC. Prior to execution, each of the new products are reviewed and concurred by various functions including the senior management of the business, the Financial Management Group, the Operations and Technology Group, the Legal Department, the Compliance Department, the Internal Control Group and RMG. After the concurrence, the sponsoring business head obtains an approval from the CEO/Deputy CEO/Alternate CEO, CIOO and CRO for the new product.

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.

(J) 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。

(J) Risk management *(continued)*

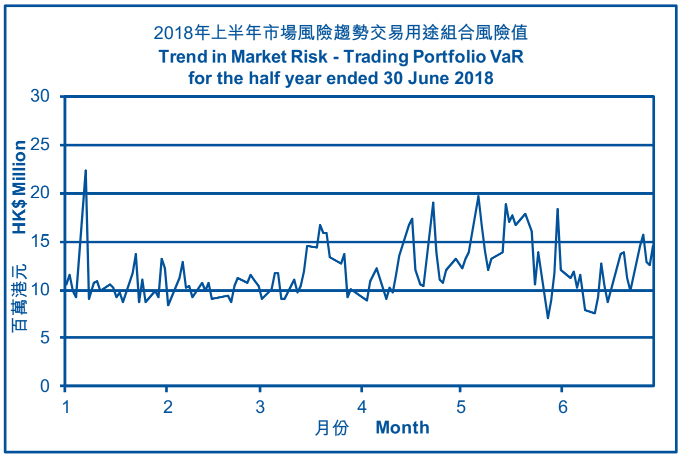
(b) Market risk management *(continued)*

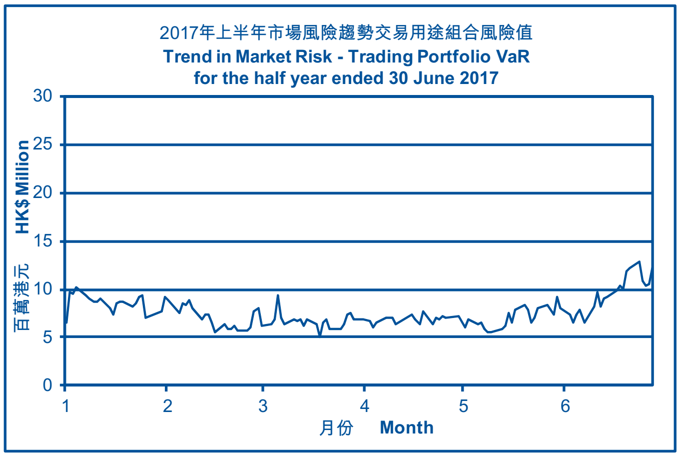
Methodology and characteristics of market risk model (continued)

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.

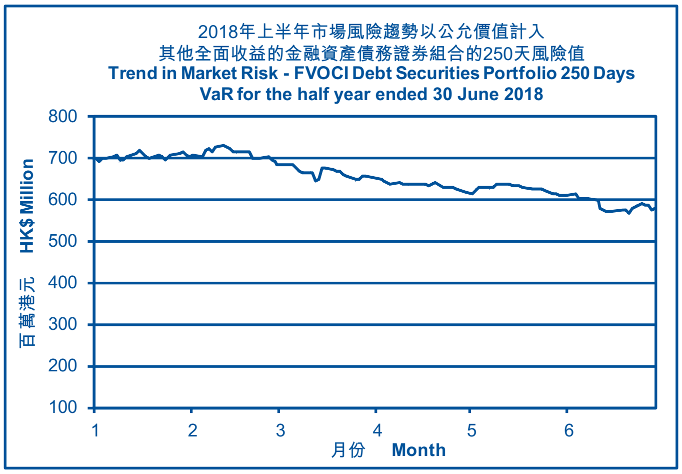
– For the trading positions, the VaR is calculated for one-day holding period.

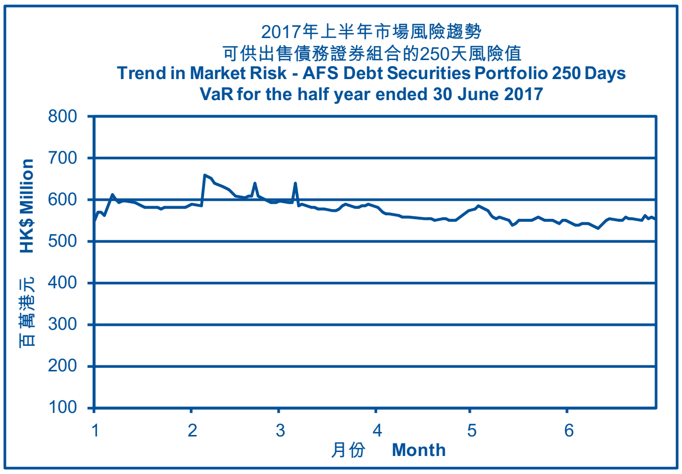




– 對以公允價值計入其他全面收益的金融資產／可供出售債務證券有關的持倉，風險值以250天的持有期來計算。

– For the FVOCI/ available-for-sale debt securities and related positions, VaR is calculated for 250-day holding period.





– 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2017年7月1日至2018年6月30日期間，回顧測試沒有例外發生（2016年7月1日至2017年6月30日：有兩次例外發生），結果符合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。

– 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 July 2017 to 30 June 2018, there was no exception in the back-testing results (for the period of 1 July 2016 to 30 June 2017, there were 2 exceptions), which corresponds to the green zone specified by the HKMA and the international Basel principles.

(J) 風險管理（續） / Risk management *(continued)*

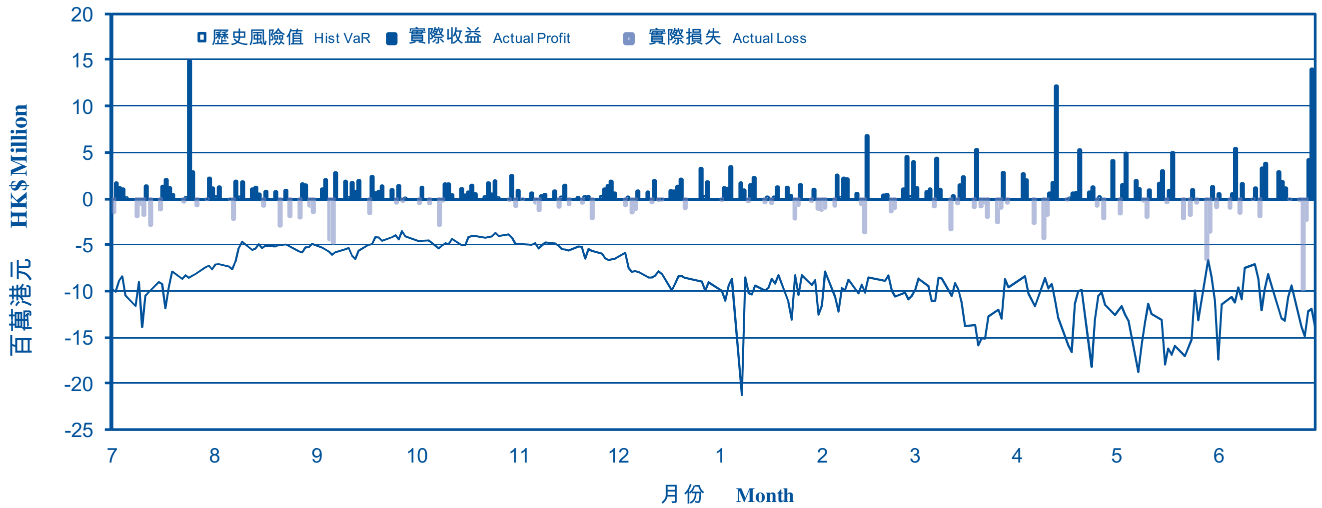
(b) 市場風險管理（續） / Market risk management *(continued)*

