

综合收益表

Consolidated Income Statement

截至二零一八年十二月三十一日止年度
for the year ended 31 December 2018

		附注 Notes	2018 千港元 HK\$'000	2017 千港元 HK\$'000
利息收入	Interest income	7	1,229,710	902,333
利息支出	Interest expense	8	(693,501)	(394,755)
净利息收入	Net interest income		536,209	507,578
已满期保费净额	Net premiums earned	9	3,157,652	352,414
其他收入	Other income	10	249,633	414,484
经营收入	Operating income		3,943,494	1,274,476
申索产生净额、已付利益及 保单持有人负债变动	Net claims incurred, benefits paid and movement in policyholders' liabilities	9	(3,321,037)	(641)
佣金支出净额及征费支出	Net commission and levy expenses	9	(142,991)	(140,454)
经营支出	Operating expenses	11	(412,388)	(304,196)
未计减值前的经营溢利	Operating profit before impairment		67,078	829,185
减值拨备	Charge of impairment allowances	14	(134)	(453)
除税前溢利	Profit before taxation		66,944	828,732
税项	Taxation	15(a)	59,614	(22,337)
本年度溢利	Profit for the year		126,558	806,395

第166至282页所载附注为综合财务报表的一部分。

The notes on pages 166 to 282 are an integral part of these consolidated financial statements.

综合全面收益表

Consolidated Statement of Comprehensive Income

截至二零一八年十二月三十一日止年度
for the year ended 31 December 2018

	附注 Notes	2018 千港元 HK\$'000	2017 千港元 HK\$'000
本年度溢利	Profit for the year	126,558	806,395
其他全面收益：	Other comprehensive income:		
其后可能重新分类至损益的项目：	Items that are or may be reclassified subsequently to profit or loss:		
可供出售证券：	Available-for-sale securities:		
— 未变现收益净额	— net unrealised gains	—	191,162
— 出售时公允价值变动拨入收益表	— fair value changes transferred to income statement on disposal	13	(83,161)
— 税项	— tax effect	15(b)	17,195
以公允价值变化计入其他全面收益的债务证券：	Debt securities at fair value through other comprehensive income:		
— 公允价值变动	— change in the fair value	(7,182)	—
— 亏损拨备变动	— change in the loss allowance	14	—
本年度其他全面(亏损)/收益，已扣除税项	Other comprehensive (loss)/income for the year, net of tax	(7,168)	125,196
本年度全面收益总额	Total comprehensive income for the year	119,390	931,591

第166至282页所载附注为综合财务报表的一部分

The notes on pages 166 to 282 are an integral part of these consolidated financial statements.

综合财务状况表

Consolidated Statement of Financial Position

于二零一八年十二月三十一日
as at 31 December 2018

		附注 Notes	2018 千港元 HK\$'000	2017 千港元 HK\$'000
资产	ASSETS			
现金及短期资金	Cash and short-term funds	16	29,390,855	25,278,190
应收利息及汇款	Interest and remittance receivables	17	437,919	343,978
衍生金融工具	Derivative financial instruments	18	161,047	333,727
贷款组合净额	Loan portfolio, net	19	6,442,064	7,829,441
证券投资：	Investment securities:			
— 以公允价值变化计入其他全面收益	— fair value through other comprehensive income	20(a)	5,091,664	—
— 以公允价值变化计入损益	— fair value through profit or loss	20(b)	543,612	—
— 按摊销成本列账	— amortised cost	20(c)	11,546,833	—
— 可供出售	— available-for-sale	20(d)	—	7,138,662
— 持有至到期	— held-to-maturity	20(e)	—	10,347,834
外汇基金存款	Placements with the Exchange Fund	21	7,734,934	—
预付款项、按金及其他资产	Prepayments, deposits and other assets	23	829,491	67,154
固定资产	Fixed assets	24	53,766	34,329
递延税项资产	Deferred tax assets	15(b)	77,866	295
再保险资产	Reinsurance assets	27	171,518	164,601
资产总额	Total assets		62,481,569	51,538,211
负债	LIABILITIES			
应付利息	Interest payable	25	257,468	192,133
应付账款、应付开支及其他负债	Accounts payable, accrued expenses and other liabilities	26	5,061,679	5,363,263
衍生金融工具	Derivative financial instruments	18	264,386	119,064
当期税项负债	Current tax liabilities	15(b)	104,077	116,288
保险负债	Insurance liabilities	27	4,607,373	1,130,150
已发行债务证券	Debt securities issued	28	37,292,877	34,840,706
负债总额	Total liabilities		47,587,860	41,761,604
权益	EQUITY			
权益持有人应占股本及储备：	Capital and reserves attributable to the equity holders:			
股本	Share capital	29	7,000,000	2,000,000
保留溢利	Retained profits		6,263,342	5,889,254
风险储备	Contingency reserve		1,632,818	1,679,837
公允价值储备	Fair value reserve		(2,451)	207,516
权益总额	Total equity		14,893,709	9,776,607
负债及权益总额	Total liabilities and equity		62,481,569	51,538,211

董事局已于二零一九年四月三十日批准及授权刊行。

Approved and authorised for issue by the Board of Directors on 30 April 2019.

