

董事報告

Directors' Report

本公司的董事局欣然提呈其報告及本公司(就本報告而言，連同其附屬公司及附屬企業，統稱「本集團」)截至二零一六年十二月三十一日止年度經審核的綜合財務報表(「財務報表」)。

主要業務

截至二零一六年十二月三十一日止年度內，本集團的主要業務包括：

- (一) 從有關批授人、發行人、擁有人或賣方，購買以位於香港的物業或其他抵押品作抵押的按揭或貸款組合，收購任何類別的債權證、應收款項、金融資產及據法權產；
- (二) 透過購買或其他方式，從政府部門和機構及相關組織、法定團體以及公營機構收購任何資產，並持有、出售、轉讓、處置及處理任何該等所收購的資產；
- (三) 向投資者發行債券；
- (四) 為參與的「認可機構」(根據《銀行業條例》的定義)所批出以住宅物業作抵押的按揭貸款，及以住宅物業和其他資產(如適用)作抵押的安老按揭貸款與補地價貸款，提供按揭保險；
- (五) 經營一個平台，讓政府為參與的認可機構借予本地非上市企業包括中、小型企業(「中小企」)的貸款提供財務擔保；及
- (六) 經營一個中央小型貸款平台以支援小型貸款。

本集團其他成員截至二零一六年十二月三十一日止年度內的企業資料和主要業務，均載於財務報表附註21。

The Directors of the Company (**Directors**) have pleasure in presenting their report together with the audited consolidated financial statements of the Company (for the purpose of this report, together with its subsidiaries and subsidiary undertakings, **Group**) for the year ended 31 December 2016 (**Financial Statements**).

Principal Activities

The principal activities of the Group in the course of the year ended 31 December 2016 were:

- (a) to purchase portfolios of mortgages or loans secured on properties or other collateral situated in Hong Kong and to acquire debentures, receivables, financial assets and choses in action of all kinds from their originators, issuers, owners or vendors;
- (b) to acquire, by purchase or otherwise, any assets from government bodies and agencies and related organisations, statutory bodies and public bodies and to hold, sell, transfer, dispose of and deal in any such assets so acquired;
- (c) to issue debt securities to investors;
- (d) to provide mortgage insurance cover to participating authorized institutions (**AIs**) (as defined in the Banking Ordinance) in respect of mortgage loans originated by such AIs and secured on residential properties, as well as reverse mortgage loans and loans for premium settlement originated by such AIs and secured on residential properties and, if applicable, other assets;
- (e) to operate a platform for the Government to provide financial guarantee cover to participating AIs in respect of loans advanced to local non-listed enterprises, including small and medium enterprises (**SMES**); and
- (f) to operate a centralised microfinance platform to support microfinance loans.

The corporate information and principal activities of the other members of the Group in the course of the year ended 31 December 2016 are set out in Note 21 to the Financial Statements.

業務審視

1. 業務板塊

為完成其核心使命和社會目標，本集團年內以審慎商業原則運作，主要通過經營及擴展下列項目和計劃，從事按揭保險、參與借貸及購買貸款的業務活動。

按揭保險計劃

推出按揭保險計劃，容許自置居所人士取得較高按揭成數，從而減輕其支付首期的負擔，目的是促進香港有更多自置居所。在該計劃下，本集團扮演保險公司的角色，為參與的認可機構批出的按揭貸款，當中超出香港金融管理局規定的貸款上限部分，提供按揭保險保障，並收取保費。自一九九九年三月推出以來，該計劃的公眾認受性越來越高。二零一六年，該計劃的需求回升，該計劃所批核的新提取按揭貸款總額為246億港元。

安老按揭計劃

推出安老按揭計劃，旨在給予長者多一項財務安排的選擇，藉此提升其生活素質。透過安老按揭，長者可以利用自住物業作為抵押品，從參與的認可機構換取一筆過款項及／或於一段付款期內每月連續收取款項。在該計劃下，本集團擔當保險公司的角色，為參與的認可機構所批出的安老按揭貸款，提供按揭保險保障，並收取保費。

年內，本集團將該計劃擴展至香港房屋委員會（「房委會」）轄下的居者有其屋計劃、私人機構參建居屋計劃、租者置其屋計劃及綠表置居先導計劃及香港房屋協會（「房協」）轄下的住宅發售計劃、夾心階層住屋計劃和資助出售房屋項目中未補地價的資助出售房屋。與房委會及房協的政策看齊，資助出售房屋的業主須年滿60歲或以上才符合此優化措施的申請資格。除此之外，此優化措施的所有主要申請資格條件及計劃特點，與適用於私人住宅物業的相同。

Business Review

1. Business Segments

In the pursuit of its core missions and social objectives, during the year, the Group operated on prudent commercial principles and engaged in business activities of mortgage insurance, loan participation and loan acquisition, mainly through the operation and extension of the programmes and schemes below.