市場風險模型的方法和特點（續） / *Methodology and characteristics of market risk model (continued)*

風險值（續） / Value-at-risk ("VaR") *(continued)*

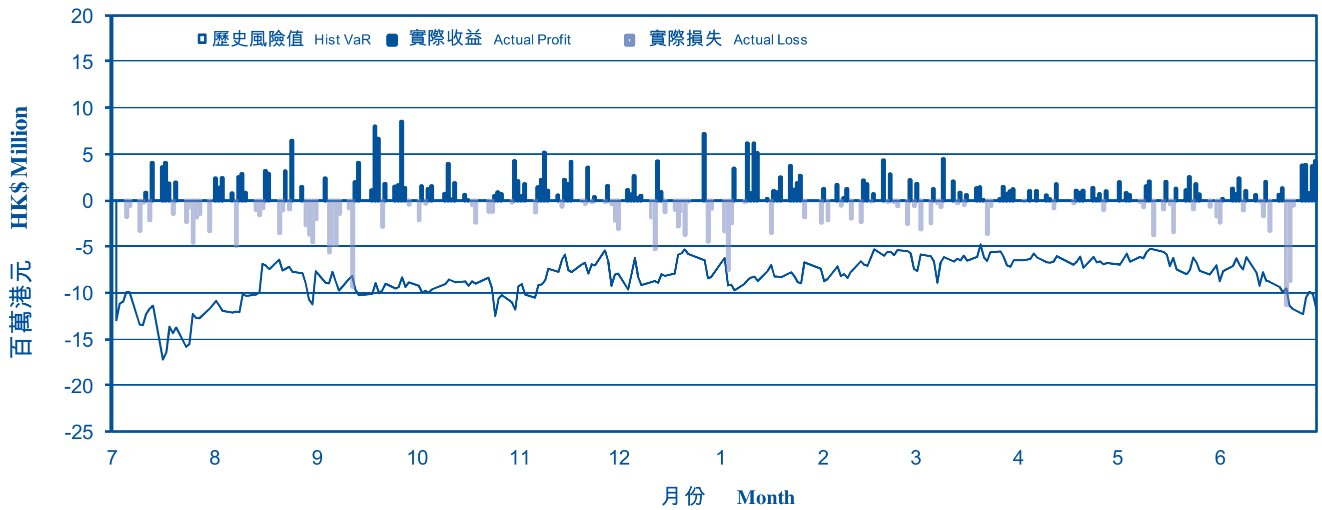
2017年7月至2018年6月本集團回顧測試模型的實際收益及損失

The Group's actual profit and loss backtesting model in July 2017 – June 2018



2016年7月至2017年6月本集團回顧測試模型的實際收益及損失

The Group's actual profit and loss backtesting model in July 2016 – June 2017



截至2018年6月30日止的6個月，本集團持倉交易盤之單日平均收益為港幣611,000元（2017年6月30日止6個月：收益為港幣300,000元），單日平均收入標準誤差為港幣2,686,000元（2017年6月30日止6個月：港幣2,565,000元）。下圖顯示截至2018年及2017年6月30日止6個月本集團按市價計值收入之單日分佈圖。

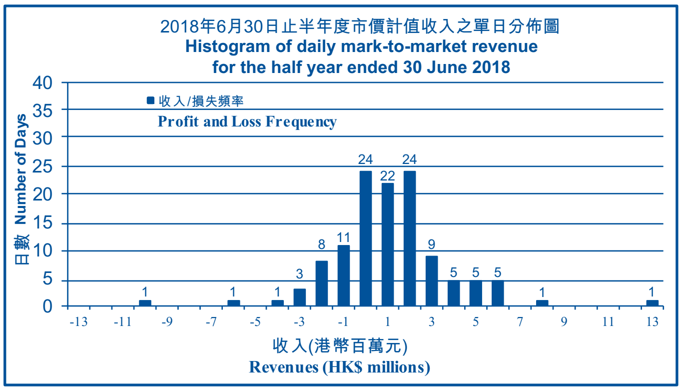
For the six months ended 30 June 2018, the average daily mark-to-market revenue from the Group's trading portfolio was a gain of HK$611,000 (six months ended 30 June 2017: gain of HK$300,000). The standard deviation of the daily revenue was HK$2,686,000 (six months ended 30 June 2017: HK$2,565,000). The graphs below show the histograms of the Group's daily mark-to-market revenue for the six-months periods ending 30 June 2018 and 2017, respectively.

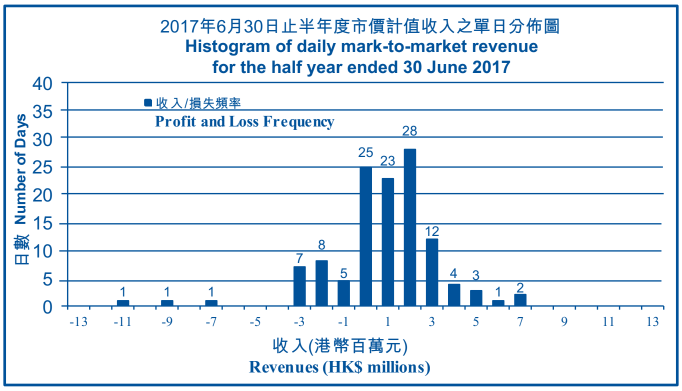
(J) 風險管理（續） / Risk management *(continued)*

(b) 市場風險管理（續） / Market risk management *(continued)*

市場風險模型的方法和特點（續） / *Methodology and characteristics of market risk model (continued)*

風險值（續） / Value-at-risk ("VaR") *(continued)*





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。

The tables below decomposes VaR by risk factors for the trading positions and the FVOCI debt securities-related positions.