陈德霖

Norman T. L. Chan

李令翔

Raymond L. C. Li

副主席兼执行董事 Deputy Chairman and Executive Director

执行董事兼总裁

Executive Director and Chief Executive Officer

第166至282页所载附注为综合财务报表的一部分。

The notes on pages 166 to 282 are an integral part of these consolidated financial statements.

综合权益变动表

Consolidated Statement of Changes in Equity

截至二零一八年十二月三十一日止年度
for the year ended 31 December 2018

		股本 Share capital 千港元 HK\$'000	保留溢利 Retained profits 千港元 HK\$'000	风险储备 Contingency reserve 千港元 HK\$'000	公平值储备 Fair value reserve 千港元 HK\$'000	总额 Total 千港元 HK\$'000
于二零一七年一月一日结余	Balance as at 1 January 2017	2,000,000	5,023,307	1,739,389	82,320	8,845,016
本年度溢利	Profit for the year	-	806,395	-	-	806,395
其他全面收益	Other comprehensive income	-	-	-	125,196	125,196
本年度全面收益总额	Total comprehensive income for the year	-	806,395	-	125,196	931,591
由保留溢利拨入已到期风险保费 净额的50%或75%至风险储备	Transfer of 50% or 75% of net risk premium earned from retained profits to contingency reserve	-	(200,730)	200,730	-	-
由风险储备拨回至保留溢利	Release of contingency reserve to retained profits	-	260,282	(260,282)	-	-
于二零一七年十二月三十一日结余	Balance as at 31 December 2017	2,000,000	5,889,254	1,679,837	207,516	9,776,607
采纳香港财务报告准则第9号 的变动(附注3.1)	Changes on adoption of HKFRS 9 (Note 3.1)	-	200,511	-	(202,799)	(2,288)
于二零一八年一月一日经重列结余	Restated balance as at 1 January 2018	2,000,000	6,089,765	1,679,837	4,717	9,774,319
本年度溢利	Profit for the year	-	126,558	-	-	126,558
其他全面收益	Other comprehensive income	-	-	-	(7,168)	(7,168)
本年度全面收益总额	Total comprehensive income for the year	-	126,558	-	(7,168)	119,390
注资(附注29)	Capital injection (Note 29)	5,000,000	-	-	-	5,000,000
由保留溢利拨入已到期风险保费 净额的50%或75%至风险储备	Transfer of 50% or 75% of net risk premium earned from retained profits to contingency reserve	-	(209,261)	209,261	-	-
由风险储备拨回至保留溢利	Release of contingency reserve to retained profits	-	256,280	(256,280)	-	-
于二零一八年十二月三十一日结余	Balance as at 31 December 2018	7,000,000	6,263,342	1,632,818	(2,451)	14,893,709

第166至282页所载附注为综合财务报表的一部分。

The notes on pages 166 to 282 are an integral part of these consolidated financial statements.