Mortgage Insurance Programme (MIP)

MIP is launched with the aim of promoting home ownership in Hong Kong by enabling high loan-to-value financing for homebuyers to reduce their down payment burden. Under the MIP, the Group acts as insurer to provide mortgage insurance cover for a premium on mortgage loans advanced by participating AIs in excess of the lending limits imposed by the Hong Kong Monetary Authority. Since the inception in March 1999, the MIP has gained increasing public receptiveness. In 2016, demand for the MIP rebounded and the total amount of mortgage loans drawn down under the MIP was HK\$24.6 billion.

Reverse Mortgage Programme (RMP)

RMP is launched with the aim of providing elderly people with an additional financial planning option to enhance their quality of life. Through reverse mortgage, elderly people could use their self-use residential properties as collateral in return for lump-sum payouts and/or a stream of monthly payouts from participating AIs over a payment term. Under the RMP, the Group acts as insurer to provide mortgage insurance cover for a premium on reverse mortgage loans advanced by participating AIs.

During the year, the Group extended the RMP to cover subsidised sale flats with unpaid land premium under the Home Ownership Scheme, the Private Sector Participation Scheme, the Tenants Purchase Scheme and the Green Form Subsidised Home Ownership Pilot Scheme of the Hong Kong Housing Authority (HA), as well as the Flat-for-Sale Scheme, the Sandwich Class Housing Scheme and the Subsidised Sale Flats Projects of the Hong Kong Housing Society (HS). All the major eligibility criteria and programme features under this enhancement are the same as those applicable to private residential properties, except that owners of subsidised sales flats should be aged 60 or above in order to be eligible for this enhancement in line with the policies of the HA and the HS.

補價易貸款保險計劃

推出補價易貸款保險計劃，旨在協助資助房屋業主補地價，藉此促進資助房屋租售市場的發展。物業補地價後，其轉讓限制得以解除，業主則可以在公開市場出售或出租其單位。在該計劃下，本集團擔當保險公司的角色，為參與的認可機構所批出主要用於補地價的一筆過貸款，提供按揭保險保障，並收取保費。該計劃現時覆蓋房委會轄下的居者有其屋計劃、私人機構參建居屋計劃和租者置其屋計劃及房協轄下的住宅發售計劃和夾心階層住屋計劃中的資助房屋。

小型貸款計劃

推出小型貸款計劃，旨在以可負擔的息率提供貸款及給予輔助支援服務予有意創業、自僱或希望通過培訓、技能提升或考取專業資格自我增值的合資格人士。除非獲政府繼續委託及經董事局批准延續，該計劃將於二零一八年六月期滿，其現有總貸款金額上限為2億港元。

中小企融資擔保計劃

中小企融資擔保計劃是一個由市場主導的貸款擔保平台，為參與的認可機構所批出的貸款，提供五至七成擔保，旨在協助本地企業（包括中小企），應付營運所需的資金及購置設備和資產的融資需要，以支持其業務營運。

此外，政府委託了本集團管理為參與的認可機構所批出的貸款提供八成信貸擔保的政府計劃（「八成信貸擔保產品」）。以政府所提供總額高達1,000億港元的信貸擔保作後盾，本集團按審慎商業原則管理八成信貸擔保產品，並負責相關開支。因應二零一六至一七年度財政預算案，八成信貸擔保產品獲再度延續至二零一七年二月底，以繼續協助本地企業取得融資。

Premium Loan Insurance Scheme (PLIS)

PLIS is launched with the aim of facilitating owners of subsidised housing properties to settle the land premium, thus promoting the for-rent/sale market of subsidised housing. After settling the land premium, the alienation restriction is removed and the owners may sell or let their flats in the open market. Under the PLIS, the Group acts as insurer to provide mortgage insurance cover for a premium on lump-sum loans advanced by participating AIs primarily for land premium settlement. PLIS currently covers subsidised housing properties under the Home Ownership Scheme, the Private Sector Participation Scheme and the Tenants Purchase Scheme of the HA, as well as the Flat-for-Sale Scheme and the Sandwich Class Housing Scheme of the HS.

Microfinance Scheme (MFS)

MFS is launched with the aim of offering loans at affordable rates and ancillary supporting services to eligible persons who wish to start their own businesses, become self-employed or achieve self-enhancement through training, upgrading of skills or obtaining professional certification. Subject to any extension as may be commissioned by the Government and approved by the Board of Directors, the MFS will expire in June 2018 and its current lending cap is HK\$200 million.

SME Financing Guarantee Scheme (SFGS)

SFGS is a market-based loan guarantee platform providing 50% to 70% guarantee on loans advanced by participating AIs for assisting local enterprises (including SMEs) to meet their funding needs for working capital or acquisition of equipment and assets in support of their business operations.