交易盤持倉－一天風險值
1-day VaR for the trading positions

		2018年6月30日止6個月 Six months ended 30 June 2018				2017年6月30日止6個月 Six months ended 30 June 2017			
		約計 Approximate			**於2018年6月30日 At 30 June 2018**	約計 Approximate			於2017年6月30日 At 30 June 2017
		最大值 maximum	**最小值 minimum**	**平均值 mean**		最大值 maximum	最小值 minimum	平均值 mean	
		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	**21,153**	**1,949**	**5,325**	**3,167**	11,517	2,672	5,597	10,524
利率風險和信貸利差風險	Interest rate risk and credit spread risk	**19,368**	**7,166**	**10,506**	**13,548**	11,402	3,043	4,979	7,409
風險值總額	Total VaR	**22,224**	**6,913**	**11,831**	**14,577**	12,729	4,907	7,532	12,128

以公允價值計入其他全面收益的金融資產／可供出售債務證券有關的持倉－250天風險值
250-day VaR for the debt securities measured at FVOCI/ available-for-sale related positions

		2018年6月30日止6個月 Six months ended 30 June 2018				2017年6月30日止6個月 Six months ended 30 June 2017			
		約計 Approximate			**於2018年6月30日 At 30 June 2018**	約計 Approximate			於2017年6月30日 At 30 June 2017
		最大值 maximum	**最小值 minimum**	**平均值 mean**		最大值 maximum	最小值 minimum	平均值 mean	
		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	**760,890**	**628,118**	**701,746**	**634,917**	595,889	489,706	537,209	550,398
信貸利差風險	Credit spread risk	**703,407**	**595,238**	**672,672**	**604,498**	760,070	663,073	720,818	707,925
250天風險值總額	Total 250-day VaR	**732,689**	**567,893**	**656,106**	**582,308**	657,830	530,965	573,690	552,481

(J) 風險管理（續）

(J) Risk management *(continued)*

(b) 市場風險管理（續）

市場風險模型的方法和特點（續）

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。

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頭寸。本集團的外匯頭寸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2018年6月30日止6個月，本集團的外匯買賣盤的平均單日損益為溢利港幣1,246,000元（2017年6月30日止6個月：為損失港幣199,000元）及其標準誤差為港幣6,843,000元（2017年6月30日止6個月：港幣3,590,000元）。

於結算日的重大外匯風險如下：

(b) Market risk management *(continued)*

Methodology and characteristics of market risk model (continued)

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.

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 six months ended 30 June 2018, the Group's average daily trading profit and loss from foreign exchange positions was a gain of HK$1,246,000 (six months ended 30 June 2017: loss of HK$199,000), with a standard deviation of HK$6,843,000 (six months ended 30 June 2017: HK$3,590,000).

Significant foreign currency exposures at the end of the reporting period were as follows:

		2018年6月30日 At 30 June 2018				2017年12月31日 At 31 December 2017			
相等於港幣千元	**Equivalent in HK$'000**	**美元 USD**	**人民幣 RMB**	**其他貨幣 Others**	**總額 Total**	美元 USD	人民幣 RMB	其他貨幣 Others	總額 Total
現貨資產	Spot assets	**149,531,586**	**19,482,599**	**19,244,008**	**188,258,193**	141,268,736	37,959,720	15,988,499	195,216,955
現貨負債	Spot liabilities	**(105,969,255)**	**(20,390,121)**	**(18,702,929)**	**(145,062,305)**	(109,407,468)	(31,800,014)	(15,182,196)	(156,389,678)
遠期買入	Forward purchases	**394,648,090**	**190,359,825**	**53,005,782**	**638,013,697**	242,910,664	118,395,468	26,779,741	388,085,873
遠期賣出	Forward sales	**(437,094,063)**	**(188,392,412)**	**(53,405,659)**	**(678,892,134)**	(275,877,590)	(123,928,048)	(25,342,446)	(425,148,084)
期權盤淨額	Net options position	**51,912**	**(186,571)**	**(202,444)**	**(337,103)**	1,835,468	685,596	(2,379,021)	142,043
長╱(短)盤淨額	Net long/(short) position	**1,168,270**	**873,320**	**(61,242)**	**1,980,348**	729,810	1,312,722	(135,423)	1,907,109
結構盤淨額	Net structural position	**–**	**710,134**	**48,534**	**758,668**	–	718,963	48,676	767,639

期權盤淨額是按照金管局所核准的模式使用者法計算。

The net option position is calculated using the Model User Approach, which has been approved by the HKMA.

(J) 風險管理（續）

(b) 市場風險管理（續）

利率風險

本集團的利率風險承擔主要來自銀行賬冊及自營買賣賬冊。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套期保值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。

截至2018年6月30日止6個月，本集團與利率及固定收益交易策略相關的平均每日交易溢利或損失為損失港幣635,000元（截至2017年6月30日止6個月：為盈利港幣501,000元），標準誤差為港幣6,303,000元（截至2017年6月30日止6個月：港幣3,132,000元）。

(J) Risk management *(continued)*

(b) Market risk management *(continued)*

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 arised from its assets and liabilities management. The treasury function ("CTU") 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.

For the six months ended 30 June 2018, the Group's average daily trading profit and loss related to interest rate and fixed income trading strategy was a loss of HK$635,000 (six months ended 30 June 2017: a profit of HK$501,000), with a standard deviation of HK$6,303,000 (six months ended 30 June 2017: HK$3,132,000).

(J) 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包括：

– 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。

(J) 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.

(J) 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。

(J) 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.

(J) 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；

(J) 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;

(J) 風險管理（續）

(c) 流動資金風險管理（續）

－ 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；

－ 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2018年6月30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。2018年首半年的平均流動性覆蓋比率上升主要是由於一級優質流動資產上升及現金流出下跌。

(J) Risk management *(continued)*

(c) Liquidity risk management *(continued)*

– Maintaining access to the interbank money market;

– Maintaining a funding programme to tap debt funding on a regular basis;

– 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 30 June 2018, 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 observes and reports the LCR for each individual significant currency to ALCO regularly. The increase in average LCR in first half of 2018 was mainly driven by the increase in the Level 1 HQLA and the decrease in cash outflow.

(J) 風險管理（續） (J) Risk management *(continued)*

(c) 流動資金風險管理（續） (c) Liquidity risk management *(continued)*

期內平均流動性覆蓋比率如下：

The average LCRs for the period are as follows:

		2018年6月30日止之季度 For quarter ended 30 June 2018	2018年3月31日止之季度 For quarter ended 31 March 2018	2017年12月31日止之季度 For quarter ended 31 December 2017
平均流動性覆蓋比率	Average LCR	213.1%	228.2%	177.6%

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)		
		2018年6月30日止之季度 For quarter ended 30 June 2018 港幣千元 HK$'000	2018年3月31日止之季度 For quarter ended 31 March 2018 港幣千元 HK$'000	2017年12月31日止之季度 For quarter ended 31 December 2017 港幣千元 HK$'000
一級資產	Level 1 assets	32,666,235	38,172,653	28,917,610
二級資產	Level 2 assets	7,489,966	7,421,968	7,142,153
總額	Total	40,156,201	45,594,621	36,059,763

本集團同時維持足夠可用的穩定資金以支持其較長期資產以滿足穩定資金淨額比率法定要求。穩定資金淨額比率在第2季度下跌主要由於在該季度進行股息分派。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。

The Group also maintains sufficient available stable funding in support of its longer-term assets to meet the statutory NSFR requirements. The decrease in the NSFR in the 2nd quarter was mainly driven by the dividend payment made in that quarter. There is no interdependent asset and liability as defined in the Banking (Liquidity) Rules in the Group.