综合现金流量表

Consolidated Statement of Cash Flows

截至二零一八年十二月三十一日止年度
for the year ended 31 December 2018

	附注 Notes	2018 千港元 HK\$'000	2017 千港元 HK\$'000
经营业务之现金流量	Cash flows from operating activities		
经营溢利	Operating profit	66,944	828,732
就以下各项作出的调整：	Adjustment for:		
利息收入	Interest income	(1,243,385)	(924,105)
利息支出	Interest expense	632,864	355,859
股息收入	Dividend income	(58,626)	(82,878)
来自外汇基金存款的收益	Income from placements with the Exchange Fund	(184,934)	–
折旧	Depreciation	19,371	14,415
已发行债务证券折让摊销	Amortisation of discount on debt securities issued	60,637	38,896
减值拨备	Charge of impairment allowances	134	453
证券投资溢价摊销	Amortisation of premium on investment securities	13,675	21,772
以公允价值变化计入损益的 投资亏损净额	Net loss on investments at fair value through profit or loss	13,500	–
金融工具公允价值变动	Change in fair value of financial instruments	(10,947)	2,661
出售按摊销成本列账的投资 收益净额	Net gains on disposal of investments at amortised cost	(192)	–
出售可供出售投资的 收益净额	Net gains on disposal of available-for-sale investments	–	(163,538)
出售固定资产的收益	Gain on disposal of fixed assets	–	(1)
已收利息	Interest received	1,148,331	949,834
已付利息	Interest paid	(567,529)	(381,879)
未计经营资产及负债变动前 经营业务所得现金流量	Cash flows from operating activities before changes in operating assets and liabilities	(110,157)	660,221
原到期日超过三个月的定期 存款变动	Change in time deposits with original maturity of more than three months	(4,422,000)	7,520,837
应收汇款变动	Change in remittance receivables	1,113	(10,298)
预付款项、按金及其他 资产变动	Change in prepayments, deposits and other assets	(762,688)	290,684
贷款组合变动	Change in loan portfolio	1,387,357	1,704,067
应付账项、应付开支及其他 负债变动	Change in accounts payable, accrued expenses and other liabilities	(301,584)	134,870
保险负债净额变动	Change in insurance liabilities, net	3,470,306	63,026
汇兑差额	Exchange differences	(11,553)	(122,758)
经营业务(使用)/产生之现金 (已付)/已退还税项	Cash (used in)/generated from operation Taxation (paid)/refund	(749,206) (29,817)	10,240,649 1,417
经营业务(使用)/产生之 现金净额	Net cash (used in)/generated from operating activities	(779,023)	10,242,066

		附注 Notes	2018 千港元 HK\$'000	2017 千港元 HK\$'000
投资活动之现金流量	Cash flows from investing activities			
购买固定资产	Purchase of fixed assets	24	(38,808)	(30,217)
购买以公允价值变化计入其他全面收益的证券投资	Purchase of investment securities at fair value through other comprehensive income	20(a)	(1,307,246)	–
购买以公允价值变化计入损益的证券投资	Purchase of investment securities at fair value through profit or loss	20(b)	(16,644)	–
购买按摊销成本列账的证券投资	Purchase of investment securities at amortised cost	20(c)	(1,855,361)	–
购买可供出售证券投资	Purchase of available-for-sale investment securities	20(d)	–	(3,144,426)
购买持有至到期证券投资	Purchase of held-to-maturity investment securities	20(e)	–	(3,112,996)
出售及赎回证券投资所得款项	Proceeds from sale and redemption of investment securities		3,465,235	6,039,777
外汇基金存款	Placements with the Exchange Fund	21	(7,550,000)	–
出售固定资产所得款项	Proceeds from disposal of fixed assets		–	1
已收上市投资股息	Dividend received from listed investments		58,626	82,878
投资活动使用之现金净额	Net cash used in investing activities		(7,244,198)	(164,983)
融资活动前现金(流出)/流入净额	Net cash (outflows)/inflows before financing		(8,023,221)	10,077,083
融资活动之现金流量	Cash flows from financing activities			
银行借款所得款项	Proceeds from bank borrowings		27,467,772	43,250,917
偿还银行借款	Repayment of bank borrowings		(27,467,772)	(43,250,917)
发行债务证券所得款项	Proceeds from issue of debt securities	28	34,006,865	28,397,542
赎回已发行债务证券	Redemption of debt securities issued	28	(31,289,536)	(29,509,026)
注资所得款项	Proceeds from capital injection	29	5,000,000	–
融资活动产生/(使用)之现金净额	Net cash generated from/(used in) financing activities		7,717,329	(1,111,484)
现金及等同现金项目(减少)/增加净额	Net (decrease)/increase in cash and cash equivalents		(305,892)	8,965,599
年初现金及等同现金项目	Beginning cash and cash equivalents		15,086,190	6,102,834
汇率对现金及等同现金项目影响	Effect of exchange rates on cash and cash equivalents		(2,497)	17,757
年终现金及等同现金项目	Ending cash and cash equivalents	16	14,777,801	15,086,190

第166至282页所载附注为综合财务报表的一部分。

The notes on pages 166 to 282 are an integral part of these consolidated financial statements.

综合财务报表附注

Notes to the Consolidated Financial Statements

1. 编制基准

香港按揭证券有限公司(本公司)及其附属公司(统称本集团)的综合财务报表,是按照由香港会计师公会颁布的香港财务报告准则(包括所有适用的个别香港财务报告准则、香港会计准则及诠释)、香港公认的会计原则与香港《公司条例》的规定编制。

本综合财务报表按历史成本惯例编制,并已就以公允价值列账的金融资产及金融负债(包括衍生金融工具)的重估作出调整。

除另行陈述外,编制此综合财务报表所应用的会计政策及计算方法,与以往呈报的所有年度所应用的贯彻一致。

编制符合香港财务报告准则的财务报表时,须采用若干关键会计估计,而管理层应用本集团会计政策时亦须自行作出判断。涉及大量判断或较复杂的范畴、或假设及估计对综合财务报表属重要的范畴,已在附注5披露。

1. Basis of preparation

The consolidated financial statements of The Hong Kong Mortgage Corporation Limited (**Company**) and its subsidiaries (collectively the **Group**) have been prepared in accordance with Hong Kong Financial Reporting Standards ((HKFRSs) which is a collective term and includes all applicable individual Hong Kong Financial Reporting Standards (HKFRS), Hong Kong Accounting Standards (HKASs) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) carried at fair value.