In addition, the Government has commissioned the Group to administer the Government's scheme of providing guarantee for 80% of loan amount advanced by participating AIs (**80% SFGS**). Backed by the Government's total guarantee commitment of up to HK\$100 billion, the Group administers the 80% SFGS on prudent commercial principles at its own cost. To continue supporting local enterprises to obtain financing, the 80% SFGS was further extended to end-February 2017 in response to the 2016-17 Budget.

本集團於二零一六年下半年聯同參與該計劃的認可機構、中小企協會及工商總會進行業務溝通活動推廣八成信貸擔保產品。本公司收到了許多寶貴意見，並為銀行進一步精簡了申索程序。該活動成功有效地加快了索償的盡職審查進度。

購買按揭貸款計劃

本集團的核心使命之一，是透過提供可靠的流動資金來源，加強香港銀行業的穩定性。為完成此使命，本集團一直做好準備，以便隨時於核准賣方有需要減持資產套現時，從核准賣方買入按揭貸款和其他資產。然而，市場資金充裕，銀行年內出售資產套現的意欲偏低。

2. 市場環境

二零一六年，在政治形勢不斷變化及經濟氣候不穩的情況下，環球經濟增長跌至自全球金融危機後最緩慢的步伐。美國國內經濟增長良好支持利率逐漸攀升。而為了防範通縮風險，歐元區則延續量化寬鬆政策，日本亦推出強化寬鬆的新貨幣政策框架，主要經濟體之間的貨幣政策分歧隨之而加劇並延伸至二零一六年。隨著英國脫歐公投及美國總統選舉結果出乎意料之外，環球市場波幅亦進一步增加。

在區內，中國增長一直在調節中，在下半年受惠基建及投資活動的加速發展呈穩定跡象。香港的經濟因內外需求改善，錄得溫和增長。在低息環境下，香港住宅物業市場至政府於十一月宣布進一步穩定樓市措施前大體上持續過熱。

In the second half of 2016, the Group rolled out a business communication campaign with participating AIs, SME associations and commerce and industry chambers for promoting the 80% SFGS. The Group received many valuable feedbacks and further streamlined the claim procedures for banks. The campaign proved to be effective and successful in expediting due diligence review on claims.

Mortgage Purchase Programme (MPP)

One of the core missions of the Group is to enhance the stability of the banking sector in Hong Kong by offering a reliable source of liquidity. To achieve this mission, the Group stands ready to purchase mortgage loans and other assets from approved sellers as and when they have the need to offload. Nevertheless, with ample liquidity in the market, there was low incentive for AIs to offload their assets during the year.

2. Market Environment

In 2016, global economic growth fell to its slowest pace since the global financial crisis under changing political landscape and unsteady economic climate. Monetary policy divergence in major economies intensified and continued into 2016 as the US interest rate hike proceeded gradually on the back of a good domestic growth while quantitative easing programmes in the euro area were extended and a new monetary policy framework for additional easing was introduced in Japan to fend off deflation risk. Global market volatility was heightened in the wake of the surprising outcomes of the Brexit referendum and the US presidential election.

In the region, growth in China had been moderating with signs of stabilisation in the second half of the year on accelerated infrastructure and investment activities whereas Hong Kong economy saw modest growth on improved domestic and external demands. In a low interest rate environment, residential property market in Hong Kong in general stayed overheated until the Government's announcement of a further cooling measure in November.

3. 財務表現

儘管二零一六年全球經濟環境不穩及波動，但基於本集團業務的週期性，本集團取得穩健的財務業績。股東應佔溢利為6.04億港元(二零一五年：7.25億港元)，股東資金回報率為6.8%(二零一五年：8.1%)。盈利下降主要是由於貸款組合減少及按揭保險保費收入下跌，惟部分影響受出售投資所得收益及股息收入上升所抵銷。本集團的財務表現綜合如下：

		2016 二零一六年	2015 二零一五年
股東應佔溢利(百萬港元)	Profit attributable to shareholders (HK\$ million)	604	725
股東資金回報率 ¹	Return on shareholders' equity ¹	6.8%	8.1%
成本對收入比率 ²	Cost-to-income ratio ²	30.8%	25.7%
資本充足率 ³	Capital adequacy ratio ³	21.3%	21.9%

本集團二零一六年的收益表主要項目摘要如下：

- (一) 由於貸款組合減少，導致全年淨利息收入減少9,900萬港元至4.91億港元；
- (二) 按揭保險淨保費收入為1.9億港元(二零一五年：2.89億港元)；
- (三) 其他收入為2.13億港元(二零一五年：1.43億港元)，主要包括出售投資所得收益淨額1.6億港元(二零一五年：1.22億港元)、股息收入8,300萬港元(二零一五年：7,300萬港元)及外幣匯兌虧損2,100萬港元(二零一五年：3,900萬港元)；及
- (四) 經營支出上升3.7%至2.77億港元，較預算少1,900萬港元。