(J) 風險管理（續）

(c) 流動資金風險管理（續）

於2018年季度末的穩定資金淨額比率如下：

(J) Risk management *(continued)*

(c) Liquidity risk management *(continued)*

The NSFRs as at the quarter-end in 2018 are as follows:

		於2018年6月30日季度末 Quarter ended 30 June 2018	於2018年3月31日季度末 Quarter ended 31 March 2018
穩定資金淨額比率	**NSFR**	**132.5%**	**134.9%**

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。

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.

(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，以繼續為股東提供回報及為其他相關持份者提供效益。

(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.

(J) 風險管理 *（續）*

(d) 資本管理 *（續）*

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2016年1月1日至2019年1月1日內分階段實施。金管局並已宣佈香港地區適用的CCyB，由2016年1月1日、2017年1月1日、2018年1月1日 及2019年1月1日起分別為風險加權數額的0.625%、1.25%、1.875%及2.5%。《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。

(J) Risk management *(continued)*

(d) Capital management *(continued)*

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 would be gradually phased in from 1 January 2016 to 1 January 2019. The HKMA announced a CCyB ratio for Hong Kong of 0.625%, 1.25%, 1.875% and 2.5% of risk-weighted amounts from 1 January 2016, 1 January 2017, 1 January 2018 and 1 January 2019 respectively. 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.

(J) 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，因而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。於期內，本集團的資本管理政策並無重大變動。

於2018年6月30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2018年6月30日期間及2017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。

(J) 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 ICAAP, 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 period.

The capital adequacy ratios at 30 June 2018 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 period ended 30 June 2018 and year ended 31 December 2017, and the Group's capital ratios are well above the minimum required ratios set by the HKMA.

(J) 風險管理（續）

(e) 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。操作風險管理事項由董事會附屬的信貸及風險管理委員會和由管理層領導的操作風險管理委員會所監管。操作風險管理計劃及工具則由操作風險管理小組及各業務部門、支援部門的高級管理層負責推行。

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。

內部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。操作風險管理及監控部門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。於2017年12月，成立了欺詐風險管理小組，以進一步加強本集團的欺詐風險管理。

所有外判活動、新產品及大型項目均需進行風險評估。

(J) Risk management *(continued)*

(e) 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 document the minimum requirements to ensure a consistent approach to manage operational risks. Operational Risk Management ("ORM") relevant matters are under the oversight of the Credit & Risk Management Committee ("CRMC"), a subcommittee of the Board of Directors, and the Operational Risk Management Committee ("ORMC"), a committee led by management. Implementation of ORM plans and tools is driven by the ORM team and senior management of business and support units.

Management of operational risk

Day-to-day operational risk management lies with our business units, support units and the Operational Risk and Control Head ("ORCH") of each unit assists the respective 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 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 of raising operational risk awareness, familiarizing with the ORM tools and enhancing employees' understanding of the ORGF along with their roles, responsibilities and accountabilities. This is further reinforced by strong, visible management support which encourages staff to embrace and pursue operational excellence. In December 2017, a Fraud Risk Management team was established to further enhance the Group's fraud risk management framework.

Risk assessments are conducted on all outsourced activities, new products and large projects.

(J) 風險管理（續）

(e) 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事項：

- 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。各部門層面的主要風險指標門檻值是參照各部門可承受的風險程度而設定。

(J) Risk management *(continued)*

(e) 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/service support unit KRI by reference to the business' acceptable risk level for each risk factor.

(J) 風險管理 *（續）*

(e) 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命名為事故報告系統的操作風險損失數據資料庫內。透過此系統，操作風險管理小組確保所有重要事件均已作出合理滙報及調查，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，事故報告系統數據會用於編製定期報告，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。影響較小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。此儀表板每月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，扼要論述重大事故及列出當報告時段內發生的事故。

本集團會不斷優化及提升操作風險管理架構以配合市場發展。

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。

(J) Risk management *(continued)*

(e) Operational risk management *(continued)*

Tools and methodologies (continued)

- Operational risk incidents are reported into a centralized operational loss database called the Incident Reporting System ("IRS"). Through the IRS, the ORM team ensures all material operational risk incidents are registered, properly investigated, with corrective and preventive actions promptly executed according to agreed timelines. The IRS data serves as a centralized database to produce regular reports for senior management, ORMC and CRMC review of impact of significant incidents and monitoring of the operational risk 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. Lesser 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 monthly 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, and lists incident details during the reporting period.

The Group will continuously fine-tune and enhance its operational risk management framework in line 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.

(J) 風險管理（續）

(f) 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2018年上半年，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盡力克服現時環境轉變所帶來的挑戰。

(J) Risk management *(continued)*

(f) 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 either the Legal or Compliance function to the Group's CRMC or senior management.

The Legal Department ("Legal") and Compliance Group ("Compliance") have been 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 the first half of 2018, Legal and Compliance were 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. Legal and Compliance 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.

(J) 風險管理（續）

(g) 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。

(J) Risk management *(continued)*

(g) 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.

審閱報告

中期財務資料的審閱報告
致中信銀行（國際）有限公司董事會
（於香港註冊成立的有限公司）

引言

本核數師（以下簡稱「我們」）已審閱列載於第3至78頁的中期財務報告，此中期財務報告包括中信銀行（國際）有限公司（「貴銀行」）及其附屬公司（合稱「貴集團」）於2018年6月30日的簡明綜合財務狀況表與截至該日止6個月期間的簡明綜合收益表、全面收益表、權益變動表和綜合現金流量表，以及主要會計政策概要和其他附註解釋。貴銀行董事須負責根據香港會計準則第34號「中期財務報告」編製及列報該等中期財務報告。我們的責任是根據我們的審閱對該等中期財務報告作出結論，並按照委聘之條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒布的香港審閱準則第2410號「由實體的獨立核數師執行中期財務報告審閱」進行審閱。審閱中期財務報告包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據《香港審計準則》進行審計的範圍為小，故不能令我們可保證我們將知悉在審計中可能被發現的所有重大事項。因此，我們不會發表審計意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信中期財務報告未有在各重大方面根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所
執業會計師

香港，2018年8月24日

Review Report

Report on Review of Interim Financial Report
To the Board of Directors of China CITIC Bank International Limited
(incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 3 to 78, which comprises the condensed consolidated statement of financial position of China CITIC Bank International Limited (the "Bank") and its subsidiaries (together, the "Group") as at 30 June 2018 and the condensed consolidated income statement, comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The directors of the Bank are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24 August 2018

2018年伊始，環球經濟維持去年同步增長的態勢，美國利率有序上升，為銀行業創造有利的經營環境。然而，自二季度以來，風險因素日漸浮現，尤其是美國貿易保護主義變本加厲，美債息及美元匯價上揚令新興市場的貨幣匯價受壓，導致其資金外流及金融市場波動。面對充滿變數的外部環境，中信銀行(國際)有限公司(「信銀國際」)暨各附屬公司(統稱「本集團」)發揮其核心競爭優勢，特別是與中信集團及中信銀行股份有限公司(「中信銀行」或「母行」)的緊密協作和聯動，同時持續推進業務轉型，善用金融科技，強化風險管理，在2018年上半年錄得令人滿意的業績表現。

At the start of 2018, last year's trend of global synchronous economic recovery remained intact while US interest rates were on an orderly uptrend, creating a favourable operating environment for the banking industry. Nevertheless, risk factors have begun to surface since the second quarter, notably heightened US protectionism and pressure on emerging markets' currency values from rising US treasury yields and a stronger US dollar, which have resulted in capital flight from developing countries and volatility in financial markets. In the face of an external environment that is fraught with uncertainties, China CITIC Bank International Limited ("CNCBI") and its subsidiaries (together "the Group") capitalized on its core competitive strengths, especially close collaboration with the CITIC Group and China CITIC Bank Corporation Limited ("CNCB" or "parent bank"), continued to press ahead with business transformation, leveraged financial technologies ("FinTech") and strengthened risk management, delivering a satisfactory set of results for the first half of 2018.