The accounting policies and the methods of computation used in the preparation of these consolidated financial statements are consistently applied to all the years presented, unless otherwise stated.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 5.

2. 主要会计政策

2.1. 采纳香港财务报告准则

(a) 于二零一八年一月一日起生效的新准则及修订

- 香港财务报告准则第9号「金融工具」

本集团已采纳香港财务报告准则第9号，过渡日期为二零一八年一月一日。根据香港财务报告准则第9号的过渡性条文，比较数字并无重列。有关会计政策变动影响的详情于附注3披露。

- 香港财务报告准则第15号「与客户订约带来之收入」

香港财务报告准则第15号自二零一八年一月一日起生效，取代香港会计准则第18号「收入」。香港财务报告准则第15号在概念上与香港会计准则第18号类似，但包括有关如何确认及计量收入的更精细指引，并引入额外的披露要求。本集团对新准则进行了评估，并认为毋须更改现行会计政策藉以附合新准则，并且对保留溢利无过渡性的影响。

于二零一八年生效的其他准则对本集团并无重大影响。

2. Summary of significant accounting policies

2.1. Adoption of HKFRSs

(a) New and amended standards effective on 1 January 2018

- HKFRS 9 “Financial Instruments”

The Group has adopted HKFRS 9 with a date of transition of 1 January 2018. In accordance with the transitional provisions of HKFRS 9, comparative figures have not been restated. The details on the impact of the change in accounting policies are disclosed in Note 3.

- HKFRS 15 “Revenue from Contracts with Customers”

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 how to recognise and measure revenue, and also introduces additional disclosures requirements. The Group performed an assessment of the new standard and concluded that changes to current accounting policies were not required in order to comply with the new standard, and there is no transitional impact to retained profits.

The other standards effective in 2018 have no material impact on the Group.

(b) 已颁布但尚未生效的新准则及修订

若干新准则及修订于二零一八年一月一日起的年度后才开始生效，故并未在编制综合财务报表时所采用。除了下列所述外，其余的新准则及修订预期不会对本集团之综合财务报表产生重大的影响：

- 香港财务报告准则第16号「租赁」，列出租赁的确认、计量、呈列和披露的原则。准则引入单一的承租人会计模式，要求承租人需要为所有租期超过12个月的租赁，确认资产和负债，除非租赁的资产价值很低。承租人必须确认其可使用资产，代表有使用该租赁资产的权利；同时亦需确认其租赁负债，代表有责任作出租赁付款。随着经营及融资租赁的区别被除去，香港财务报告准则第16号，将引致近乎所有租约于财务状况报表被确认。香港财务报告准则第16号，大体上秉承香港会计准则第17号「租赁」对出租人的会计要求。据此，出租人继续将其租赁归类为经营租赁和融资租赁，并以不同的入账方式处理这两类租赁。

(b) New standards and amendments issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2018, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

- HKFRS 16 "Leases" sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. HKFRS 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17 "Leases". Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

此项准则将主要影响本集团经营租约的会计。于报告日，本集团拥有不可注销的经营租约承诺为103,510,000港元(附注31)。于首次采纳香港财务报告准则第16号时，本集团预期于二零一九年一月一日确认使用权资产约为1.06亿港元及相应的租赁负债9,700万港元(已计及折现的影响)。准则于二零一九年一月一日或以后开始的会计期间生效。本集团将于二零一九年该准则生效时应用该准则，而不会重列比较资料。本集团将对二零一九年一月一日的保留溢利期初余额确认任何过渡调整。

- 香港财务报告准则第17号「保险合同」确立一套全面的环球保险准则，其就保险合约的确认、计量、呈列及披露提供指引。该准则要求实体按现行实现价值计量保险合同负债。本集团尚未评估此项准则对其财务状况及经营结果的全面影响。此项准则由二零二一年一月一日或以后开始的年度生效，除非实际不可行，需追溯应用及重列比较数字。在此阶段，本集团于生效日期前不计划采纳此准则。

预计没有其他尚未生效的香港财务报告准则会对本集团产生重大影响。

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$103,510,000 (Note 31). Upon the initial adoption of HKFRS 16, the Group expects to recognise approximately right-of-use assets of around HK\$106 million and the corresponding lease liabilities of HK\$97 million, taking into account the effects of discounting, on 1 January 2019. The standard is effective for accounting periods beginning on or after 1 January 2019. The Group will apply the standard when it becomes effective in 2019 without restating comparative information. The Group will recognise any transition adjustments against the opening balance of retained profits at 1 January 2019.