¹ 股東資金回報率的計算方法，為股東應佔溢利除以權益持有人應佔股本及儲備的十二個月的月底平均結餘額。

² 成本對收入比率的計算方法，為經營支出除以經營收入、申索(產生)/回撥淨額和佣金支出淨額的總和。

³ 資本充足率的計算方法，為資本基礎對信貸風險、市場風險和營運風險的加權風險總和的比率。

3. Financial Performance

Taking into account the cyclical nature of its business, the Group achieved solid financial results amid unsteady and volatile global economic conditions in 2016. Profit attributable to shareholders was HK\$604 million (2015: HK\$725 million) and the return on shareholders' equity was 6.8% (2015: 8.1%). The reduction in profitability was mainly due to rundown in loan portfolio and decrease in mortgage insurance premium income, partly offset by increase in disposal gain and dividend income from investments. A summary of the Group's financial performance is set out below.

Key items in the Group's income statements for 2016 are highlighted as follows:

- (a) net interest income for the year decreased by HK\$99 million to HK\$491 million, mainly due to rundown in loan portfolio;
- (b) net mortgage insurance premiums earned were HK\$190 million (2015: HK\$289 million);
- (c) other income was HK\$213 million (2015: HK\$143 million), mainly including net gain on disposal of investments of HK\$160 million (2015: HK\$122 million), dividend income of HK\$83 million (2015: HK\$73 million) and foreign exchange loss of HK\$21 million (2015: HK\$39 million); and
- (d) operating expenses rose by 3.7% to HK\$277 million which was HK\$19 million less than that budgeted.

¹ Return on shareholders' equity is calculated by dividing profit attributable to shareholders with the average of twelve month-end balances of capital and reserves attributable to equity holders.

² Cost-to-income ratio is calculated by dividing operating expenses with the sum of operating income, net claims (incurred) / written back and net commission expenses.

³ Capital adequacy ratio is calculated as the ratio of the capital base to the sum of the risk-weighted amount for credit risk, market risk and operational risk exposures.

4. 財務狀況

於二零一六年十二月三十一日，本集團的資產總值合共514億港元。本集團財務狀況的主要變動如下：

- (一) 現金及短期資金增加28億港元至238億港元，主要是由於貸款組合減少；
- (二) 貸款組合下降20億港元至95億港元；
- (三) 投資組合保持於169億港元，其中包括70億港元的可供出售投資及99億港元的持有至到期投資；
- (四) 未贖回債券總額較一年前增加7億港元至342億港元；
- (五) 權益持有人應佔股本及儲備輕微減少3億港元至88億港元，主要反映就二零一五年業績派發股息7.25億港元，惟部分影響受年內保留溢利增加5億港元所抵銷；及
- (六) 資產負債表外的主要風險，為按揭保險計劃和安老按揭計劃所承擔的風險。本集團就按揭保險計劃在轉移風險給核准再保險公司後所承擔的剩餘風險，以及就安老按揭計劃所承擔的風險，分別為141億港元(二零一五年：113億港元)及43億港元(二零一五年：29億港元)。

5. 資本管理

為確保本集團在擴展其業務及資產負債表時，不會對其資本基礎產生過度風險，本集團年內嚴密監控資本充足程度及資金運用。截至二零一六年十二月三十一日止年度，本集團符合了財政司司長參照巴塞爾協定II以風險為本的資本充足框架下所發出的資本充足率指引。

於二零一六年十二月三十一日，本集團的資本充足率為21.3%，遠高於資本充足率指引所要求的8%最低資本充足率。

4. Financial Position

As at 31 December 2016, total assets of the Group amounted to HK\$51.4 billion. Key changes in the Group's financial position are as follows:

- (a) cash and short-term funds increased by HK\$2.8 billion to HK\$23.8 billion, mainly due to rundown in loan portfolio;
- (b) loan portfolio recorded a rundown of HK\$2 billion to HK\$9.5 billion;
- (c) investment portfolio maintained at HK\$16.9 billion which included available-for-sale investments of HK\$7 billion and held-to-maturity investments of HK\$9.9 billion;
- (d) outstanding balance of debt securities issued increased by HK\$0.7 billion to HK\$34.2 billion from a year earlier;
- (e) capital and reserves attributable to equity holders decreased slightly by HK\$0.3 billion to HK\$8.8 billion, mainly reflecting the payment of dividends of HK\$725 million related to 2015 financial results, partly offset by an increase of HK\$0.5 billion in retained earnings for the year; and
- (f) major off-balance sheet exposures were risk-in-force of the MIP and the RMP. The exposures borne by the Group for the MIP after ceding to the approved reinsurers and for the RMP were HK\$14.1 billion (2015: HK\$11.3 billion) and HK\$4.3 billion (2015: HK\$2.9 billion) respectively.