經營環境

2018年上半年，環球經濟持續向好。美國經濟維持穩健增長，先後兩次加息各25個基點。歐元區經濟表現穩定，但增長動力略遜於預期，主要由於德國與法國的復蘇步伐有所放緩，意大利因政府更迭出現新的不確定性，而英國則繼續受退歐談判的困擾。中國內地方面，儘管中央政府繼續推進供給側改革及去槓桿措施，首6個月的國內生產總值仍維持6.8%的穩定增速。

然而，外部環境於二季度開始產生變化。美國決定對其貿易夥伴徵收額外的進口關稅，特別針對多項中國產品，觸發各國採取報復行動，為國際貿易的前景增添陰霾。與此同時，美債息及美元雙雙走強，拖累個別新興市場的貨幣大幅貶值，引發資金外流，令金融市場的波動性明顯增加。

Operating Environment

The global economy sustained its upswing in the first half of 2018. Steady growth was recorded in the US, while its benchmark interest rate was lifted twice by 25 basis points each. The Eurozone's economy also remained stable but displayed slightly weaker-than-expected growth momentum. This was primarily attributed to a slower pace of recovery in both Germany and France, while a change of government in Italy gave rise to new uncertainties, and the UK continued to be plagued by Brexit negotiations. For Mainland China, despite the central government's persistent efforts to implement supply-side reforms and deleveraging measures, GDP for the first six months of the year still registered a steady growth of 6.8%.

However, changes in the external environment started to occur in the second quarter. The US decided to impose extra tariffs on imports from its trading partners, targeting specifically at a number of goods made in China. This has triggered retaliatory moves by other countries and cast a shadow on the prospects for international trade. Meanwhile, the double whammy of higher US treasury yields and a stronger USD caused selected emerging markets' currencies to undergo substantial depreciation, sparking capital outflows and rendering financial markets much more volatile.

本港經濟於上半年尚未完全反映正在增加的風險因素，經濟保持蓬勃，內外部需求普遍維持良好的增長。2018年上半年本地生產總值按年上升4.0%，高於2017年全年的3.8%。在此背景下，本港銀行業表現理想。根據香港金融管理局（「金管局」）統計資料顯示，淨利息收入與費用及佣金收入增加，帶動今年一季度香港零售銀行稅前盈利按年上升32.9%。但由於港元與美元息差擴大，導致套息活動增加，金管局需要多次入市干預，捍衛港元聯繫匯率。雖然本港銀行體系流動性保持充裕，但客戶存款增幅開始放緩，截至6月末，總存款餘額比去年末上升1.6%，惟按月下跌0.2%。貸款及墊款餘額則按月上升0.9%，比去年末增加5.3%。

In the first half this year, the build-up of risk factors had yet to be fully reflected in the Hong Kong economy, which remained buoyant with generally good growth in both internal and external demand. The year-on-year growth in GDP at 4.0% for the first half of 2018 was ahead of the 3.8% achieved for the full year of 2017. The banking industry thus posted an encouraging performance against such a backdrop. Statistics of the Hong Kong Monetary Authority ("HKMA") show that net interest income and fee and commission income increased, contributing to a 32.9% year-on-year increase in the first-quarter pre-tax profits of retail banks in Hong Kong. However, widening spreads between Hong Kong dollar interest rates and their US counterparts stimulated arbitrage activities, prompting the HKMA to intervene several times in the market to defend the linked exchange rate. Despite still ample liquidity in the domestic banking sector, the growth in customer deposits has decelerated. As at end-June 2018, total deposits were up 1.6% from end-2017 but down 0.2% month on month. Meanwhile, a monthly increase of 0.9% was recorded for total loans and advances, which were 5.3% higher than the end-2017 level.

財務表現

本集團上半年錄得經營收入43.6億港元，較去年同期上升9.8%。股東應佔溢利16.2億港元，按年穩步增長16.9%。平均資產回報率0.94%，較2017年全年的0.85%上升9個基點。平均股東權益回報率則較去年全年下降1.15個百分點至8.96%，主要由於去年末完成增資擴股令股本基礎擴大。

報告期內，淨利息收入增幅優於預期，按年增加35.1%至33.0億港元，淨息差較去年全年擴大24個基點至1.92%。非利息收入較去年同期下降20.9%，主要由於採用了審慎的貸款策略，令貸款費用及票據佣金收入有所減少，加上港美息差擴大，影響外匯掉期收入。但債務資本市場業務繼續保持出色表現，交易業務也有長足的發展。

本集團審慎管理貸款組合，確保資產質量維持穩健。上半年減值撥備7.7億港元，較去年同期的8.7億港元下降10.8%。

Financial Performance

The Group recorded operating income of HK$4.36 billion for the first half this year, representing a 9.8% increase from the same period last year. Profit attributable to shareholders was HK$1.62 billion, a stable year-on-year growth of 16.9%. Return on average assets at 0.94% was up 9 basis points compared with 0.85% for the full year of 2017, while return on average shareholders' equity was down 1.15 percentage points to 8.96% due to completion of a capital injection exercise towards the end of last year which has enlarged the Group's share capital base.

During the period under review, the growth in net interest income at 35.1% year on year to HK$3.30 billion exceeded expectations, while net interest margin expanded by 24 basis points from last year's full-year level to 1.92%. Non-interest income was down 20.9% from the same period last year, mainly because the adoption of a more prudent loan strategy had lowered loan fees and bills commission income. Besides, income from foreign exchange ("FX") funding swaps was affected by widened differential between Hong Kong dollar and US dollar interest rates. Encouragingly, the Group's debt capital markets ("DCM") business continued to perform well, while promising growth was evident for trading business.

The Group manages its loan portfolio prudently to ensure that healthy asset quality can be maintained. Impairment at HK$773 million for the first half this year was down 10.8% from the HK$867 million made for the corresponding period last year.