- HKFRS 17 "Insurance Contracts" establishes a comprehensive global insurance standard which provides guidance on the recognition, measurement, presentation and disclosures of insurance contracts. The standard requires entities to measure insurance contract liabilities at their current fulfilment values. The Group is yet to assess the full impact of the standard on its financial position and results of operations. The new standard is effective for annual periods beginning on or after 1 January 2021 and will be applied retrospectively with restatement of comparatives unless impracticable. At this stage, the Group does not intend to adopt the standard before its effective date.

There are no other HKFRSs that are not yet effective that would be expected to have a material impact on the Group.

2.2. 综合账目

综合财务报表包括本公司及其所有附属公司截至二零一八年十二月三十一日的财务报表。

附属公司指所有本集团有控制权的公司(包括用以发行按揭证券的结构公司香港按揭证券融资(第一)有限公司及 Bauhinia MBS Limited)。当本集团透过参与公司运作而获得或承受不固定回报,并能够行使其权力影响该等回报,本集团被视为控制该公司。附属公司自控制权转移至本集团当日起被全面综合入账,并自该控制权终止当日停止综合入账。

本集团成员公司间的交易、结余及未变现交易收益会相互对销。除非有证据显示交易中所转让资产出现减值,否则未变现亏损亦应予以对销。如有需要,附属公司的会计政策需作出调整,以确保与本集团所采用的政策一致。

当本集团失去附属公司的控制权时,会被视为出售该附属公司的全部权益处理,而由此产生的收益或亏损会在损益内确认。

在本公司的财务状况表中,于附属公司的投资按成本扣减任何减值拨备列账。附属公司之业绩由本公司按已收及应收股息记入本公司账目。

2.2. Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December 2018.

Subsidiaries are all entities (including structured entities used for issuing mortgage-backed securities, namely HKMC Funding Corporation (1) Limited and Bauhinia MBS Limited) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interests in that subsidiary, with a resulting gain or loss being recognised in profit or loss.

In the Company's statement of financial position, the investment in the subsidiaries is stated at cost less provision for impairment allowances. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2.3. 利息收入及支出

所有付息金融工具之利息收入及支出均采用实际利息法于收益表内确认。

实际利息法是一种计算金融资产或金融负债之摊销成本、以及摊分有关期间之利息收入或利息支出的方法。实际利率指于金融工具之预计年期或较短时间(如适用)，将估计未来现金支出或收入准确折现至金融资产或金融负债账面净值的利率。计算实际利率时，本集团会考虑金融工具的所有合约条款以估计现金流量，但不会计及未来信贷亏损。计算范围包括订约双方已支付或已收取且属于实际利率不可分割一部分的一切费用，以及交易成本及所有其他溢价或折让。

当一项金融资产或一组同类金融资产因出现减值亏损而撇减其价值时，将按计算减值亏损时用以折现未来现金流量的利率确认利息收入。

2.4. 其他收入(附注2.21所述由保险与担保合约所产生的除外)**(a) 费用收入**

费用通常于提供服务时以应计基准确认。属于实际利率不可分割一部分的前期安排手续费作为对厘定贷款利息收入实际利率的调整确认。

2.3. Interest income and expense

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

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

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

2.4. Other income other than those arising from insurance and guarantee contracts under Note 2.21**(a) Fee income**

Fees are generally recognised on an accrual basis when the service has been provided. Upfront arrangement fees that are an integral part of the effective interest rate are recognised as an adjustment to the effective interest rate in determining interest income on the loans.

(b) 股息收入

股息收入于取得获派股息权利时确认。

(c) 来自外汇基金存款的收益

外汇基金存款分类为「以公允价值变化计入损益的金融资产」，其公允价值变动于所产生年度确认为收入。

(b) Dividend income

Dividend income is recognised when the right to receive payment is established.

(c) Income from placements with the Exchange Fund

Changes in fair value of the placements with the Exchange Fund classified as “financial assets at fair value through profit or loss” is recognised as income in the year in which they arise.