5. Capital Management

In order to ensure that the Group would not incur excess risk when expanding its business and balance sheet in relation to its own capital base, capital adequacy and use of capital were monitored closely by the Group during the year. The Group was in compliance with the Guidelines on Capital Adequacy Ratio (**CAR**) issued by the Financial Secretary with reference to Basel II risk-based capital adequacy framework during the year ended 31 December 2016.

As at 31 December 2016, the CAR of the Group stood at 21.3%, well above the minimum ratio of 8% stipulated in the Guidelines on CAR.

6. 本集團面對的主要風險及不明朗因素

本集團所面對的風險，為透過購買按揭貸款、按揭保險、商業貸款擔保、零售貸款融資與資本投資所得的貸款和投資組合產生的信貸風險。本集團亦於安老按揭及相關業務中面對利率、樓價及長壽風險。本集團因促進業務營運亦面對市場風險，主要是按揭貸款息差風險所產生的利率風險及資產負債期滿錯配風險。

截至二零一六年十二月三十一日止年度內，所面對的風險與財務風險管理載列於財務報表附註3。

7. 本集團的環境政策與表現

年內，本集團繼續支持及實施種種環保措施，務求締造一個更環保的辦公室，並且在減少廢棄與珍惜能源方面加強員工意識。

8. 本集團對其業務有重要影響的相關法律與法規的合規情況

《保險公司條例》

年內，本集團為從事其保險按揭與貸款擔保業務所需，一直保持《保險公司條例》下可經營四項一般保險業務類別的獲授權保險人身份。

《放債人條例》

年內，本集團按營運安老按揭計劃、補價易貸款保險計劃及小型貸款計劃所需，一直保持《放債人條例》相關條文的豁免。

6. Principal Risks and Uncertainties facing the Group

The Group is exposed to the credit risk of its loan and investment portfolios through mortgage purchase, mortgage insurance, commercial loan guarantee, funding of retail loans and capital investment. The Group is also exposed to interest rate, property price and longevity risks under the reverse mortgage and related business. The Group assumes market risk, mainly the interest rate risk arising from the basis risk of mortgage loans and the asset-liability maturity mismatch risk, for facilitating the business operation.

The risk exposures and the financial risk management during the year ended 31 December 2016 are set out in Note 3 to the Financial Statements.

7. The Group's Environmental Policies and Performance

During the year, the Group continued to support and implement various green measures to create a more environmentally friendly office and to raise employee's awareness of methods of waste reduction and energy conservation.

8. The Group's Compliance with Relevant Laws and Regulations that have a Significant Impact on the Group

Insurance Companies Ordinance

During the year, the Group maintained the status of authorized insurer to operate four classes of general insurance business under the Insurance Companies Ordinance as required for carrying on its mortgage insurance and loan guarantee businesses.

Money Lenders Ordinance

During the year, the Group maintained exemptions from the relevant provisions of the Money Lenders Ordinance as required for the operation of the RMP, the PLIS and the MFS.

9. 二零一六年終結後發生的、對本集團有影響的重要事件詳情

財政司司長於二零一七至一八年度財政預算案中，公佈延續八成信貸擔保產品的申請期至二零一八年二月底，以及本集團已就公共年金計劃展開設計和可行性研究，探討能否推出終身年金計劃協助長者將其資產轉變為每月穩定的退休收入。此外，本集團會向專業顧問尋求技術協助，為發展基建融資及證券化業務，進行高層次的可行性研究並提供意見。儘管延續八成信貸擔保產品及發展任何新業務計劃或會增加本集團的相關營運成本，本集團將繼續全力支持政府，管理營運八成信貸擔保產品，及繼續探討發展新的業務計劃，以達成本集團的核心使命和社會目標。

10. 本集團業務相當可能有的未來發展的揭示

本集團將繼續探索優化現行計劃與項目的機會及任何新業務計劃，務求滿足香港社會的需求，完成其核心使命與社會目標。此外，本集團將繼續維持其審慎的預先籌措資金策略，隨時準備為有需要的本地銀行業界提供流動資金。

11. 本集團與其僱員及對本集團有重要影響且本集團賴以成功的交易對手的重要關係

僱員

年內，本集團一直為僱員提供具競爭力之薪酬福利、事業前景、發展機會以及健康安全的工作環境。儘管本集團的營運範圍擴大且所提供的產品漸趨繁複，但透過系統自動化和流程改革，本集團堅守着精簡、有效率的人力運用。

9. Particulars of Important Events affecting the Group that have occurred since end 2016

The Financial Secretary announced in the 2017-18 Budget that the application period of the 80% SFGS would further extend to end-February 2018, and that the Group had commenced the design and feasibility study of a public annuity scheme to explore whether there could be life annuity plans to help the elderly turn their assets into stable monthly retirement income. In addition, the Group will seek technical assistance from an external consultant to conduct a high-level feasibility study and to advise on the business viability for the Group to pursue in the area of infrastructure financing and securitisation. Notwithstanding the extension of the 80% SFGS and the likely development of any new business initiative may increase the related operating costs of the Group, the Group will continue to render full support to the Government in administering the 80% SFGS and to explore any new business initiative in the pursuit of its core missions and social objectives.