為配合業務發展和增長，本集團持續增加對資訊科技及人力資源方面的投入。經營支出按年上升8.8%至16.2億港元，處於預算範圍之內且低於經營收入的增幅。成本收入比為37.1%，較去年全年下降3.2個百分點。

財務狀況

截至2018年6月末，總資產規模保持平穩，達3,492.7億港元，比去年末增加1.4%。客戶貸款（包括貿易票據）餘額1,998.9億港元，較2017年末略有上升。客戶存款（包括已發行存款證）餘額2,739.9億港元，與去年末基本持平。其中零售存款持續穩定增加，佔信銀國際客戶總存款比重持續上升至51.5%，存款基礎更加穩固，結構進一步改善。

報告期內，受益於大額現金清收及核銷，不良貸款餘額顯著下降至6月末的12.5億港元，較2017年末下降49.3%，不良貸款比率由去年末的1.26%顯著下降至0.63%，是自2015年以來的最低水平。與此同時，部分由於實施《香港財務報告準則》第9號需要依據前瞻性預期信貸損失模型計算金融資產減值，撥備覆蓋率由2017年12月31日的61.8%增加至192.8%。

報告期末，本集團的資本充足比率為17.8%，普通股權一級資本比率及核心一級資本比率分別為15.1%和12.7%，符合監管要求。此外，2018年二季度平均流動性覆蓋比率處於213.1%的充裕水平。

業務回顧

公司業務部

上半年公司業務部秉承「積極營銷，謹慎承貸」的策略，業務取得新的突破。在客戶貸款餘額維持不變的情況下，總經營收入按年上升4.1%至25.5億港元，體現公司貸款獲得了更高的效益和利潤。此外，香港地區上半年新開立391個帳戶，帶來48.3億港元存款。上半年良好的業績主要歸功於以下四個方面：

The Group continued to increase investments in IT and human resources in line with its business growth and development. Operating expenses rose by 8.8% to HK$1.62 billion year on year, remaining within budget and below the growth in operating income. Cost to income ratio was 37.1%, 3.2 percentage points lower than the full-year figure for 2017.

Financial Position

As at 30 June 2018, the Group's total assets stayed stable, amounting to HK$349.27 billion, up 1.4% from end-2017. Customer loans including trade bills at HK$199.89 billion were slightly higher than the level as at end-2017. Meanwhile, customer deposits including certificates of deposit issued stood at HK$273.99 billion, similar to six months ago, with sustained growth in retail deposits resulting in a continued rise in their share of the total to 51.5%. The deposit base was thus more solid and the structure more favourable.

During the period under review, benefiting from substantial recovery in cash and write-off, impaired loans balance decreased significantly to HK$1.25 billion as at end-June, down 49.3% from the amount as at end-2017, while impaired loan ratio was reduced noticeably to 0.63% from 1.26% as at end-2017, which was the lowest level since 2015. In the meantime, partly due to the implementation of Hong Kong Financial Reporting Standard 9 ("HKFRS 9") which requires the recognition of impairment on financial assets based on a forward-looking expected credit loss model, non-performing loan coverage ratio increased from 61.8% as at 31 December 2017 to 192.8%.

As at 30 June 2018, the Group's total capital adequacy ratio was 17.8%, while tier 1 capital ratio and common equity tier 1 capital ratio were 15.1% and 12.7% respectively, meeting regulatory requirements. Moreover, average liquidity coverage ratio for the second quarter of 2018 was at a sound level of 213.1%.

Business Review

Wholesale Banking Group ("WBG")

WBG adhered to the strategy of "Active Marketing, Conservative Underwriting" in the first half of 2018 and achieved a breakthrough in its business. Despite a stable customer loans balance, operating income grew by 4.1% to HK$2.55 billion, demonstrating improved efficiency and profitability of the corporate lending business. Besides, during the first six months of the year, Hong Kong headquarters successfully opened 391 new accounts, bringing in deposits of HK$4.83 billion. The good results for the period under review were attributable to the following four factors:

一是謹慎的風險管理。為提高貸款質量，公司業務部繼續執行全面退出高風險貸款的策略，騰出空間集中發放更穩健的貸款，包括有直接抵押的貸款、國有企業貸款及有母行備用信用證的貸款等。同時，提高貸後審查及現場檢查力度，確保貸款的持續穩定。上半年公司業務部策略性退出46億港元亞健康貸款，而新增貸款中有直接抵押的貸款、國有企業貸款及有母行備用信用證的貸款高達131.5億港元，客戶結構及貸款質量進一步優化。

Prudent risk management. In a bid to improve asset quality, WBG continued to adopt the strategy of completely withdrawing from relatively higher-risk loans to make room for more secure loans, including those with direct mortgages, granted to state-owned enterprises and backed by parent bank standby letters of credit ("SBLC"). At the same time, post-lending review and on-site examination have been strengthened to ensure sustained stability of the loans. In the first half of the year, WBG strategically exited HK$4.6 billion of lower-quality loans, while new loans with direct mortgages, granted to state-owned enterprises and backed by parent bank SBLC amounted to HK$13.15 billion, representing another step in achieving a better customer mix and higher asset quality.

二是中信集團及中信銀行的強大支撐。上半年公司業務團隊與中信集團及母行緊密協同，爭取聯手為有跨境需求的客戶提供全方位的服務。報告期內，中信集團及中信銀行與公司業務部的合作客戶數達1,171個，較去年同期多3.0%。聯動收入按年增加14.7%，佔公司業務部總收入的45.8%，同比上升4.2個百分點。

Strong backing by the CITIC Group and CNCB. In the first six months this year, WBG closely collaborated with the CITIC Group and parent bank to jointly provide comprehensive services to customers with cross-border banking demand. During the period under review, the number of collaboration customers reached 1,171, up 3.0% from the corresponding period in 2017. There was a 14.7% year-on-year growth in collaboration revenues, which accounted for 45.8% of WBG's total revenues, up 4.2 percentage points from the same period last year.

三是房地產企業業務的穩健發展。報告期內，公司業務部將發展房地產企業業務作為主攻方向，集中力量拓展北京、上海及大灣區（包括香港、廣州、深圳等）這三大戰略區域的業務機會，特別為有直接房地產抵押的企業提供授信，提高貸款的安全性。在上半年已批的房地產企業貸款中，70%以上為有直接房地產抵押的貸款。

Stable growth in real estate loans. During the period under review, WBG spearheaded a campaign for increasing lending to real estate companies, aiming at exploring business opportunities in the three strategic areas of Beijing, Shanghai and the Greater Bay Area (including Hong Kong, Guangzhou and Shenzhen, etc.). Specifically, credit facilities have been extended to companies able to provide direct mortgages to raise the security for the loans. In the first half of the year, over 70% of facilities approved on real estate were direct mortgage structure.

四是與各海外分行的分工協作。上半年公司業務部調整戰略重點區域，業務開發主要集中於香港總部。海外分行作為公司業務的海外平台，進一步提升其風險管理能力，加強員工培訓及內部監控，並與總部合力為有海外業務需求的客戶服務。

Collaboration with overseas branches. WBG shifted its strategic focus area in the first six months this year, with business development being concentrated in Hong Kong headquarters. As WBG's overseas platform, overseas branches have further increased their risk management capabilities, enhanced staff training and internal controls, as well as joining forces with headquarters to provide services to customers with overseas business needs.