2.5. 金融资产

(a) 分类

自二零一八年一月一日起，本集团将其金融资产分类为以下计量类别：

- 以公允价值作后续计量(计入其他全面收益或计入损益)；及
- 按摊销成本计量。

分类取决于公司管理金融资产业务模式及其合约条款内的现金流量。

对于按公允价值计量的资产，收益及亏损将记入损益或其他全面收益。对于债务工具的投资，则取决于持有投资的业务模式。

本集团已将外汇基金存款分类为以公允价值变化计入损益的金融资产。

2.5. Financial assets

(a) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (**OCI**), or through profit or loss), and
- those to be measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in debt instruments, this will depend on the business model in which the investment is held.

The Group has classified the placements with the Exchange Fund as financial asset at fair value through profit or loss.

仅当其管理该等资产的业务模式发生变动时，本集团方会对证券投资进行重新分类。

(b) 计量

于初始确认时，本集团按其公允价值计量金融资产，如金融资产并非以公允价值变化计入损益，则加上收购该金融资产直接所引起的交易成本。以公允价值变化计入损益的金融资产的交易成本于损益列作支出。

在确定含有嵌入式衍生工具的金融资产的现金流量是否仅为支付本金及利息时，将会视作整体考虑。

金融资产的后续计量取决于本集团管理资产的业务模式及资产的现金流量特征。本集团将其金融资产分类为三个计量类别：

- 摊销成本：为收取合约现金流量而持有的资产，而该等现金流量仅代表支付本金及利息，则按摊销成本计量。当债务投资于后续计量为按摊销成本计量，且并非为对冲关系的一部分，该资产于终止确认或减值时所产生的收益或亏损于损益中确认。

The Group reclassifies investment securities when and only when its business model for managing those assets changes.

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. 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 payment of principal and interest.

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired.

- 以公允价值变化计入其他全面收益：为收取合约现金流量及出售金融资产而持有的资产，而该的现金流量仅代表支付本金及利息，则按以公允价值变化计入其他全面收益计量。账面值之变动乃透过其他全面收益确认，惟确认减值收益或亏损、利息收入及汇兑收益及亏损则于损益确认。当金融资产终止确认时，先前在其他全面收益中确认的累计收益或亏损将从权益重新分类至损益，并在其他收益或亏损中确认。
- 以公允价值变化计入损益：不符合按摊销成本或以公允价值变化计入其他全面收益标准的资产，按以公允价值变化计入损益计量。当投资后续计量为以公允价值变化计入损益，且并非为对冲关系的一部分，其收益或亏损的产生于期间收益表中的其他收益或亏损内呈列。
- Fair value through other comprehensive income (**FVOCI**): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains or losses.
- Fair value through profit or loss (**FVPL**): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on investment that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the income statement within other gains or losses in the period in which it arises.

(c) **减值**

自二零一八年一月一日起，本集团以前瞻性基准评估按摊销成本及以公允价值变化计入其他全面收益列账的资产相关的预期信贷亏损。所采用的减值方法取决于信贷风险是否显著增加。附注4.2载列有关如何计量预期信贷亏损的更多详情。

(c) **Impairment**

From 1 January 2018, the Group assesses on a forward-looking basis the expected credit losses (**ECLs**) associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 4.2 provides more details of how the ECLs is measured.

2.6. 金融负债

金融负债分为两类：以公允价值变化计入损益的金融负债及其他金融负债。所有金融负债于初始时分类，并初步按公允价值确认。

财务状况表所列明的已发行债务证券，包括：(i) 根据债务工具发行计划发行的债券，及(ii) 根据中期债券发行计划发行的债券（**中期债券**）。

该等债券初步指定为：(i) 以公允价值变化计入损益的金融负债或(ii) 其他金融负债。

于初始分类时，当债券（包括已发行嵌入式衍生工具的债券）被指定以公允价值变化计入损益，则按公允价值确认，且公允价值变动记录于收益表。当债券被指定为公允价值对冲之对冲项目，均会被对冲风险而引起的公允价值变化作出相应调整。

指定为其他金融负债的债券初始时按公允价值确认，即所收代价的公允价值扣减产生的交易成本。债券其后按摊销成本列账，扣除交易成本后的所得款项净额与赎回价值间的任何差额，于债务证券期间按实际利息法在收益表确认。

凡赎回/回购债券时的损益，即赎回/回购债券的金额与账面值的差额，于赎回/回购发生期间于收益表入账确认。

2.6. Financial liabilities

Financial liabilities are classified into two categories: financial liabilities at fair value through profit or loss and other financial liabilities. All the financial liabilities are classified at inception and recognised initially at fair value.

Debt securities issued in the statement of financial position include (i) notes issued under the Debt Issuance Programme (**DIP**), and (ii) notes issued under the Medium Term Note (**MTN**) Programme.

These notes are initially designated as either (i) financial liabilities at fair value through profit or loss or (ii) other financial liabilities.