10. Indication of Likely Future Developments in the Group's Business

The Group will continue to explore enhancement opportunities for current programmes and schemes and the feasibility of any new business initiatives to cater for the needs of the Hong Kong community with a view to attaining its core missions and social objectives. In addition, the Group will continue to maintain its prudent pre-funding strategy to stand ready to provide liquidity to the local banking sector when needed.

11. The Group's Key Relationships with Its Employees and Counterparties that have a Significant Impact on the Group and on which the Group's Success Depends

Employees

During the year, the Group continued to provide employees with competitive remuneration packages and fringe benefits, a promising career path and development opportunities, and a healthy and safe working environment. Through system automation and process re-engineering, the Group maintained a lean and efficient workforce, despite an increase in the scope of operations and the complexity of the products it offered.

本集團重視員工職訓，為不斷提升員工的專業知識與技能而投放了大量資源。所有新入職員工均獲提供導引課程，協助其掌握本集團的組織架構、使命、功能與政策等基礎知識。

截至二零一六年十二月三十一日，本集團的固定僱員編制為202人(二零一五年：201人)，員工流失率為4.96%(二零一五年：10.17%)。

交易對手

截至二零一六年十二月三十一日，就其貸款與保險組合，本集團在購買按揭貸款計劃下，共有34間核准賣方與32間核准管理供款機構；在按揭保險計劃下，共有7間核准再保險公司；在小型貸款計劃下，共有5間非政府機構。此外，按揭保險計劃下共有23間認可機構作為貸款人，而安老按揭計劃則有7間，補償易貸款保險計劃有8間，小型貸款計劃有5間，中小企融資擔保計劃有30間。

債券

截至二零一六年十二月三十一日止年度內，本公司透過其60億美元中期債券發行計劃，發行了面值總額245億港元的債券，實收款項約245億港元。本年度發行債券所得款項均用作本集團的一般營運資金。債券發行與贖回活動的概要載於財務報表附註27。

股息

考慮到業務發展的資金需求，董事局建議二零一六年不宣派股息(二零一五年：宣派普通股息每股0.3625港元，合共7.25億港元)。

The Group recognised the importance of ongoing staff training and had devoted considerable resources to the continuing enhancement of its employees' professional knowledge and skills. All new employees were provided with an induction session to provide them with a foundation of knowledge about the Group's organisational structure, missions, functions and policies.

As at 31 December 2016, the permanent staff establishment of the Group was 202 (2015: 201) and the staff turnover rate was 4.96% (2015: 10.17%).

Counterparties

With respect to its loan and insurance portfolios, as at 31 December 2016, the Group maintained a panel of 34 approved sellers and 32 approved servicers under the MPP, 7 approved reinsurers under the MIP as well as 5 NGOs under the MFS. In addition, there were 23 participating AIs as lenders under the MIP, 7 under the RMP, 8 under the PLIS, 5 for the MFS and 30 for the SFGS.

Debt Securities

The Company issued notes with a total nominal value of HK\$24.5 billion under its US\$6 Billion Medium Term Note Programme for a consideration of around HK\$24.5 billion during the year ended 31 December 2016. The proceeds of the notes issued during the year were used for the purpose of providing general working capital for the Group. A summary of the debt securities issuance and redemption activities of the Group is set out in Note 27 to the Financial Statements.

Dividend

Having considered the capital requirements for the business development, Directors recommended that no dividend be declared for 2016 (2015: an ordinary dividend of HK\$0.3625 per share amounting to a total amount of HK\$725 million was declared).

董事

年內或由年終至本報告的日期間且在即將舉行的本公司股東週年大會前的本公司董事局成員名單如下：

陳茂波先生 GBS MH JP
主席兼執行董事(於二零一七年一月二十三日獲委任)

陳德霖先生 GBS JP
副主席兼執行董事

余偉文先生 JP
執行董事

李令翔先生 JP
執行董事(於二零一六年二月二十六日獲委任)

張炳良教授 GBS JP
董事

陳家強教授 GBS JP
董事

林健鋒先生 GBS JP
董事(於二零一六年四月二十五日獲委任)

郭榮鏗先生
董事(於二零一六年四月二十五日獲委任)

張國鈞先生 JP
董事(於二零一六年四月二十五日獲委任)