客戶結構決定業務結構，業務結構決定收入結構。下半年，公司業務部將著重調整客戶結構，進一步深化與客戶的關係，推出安全性更高的產品，並持續加強內部監控，確保公司業務的長期穩健發展。

The customer structure decides the business structure, which will decide the revenue structure. In the second half of the year, WBG will make every effort to adjust the customer structure, further deepen its relationships with customers and introduce more secure products. In the meantime, it will continue to tighten internal controls to ensure long-term stable growth of CNCBI's corporate business.

個人及商務銀行部

2018年上半年，個人及商務銀行部業績強勁增長，總經營收入較去年同期增加11.9%，達到12.7億港元的歷史新高。截至2018年6月末，客戶存款達到創紀錄的1,409.8億港元，較2017年末上升7.8%。貸款方面，面對競爭白熱化的按揭貸款市場，個人及商務銀行部聚焦中小企貸款業務和消費金融，零售貸款餘額升至490.2億港元的歷史高位，較2017年末上升6.8%，由此帶動淨利息收入同比增長9.5%。非利息收入亦按年顯著增長17.7%，主要受惠於部門為應對不斷變化的投資市場而向客戶提供適時的產品及服務，以及保險業務方面的良好表現。

經營支出較去年同期增長6.7%至6.58億港元，反映部門對科技、銷售和服務渠道能力提升以及支援分行網路長期可持續發展的投資承諾。資產素質繼續保持健康，2018年上半年的貸款減值撥備為1,860萬港元。稅前溢利達到5.89億港元，同比增長14.8%。

憑藉多元化的產品系列以及強大的銷售和服務渠道，個人及商務銀行部不斷深化現有客戶關係，同時大力拓展新客戶。截至2018年6月末，包括CITIC*first*及私人銀行客戶在內的高端客戶數量超過34,900個，較2017年末增加19.1%。所管理的客戶資產總額增加至約1,443.4億港元，較2017年末上升14.4%。

個人及商務銀行部充分利用金融科技增強自身競爭優勢，為目標客戶提供創新的產品和服務。於3月初正式推出移動銀行平台inMotion動感銀行，成為市場上第一家為香港身份證持有人提供真正遠程開戶服務的銀行，並在由香港金融管理局和深圳市人民政府金融發展辦公室合辦的「深港金融科技創新獎」中榮獲「金融創新獎（深港組）二等獎」，彰顯信銀國際在金融科技發展領域的領先地位和持續突破。

下半年，隨著最新財富管理平台的成功上線，個人及商務銀行部有信心不斷壯大客戶群。此外，個人及商務銀行部將繼續不遺餘力地投資電子銀行服務功能。

Personal and Business Banking Group ("PBG")

PBG achieved strong record-breaking results for the first half of 2018. Operating income set a new half-year record of HK$1.27 billion, representing an increase of 11.9% year on year. As at 30 June 2018, customer deposits reached a new high of HK$140.98 billion, up 7.8% versus end-2017. On the asset side, in the midst of an extremely competitive mortgage market, PBG proactively targeted small and medium-sized enterprises ("SME") loan business and consumer finance business. As a result, total retail lending balance rose to a record high of HK$49.02 billion, up 6.8% compared to end-2017, underpinning a 9.5% year-on-year growth in net interest income. Non-interest income also grew impressively by 17.7%, primarily driven by PBG's ability to respond quickly to changing market conditions to provide timely investment products and services, and encouraging results related to the provision of insurance solutions to customers.

Operating expenses increased by 6.7% from the same period last year to HK$658 million, reflecting PBG's commitment to invest in technology, an increase in its sales and service channel capabilities and its support to the branch network for long-term sustainable growth. Asset quality remained healthy, with credit cost of HK$18.6 million for the first half of 2018. As a result, profit before taxation reached HK$589 million, representing a 14.8% increase year on year.

Capitalizing on a more diversified product range and stronger sales and service channel capabilities, PBG has continued to deepen its relationships with existing customers while actively acquiring new customers. As at end-June 2018, the total number of high net worth customers including CITIC*first* and private banking customers exceeded 34,900, 19.1% higher than as at the end of last year. Total assets under management for high net worth customers increased to about HK$144.34 billion, representing a 14.4% growth from end-2017.

PBG embraces FinTech to enhance its competitive advantages, providing innovative products and services to its target customers. In early March, CNCBI officially launched the inMotion mobile application. It was the first bank in the market to offer truly remote account opening service for Hong Kong identity card holders. CNCBI has been awarded a Second Prize in the Shenzhen-Hong Kong Fintech Award jointly organized by the HKMA and the Shenzhen Office of Financial Development Service ("OFDS") in recognition of its leading position and continuous breakthrough in the applications of FinTech.

For the second half of the year, with the launch of a new wealth management system, PBG is confident that it can continue to expand its customer base. Moreover, it will further step up its investments in e-business capabilities.

財資及環球市場部

財資及環球市場部在2018年上半年維持穩健發展，環球市場業務經營收入錄得3.72億港元。債務資本市場團隊以及市場營銷團隊在轉介企業發行人、出售債券給企業投資者和跟進財資業務潛在商機上緊密配合，成效顯著。企業營銷團隊在不同資金產品上（包括外匯和利率產品）創造良好流量，而機構營銷團隊在二級債券市場的交易量同比顯著增加，向金融機構客戶銷售外匯產品的收入也比去年大幅增加，表明團隊在建立金融機構客戶群方面的努力正取得成果，處理客戶需求的能力也顯著提高。

人民幣交易團隊在上半年表現突出，在實現龐大交易量的同時維持日均交易量處於高位水平。湯森路透更授予信銀國際「最佳電子外匯交易行（中資）」和「最佳外匯資料提供行」獎項，用以表彰信銀國際在這些領域的努力和貢獻。

延續2017年的強勁發展勢頭，債務資本市場業務在2018年上半年取得了令人滿意的成果，相關業務期內已入賬的費用收入為1.56億港元。報告期內，該團隊共為31家中資企業發行了58筆債券，發行金額共計約264.1億美元，其中信銀國際作為全球協調人的交易達30筆。截至2018年6月30日，按彭博中國離岸債券承銷量計算，信銀國際市場排名第9位，位居在港中資金融機構第4位。

資金營運中心在今年上半年的表現亦可圈可點。配合美元及港幣的加息週期，資金營運中心合理管理流動性期限錯配，投放收益快速增加，而內部資金池損失逐步減少，整體財務表現強勁。與此同時，適時調整內部轉移定價，保證全行審慎的流動性管理及理想的存貸比；積極管理外匯掉期，大大減少港息急速上升過程中的公允價值波動及損失。此外，團隊積極參與債券通的業務，高位時頭寸餘額達到約30億人民幣。

Treasury and Markets Group ("TMG")

TMG continued to enjoy sustained development in the first six months of 2018, with Global Markets recording an operating income of HK$372 million. The DCM team and marketing teams worked closely together on corporate issuer referrals, selling bonds to corporate investors and following up on potential treasury business opportunities, which has produced remarkable results. The corporate marketing team saw good flows in various treasury products (including FX and interest rate products). Meanwhile, the financial institutions ("FI") marketing team brought about a marked increase in the volume of secondary market bond trading by FI clients, and the revenue from selling FX products to them also rose significantly year on year, showing that the team's effort in building up a portfolio of FI clients has been bearing fruit, and its capability for dealing with clients' demand has also increased greatly.