The notes (including those issued with embedded derivative instruments) designated as at fair value through profit or loss upon initial recognition are carried at fair value, with changes in fair value being recorded in the income statement. Those notes which are designated as hedged items under a fair value hedge are adjusted for the fair value changes subject to the risk being hedged.

The notes designated as other financial liabilities are initially recognised at fair value, which is the fair value of the consideration received, net of transaction costs incurred. The notes are subsequently stated at amortised costs; any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the debt securities using the effective interest method.

On redemption/repurchase of the notes, the resulting gains or losses, being the difference between the redemption/repurchase amount and the carrying amount, are recognised in the income statement in the period in which the redemption/repurchase takes place.

2.7. 确认和终止确认金融工具

证券投资于本集团购买或出售的交易日确认。贷款组合及应收款项于借款人收到现金时确认。当收取金融资产所得现金流量的权利经已届满，或当本集团已转让拥有该项资产的绝大部分风险及回报的权利，金融资产将终止确认。

以公允价值变化计入损益的金融负债，及已发行债务证券于交易日确认。其他金融负债于债务产生时确认。金融负债仅于合约规定的债务已被清偿、已取消或已届满时，才于财务状况表终止确认。

2.8. 衍生金融工具及对冲会计处理

衍生工具最初于订立衍生工具合约之日按公允价值确认，其后按公允价值重新计量。公允价值乃根据活跃市场价厘定，包括最近市场交易及通过使用估值方法（包括现金流量折现模型及期权定价模型）。当衍生工具的公允价值为正数时，均作为资产入账；而当公允价值为负数时，则作为负债入账。从衍生工具所产生的应收和应付利息会分别呈列于财务状况表。

于初始确认时，最佳显示该衍生工具之公允价值应为其交易价值（即已付或已收代价之公允价值）。

2.7. Recognition and de-recognition of financial instruments

Purchases and sales of investment securities are recognised on the trade date, the date on which the Group purchases or sells the assets. Loan portfolio and receivables are recognised when cash is advanced to the borrowers. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

Financial liabilities at fair value through profit or loss and debt securities issued are recognised on the trade date. Other financial liabilities are recognised when such obligations arise. Financial liabilities are derecognised from the statement of financial position when and only when the obligation specified in the contract is discharged, cancelled or expired.

2.8. Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Interest receivables and payables arising from derivatives are separately presented in the statement of financial position.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received).

若干嵌入其他金融工具之衍生工具之经济特征及风险与所属主合同并无密切关系，且主合同并非以公允价值变化计入损益计量时，该等嵌入式衍生工具会作为独立衍生工具处理。该等嵌入式衍生工具以公允价值计量，而公允价值变动则于收益表确认。

确认公允价值损益的方法取决于衍生工具是否指定为对冲工具，如属对冲工具则须取对对冲项目性质。本集团指定若干衍生工具为：(i) 对冲已确认资产或负债或确实承担的公允价值（**公允价值对冲**）；或(ii) 对冲已确认资产或负债或预期交易极有可能产生的未来现金流量（**现金流对冲**）。在符合若干条件的情况下，指定的衍生工具采纳对冲会计方式处理。

本集团会于交易发生时记录对冲工具与对冲项目之关系、风险管理目的以及进行各类对冲交易时所采取策略。本集团亦会就对冲活动发生时及所涉期间内评估有关衍生工具能否高度有效地抵销对冲项目之公允价值或现金流量变动作出记录。

(a) 公允价值对冲

被指定为且合资格之公允价值对冲之衍生工具的公允价值变动连同被对冲风险之对冲资产或负债之相关公允价值变动，一并于收益表内记录。

若对冲不再符合对冲会计处理的要求，对冲项目之账面值调整，将按剩余年期以实际利息法摊销至收益表。

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

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

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used, is amortised to income statement over the period to maturity.

(b) 现金流对冲

被指定为且合格之现金流对冲之衍生工具的公平值变动的有效对冲部分于其他全面收益内确认，并累计于权益中。无效部分的损益即时于收益表确认。

权益的累积数额将于相关对冲项目影响收益表时转出并拨入至收益表。

于对冲工具到期或出售，或不再符合对冲会计处理要求时，权益中的任何累计损益仍保留于权益内，直至预期进行的交易最终于收益表确认时始拨入收益表。当预期进行的交易不会落实时，权益所呈报的累计损益随即拨入收益表。

(c) 不符合采用对冲会计方法的衍生工具

凡不合格采用对冲会计处理的经济对冲的衍生工具，以公平值变化计入损益。任何衍生工具的公平值变动，即时于收益表确认。

2.9. 对销金融工具

如金融资产及负债具有法律上可强制执行的权利可对销确认金额及有计划按净额结算，或同时变卖资产及清偿负债，则该金融资产及负债可互相对销，而两者之净额列于财务状况表内。法律上可强制执行的权利不应取决于未来事件，并且必须是在正常业务过程中，以及在本公司或交易对手违约、无力偿付债务或破产的情况下，可强制执行。

(b) Cash flow hedge

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

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

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

(c) Derivatives not qualified as hedges for accounting purposes

Derivative instruments entered into as economic hedges that do not qualify for hedge accounting are held at fair value through profit or loss. Changes in the fair value of any derivative instrument are recognised immediately in the income statement.