黃玉山教授 BBS JP
董事

吳亮星先生 SBS JP
董事

施文信先生 SBS JP
董事

黃桂壠先生 BBS JP
董事(於二零一六年四月二十五日獲委任)

Directors

Persons who served on the board of the Company during the year or during the period beginning with the end of the year and ending on the date of this report but preceding the forthcoming annual general meeting of the Company are as follows:

The Hon. Paul CHAN Mo-po, GBS, MH, JP
Chairman and Executive Director (appointed on 23 January 2017)

Mr Norman T. L. CHAN, GBS, JP
Deputy Chairman and Executive Director

Mr Eddie YUE Wai-man, JP
Executive Director

Mr Raymond LI Ling-cheung, JP
Executive Director (appointed on 26 February 2016)

Professor the Hon. Anthony CHEUNG Bing-leung, GBS, JP
Director

Professor the Hon. CHAN Ka-keung, GBS, JP
Director

The Hon. Jeffrey LAM Kin-fung, GBS, JP
Director (appointed on 25 April 2016)

The Hon. Dennis KWOK Wing-hang
Director (appointed on 25 April 2016)

The Hon. Horace CHEUNG Kwok-kwan, JP
Director (appointed on 25 April 2016)

Professor WONG Yuk-shan, BBS, JP
Director

Mr NG Leung-sing, SBS, JP
Director

Mr T. Brian STEVENSON, SBS, JP
Director

Mr Huen WONG, BBS, JP
Director (appointed on 25 April 2016)

馮婉眉 BBS JP
董事(於二零一六年四月二十五日獲委任)

張亮先生
董事(於二零一六年四月二十五日獲委任)

馮鈺龍先生
董事(於二零一六年四月二十五日獲委任)

郭珮芳女士
董事

藍玉權先生
董事

LEE Huat-oon 先生
董事

曾俊華先生 GBM
主席兼執行董事(於二零一七年一月二十三日
辭任)

彭醒棠先生 JP
執行董事(於二零一六年二月二十六日辭任)

李慧琼女士 SBS JP
董事(於二零一六年四月二十五日退任)

石禮謙先生 GBS JP
董事(於二零一六年四月二十五日退任)

梁君彥先生 GBS SBS JP
董事(於二零一六年四月二十五日退任)

陳淑莊女士
董事(於二零一六年四月二十五日退任)

黃嘉純先生 JP
董事(於二零一六年四月二十五日退任)

梁兆基先生
董事(於二零一六年四月二十五日退任)。

根據本公司的公司章程細則第109條，所有非執行董事應於即將舉行的股東週年大會上退任，惟可參選連任。

Ms Anita FUNG Yuen-mei, BBS, JP
Director (appointed on 25 April 2016)

Mr Leong CHEUNG
Director (appointed on 25 April 2016)

Mr Ryan FUNG Yuk-lung
Director (appointed on 25 April 2016)

Ms Miranda KWOK Pui-fong
Director

Mr Lawrence LAM Yuk-kun
Director

Mr LEE Huat-oon
Director

The Hon. John TSANG Chun-wah, GBM
Chairman and Executive Director (resigned on 23 January 2017)

Mr Peter PANG Sing-tong, JP
Executive Director (resigned on 26 February 2016)

The Hon. Starry LEE Wai-king, SBS, JP
Director (retired on 25 April 2016)

The Hon. Abraham SHEK Lai-him, GBS, JP
Director (retired on 25 April 2016)

The Hon. Andrew LEUNG Kwan-yuen, GBS, SBS, JP
Director (retired on 25 April 2016)

The Hon. Tanya CHAN
Director (retired on 25 April 2016)

Mr Lester Garson HUANG, JP
Director (retired on 25 April 2016)

Mr George LEUNG Siu-kay
Director (retired on 25 April 2016).

In accordance with Article 109 of the Company's Articles of Association, all those Directors who are not Executive Directors shall retire but shall be eligible for re-election at the forthcoming annual general meeting.

除上述董事外，年內或由年終至本報告的日期間，本集團其他成員的董事局成員為：余偉文先生、李令翔先生、鮑克運先生、廖志強先生、鄭鑾銓先生、張少慧女士、周啟和先生、沈施加美女士、盧綺霞女士（周啟和先生及沈施加美女士的候補董事）、Intertrust Directors (Cayman) Limited 及金栢利秘書服務有限公司。

獲准許的彌償條文

惠及本公司董事的獲准許的彌償條文（根據《公司條例》定義）在截至二零一六年十二月三十一日止年度內有效，且截至本報告的日期亦仍然有效。

董事於交易、安排或合約中的重大利害關係

截至二零一六年十二月三十一日止年度內，不存在亦不曾訂立本集團任何成員作為一方、對本公司業務屬重要的、且年內曾為本公司董事的人士或其有關連實體（根據《公司條例》定義）在當中有直接或間接重大利害關係的任何交易、安排和合約。