The performance of the Renminbi ("RMB") trading team in the first half of the year was outstanding as well. While building up a substantial trading volume, the average daily volume was consistently maintained at a high level. Thomson Reuters has thus awarded CNCBI "Best e-FX Execution Chinese Bank" and "Best FX Data Contribution Bank" in recognition of its effort and contribution in the two areas respectively.

For the DCM business, building on the momentum last year, its results in the first six months of 2018 remained satisfactory, with fee income of HK$156 million recognized in the period. The DCM team has completed 58 deals for 31 Chinese issuers with total issuance size amounting to US$26.41 billion. There were 30 transactions where CNCBI acted as global coordinator. As at 30 June 2018, according to Bloomberg Offshore China Bonds issuance volume, CNCBI ranked ninth among all managers and fourth among Chinese financial institutions in Hong Kong.

The Central Treasury Unit ("CTU") also performed well in the first half this year. To keep pace with the interest rate cycles of the US dollar and Hong Kong dollar, the CTU carefully managed the mismatch in the Group's liquidity positions and achieved higher returns on deployment. Coupled with lower losses on the internal funding pool, this resulted in strong financial performance during the period under review. Meanwhile, the team adjusted internal fund transfer pricing in a timely manner, ensuring that the Group could maintain prudent liquidity management and a sound loans to deposits ratio. In addition, proactive management of FX funding swaps helped reduce mark-to-market volatility and losses due to a sharp surge in Hong Kong dollar interest rates. The team also actively participated in onshore Bond Connect business, with outstanding position once hitting a high of approximately RMB3.0 billion.

風險管理及內部監控

2018年上半年，本集團繼續加強風險管理及內部監控，特別關注信用風險和合規（尤其是反洗錢）風險管理。本集團致力於維持嚴格的信貸政策，執行深入的信貸評估，強化貸後監控以及積極地進行貸款組合審查及壓力測試。此外，本集團持續提升反洗錢監控水平，強化交易監測系統及名單篩選系統，確保本地及海外業務符合香港及其它有關地區監管機構的合規要求，特別是相關制裁條例和法規。

本集團歷來強調加強風險管理架構、風險管理工具以及風險管理能力的重要性，其中包括致力於強化(i)風險文化，(ii)欺詐風險管理能力，(iii)市場及流動性模型，(iv)全行壓力測試項目，(v)信用評分卡和評級模型及(vi)減值模型和框架建設。自從實施《香港財務報告準則》第9號以來，本集團致力於持續優化管治、模型框架及減值計算程序。風險偏好陳述書及風險偏好框架在定量及定性兩個方面進行分析，使本集團可從多方面評估及監控風險組合，包括信用風險、市場風險、利率風險、流動性風險、合規風險、操作風險（包括法律風險）、聲譽風險及戰略風險等。

展望

展望2018年下半年，環球經濟前景將繼續受美國的政策左右。一方面通脹壓力重現，有可能促使聯邦儲備局加快加息的步伐，令金融市場加劇波動。另一方面，假如美國與其它國家的貿易摩擦升溫，尤其是中美貿易爭端愈演愈烈的話，勢必影響消費信心及投資氣氛，甚至扭轉過去一年多以來各個主要經濟體同步增長的勢頭。此外，中國內地的經濟面臨下行壓力，債務違約事件頻發，信用環境風險有上升跡象，情況令人關注。

Risk Management and Internal Controls

During the first half of 2018, the Group continued to reinforce its risk management and internal controls, with a particular focus on credit risk and compliance risk (especially anti-money laundering) management. The Group is committed to upholding stringent credit policies, conducting intensive in-depth credit assessments and strengthening post-lending monitoring, as well as proactively performing portfolio reviews and stress testing. Moreover, the Group continued to implement more robust anti-money laundering controls by enhancing the transaction monitoring system and name screening system, ensuring that its domestic and overseas businesses can satisfy the compliance requirements of the regulators in Hong Kong as well as other relevant jurisdictions, especially in respect of applicable sanctions compliance and legal requirements.

The Group has always emphasized the importance of fortifying its risk management structure, tools and capabilities. This encompasses initiatives which focus on strengthening (i) risk culture, (ii), fraud risk management capabilities, (iii) market and liquidity modelling, (iv) bank-wide stress testing programmes, (v) credit scorecards and rating models, and (vi) impairment models and framework development. Since the implementation of HKFRS 9, the Group has endeavoured to continue to strengthen its governance, model framework and impairment computation process. The Risk Appetite Statement ("RAS") and Risk Appetite Framework ("RAF"), expressed in both qualitative and quantitative terms, enable the measurement and monitoring of the Group's risk profile under various dimensions, comprising credit, market, interest rate, liquidity, compliance, operational (including legal), reputation and strategic risks, etc.

Outlook

Looking ahead into the second half of 2018, the prospects for the global economy will continue to hinge on US policies. While resurgent inflation pressures may precipitate faster rate hikes by the Federal Reserve, causing wilder fluctuations in financial markets, should the US escalate its trade friction with other countries, particularly with worsening Sino-US trade disputes, it is set to take its toll on consumer confidence and investment sentiment or may even reverse the trend of concurrent expansion of major economies that has lasted for more than a year. Moreover, China's economy is facing pressure of slower growth and with a series of debt default cases, the credit environment is exhibiting signs of higher risk and giving cause for concern.

為應對複雜而多變的外部環境，本集團將致力確保資產負債表有合理的結構及穩健的增長，推動可持續的發展。業務方面，一是重點發展私人銀行財富管理業務，通過inMotion動感銀行所構建的嶄新電子銷售服務平台，提升服務品質和客戶體驗；二是繼續大力推進債務資本市場業務和資金交易業務，滿足客戶對沖利率和匯率風險的需求，並計劃推出新的財資產品及服務，例如資產管理業務。與此同時，本集團將不斷強化風險管理，著力調整客戶結構，尤其加強對信用、市場、流動性、合規和操作等風險的管理。

To tackle a complex and fluid external environment, the Group will strive to ensure that it can maintain a healthy balance sheet structure with stable expansion to drive sustainable growth. As to business, one of the emphases is to develop private banking wealth management business, making use of the new electronic sales and services platform of inMotion mobile banking to enhance service quality and customer experience. In addition, sustained effort will be devoted to expanding the DCM and other treasury businesses to satisfy customers' demand for hedging against interest rate and currency risks. There are also plans to launch new products and services, such as asset management business. At the same time, the Group will keep strengthening risk management and adjusting the customer mix, especially enhancing the management of credit, market, liquidity, compliance and operational risks.

儘管經營環境波濤洶湧，本集團將以穩健的風險管理作舟，以計劃周詳的業務轉型作槳，同舟共濟，再接再厲，務求為股東、客戶和員工創造價值，實現長期可持續的健康發展。

In spite of strong headwinds in the operating environment, the Group will batten down the hatches by robust risk management and steer ahead with well-planned business transformation, with all hands on deck and unflinching commitment, ensuring that values are created for shareholders, customers and staff, and sustainable healthy growth can be achieved in the years ahead.

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