遵照《保險公司條例》的規定額外作出的披露

截至二零一六年十二月三十一日止年度內，本公司的控權人（根據《保險公司條例》定義）為曾俊華先生（基於其按《外匯基金條例》，透過所控制的外匯基金投資於本公司而作為本公司的主要股東）及李令翔先生（基於其為本公司的總裁）。年內任何時候以及截至年終，不存在有本公司或其任何附屬公司作為一方、對本公司業務屬重大的且與曾俊華先生或李令翔先生在當中有直接或間接重大利害關係的合約。

Other than the Directors named above, persons who served on the boards of the other members of the Group during the year or during the period beginning with the end of the year and ending on the date of this report are Mr Eddie YUE Wai-man, Mr Raymond LI Ling-cheung, Mr POU Hak-wan, Mr LIU Chi-keung, Mr Desmond CHENG Kam-chuen, Ms CHEUNG, Feliciana Siu Wai, Mr CHOW Kai Wo, Ms SENG SZE Ka Mee Natalia, Ms LO Yee Har Susan (Alternate Director to Mr CHOW Kai Wo and Ms SENG SZE Ka Mee Natalia), Intertrust Directors (Cayman) Limited and Company Kit Secretarial Services Limited.

Permitted Indemnity

A permitted indemnity provision (as defined in the Companies Ordinance) for the benefit of the Directors of the Company was in force during the year ended 31 December 2016 and is in force as at the date of this report.

Directors' Material Interests in Transactions, Arrangements or Contracts

At no time during the year ended 31 December 2016, there subsisted or entered into any transaction, arrangement or contract of significance in relation to the Company's business, to which any member of the Group was a party, and in which any person who was a director of the Company at any time in the year or a connected entity (as defined in the Companies Ordinance) of any such person had, directly or indirectly, a material interest.

Additional Disclosures in Compliance with the Provisions of the Insurance Companies Ordinance

During the year ended 31 December 2016, the Controllers (as defined in the Insurance Companies Ordinance) of the Company were The Hon. John Tsang (by virtue of his being the principal shareholder of the Company through the investments made in the Company by the Exchange Fund of which he was the controller under the Exchange Fund Ordinance) and Mr Raymond Li (by virtue of his being the Chief Executive Officer of the Company). At the end of or at any time during the year, there existed or subsisted no contract of significance in relation to the Company's business, to which the Company or any of its subsidiaries was a party, and in which The Hon. John Tsang or Mr Raymond Li had, directly or indirectly, a material interest.

年內，本公司經營的保險業務並無涉及任何人根據香港任何條例的規定須投保的責任或風險，本公司以風險分攤方式經營按揭保險業務。除部分按揭沒有再保險安排承保外，本公司一般將其按揭保險業務多達五成的風險分給了其核准再保險公司，而剩餘風險則由本公司承擔。本公司與下列核准再保險公司已訂立再保險安排：亞洲保險有限公司、美國國際集團聯合保險(亞洲)有限公司、中銀集團保險有限公司、中國交銀保險有限公司、中國太平保險(香港)有限公司、昆士蘭保險(香港)有限公司及昆士蘭按揭保險(亞洲)有限公司。本公司亦於二零一一年與一家核准再保險公司訂立了雙方「超額損失」再保險安排，而該安排截至二零一六年十二月三十一日止年度內仍然有效。

核數師

財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將於本公司即將舉行的股東週年大會上退任，並在符合資格的情況下參選連任。

承董事局命

陳茂波

主席兼執行董事

香港

二零一七年四月十日

During the year, the Company did not carry on any insurance business relating to liabilities or risks in respect of which persons were required by any Ordinance to be insured, and operated its mortgage insurance business on a risk-sharing basis. Except for those mortgage insurance covers in respect of which no reinsurance arrangements had been made, the Company generally ceded up to 50% of the risk exposure under its mortgage insurance business to its approved reinsurers, with the remaining risk exposure being retained by the Company. There were in existence reinsurance arrangements between the Company and the following approved reinsurers: Asia Insurance Company, Limited, AIG United Guaranty Insurance (Asia) Limited, Bank of China Group Insurance Company Limited, China BOCOM Insurance Company Limited, China Taiping Insurance (HK) Company Limited, QBE General Insurance (Hong Kong) Limited and QBE Mortgage Insurance (Asia) Limited. The Company also entered into a bilateral "excess of loss" reinsurance arrangement with an approved reinsurer in 2011, which was still subsisting during the year ended 31 December 2016.

Auditor

The Financial Statements have been audited by PricewaterhouseCoopers who will retire, and being eligible, offer themselves for reappointment, at the forthcoming annual general meeting of the Company.

On behalf of the Board of Directors

Chan Mo-po, Paul

Chairman and Executive Director

Hong Kong

10 April 2017