2.9. Offsetting financial instruments

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

2.10. 收回资产

收回抵押资产作为待售资产列账，并于「其他资产」项下呈报，相关贷款则终止确认。收回抵押资产按账面值与公平值减销售成本之较低者计量。

2.11. 分类报告

经营分类按向首席经营决策者提供的内部报告一致的方式报告。首席经营决策者为分配资源及评估公司经营分类表现的个人或团体。本集团已指定总裁为首席经营决策者。

2.12. 外币换算**(a) 功能及呈列货币**

本集团旗下各公司的财务报表中所载项目采用该公司营运所在主要经济环境所用的货币(功能货币)计量。综合财务报表以千港元为单位呈列，即本公司之功能及本公司和本集团之呈列货币。

(b) 交易及结余

外币交易按交易当日之汇率换算为功能货币。结算该等交易产生之汇兑盈亏以及以期末汇率换算外币计价的货币资产及负债而产生的汇兑盈亏在收益表确认。

2.10. Repossessed assets

Reposessed collateral assets are accounted as assets held for sale and reported in "Other assets" and the relevant loans are derecognised. The reposessed collateral assets are measured at lower of carrying amount and fair value less costs to sell.

2.11. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Chief Executive Officer as its chief operating decision maker.

2.12. Foreign currency translation**(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (**functional currency**). The consolidated financial statements are presented in thousands of units of Hong Kong dollars (**HK\$'000**) which is the Company's functional and the Company's and the Group's presentation currency.

(b) Transactions and balances

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

以外币计价的货币项目，按报告日期的收市汇率换算。以历史成本估值的外币计价的非货币项目，按初始确认日期的汇率换算；以公允价值估值的外币计价的非货币项目，会以确定公平值当日的汇率换算。

当归类为以公允价值变化计入其他全面收益，并以外币计价的货币项目之公允价值变动时，由证券的摊销成本变动所产生的换算差额，及由证券的账面价值的其他变动所产生的换算差额会区别出来。有关摊销成本变动的换算差额会在损益内确认；而除减值外，账面价值的其他变动会在其他全面收益内确认。

持有以公允价值变化计入损益的非货币金融工具的换算差额呈报为公允价值损益的一部分。归类为以公允价值变化计入其他全面收益的非货币金融工具的换算差额计入权益内的公允价值储备。

2.13. 固定资产

固定资产按历史成本减累计折旧及减值亏损列账。历史成本包括收购该等项目的直接开支。

该项目的后续成本仅在本集团有可能获得有关项目之未来经济利益，且能准确计量项目成本时，方可计入资产账面值或确认为独立资产（倘适用）。遭替换部分的账面值被终止确认。所有其他维修及保养开支均于产生之财务期间于收益表确认。

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

In the case of changes in the fair value of monetary assets denominated in foreign currency classified as FVOCI, a distinction is made between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount, except impairment, are recognised in OCI.

Translation differences on non-monetary financial instruments held at FVPL are reported as part of the fair value gain or loss. Translation differences on non-monetary financial instruments classified as FVOCI, are included in the fair value reserve in equity.

2.13. Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

折旧采用直线法按下列估计可使用年期将成本减剩余价值摊销：

租赁物业装修	租约尚未届满的期间
傢俬及装置	租约尚未届满的期间
电脑	三年
办公室设备	三年
汽车	四年

资产的剩余价值及可使用年期于各呈报期末检讨并于适当时调整。

出售之收益及亏损按所得款项与账面值的差额于收益表确认。

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives.

Leasehold improvements	over the unexpired period of the lease
Furniture and fixtures	over the unexpired period of the lease
Computer	3 years
Office equipment	3 years
Motor vehicle	4 years

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

Gain and loss on disposal is determined by comparing proceeds with carrying amount. It is included in the income statement.

2.14. 于附属公司的投资的减值

于附属公司收取股息后，倘若出现下述情况，需就附属公司的投资进行减值测试。如在股息宣布周期，股息超越附属公司的总全面收益。又或是附属公司在本公司的财务状况表所显示的账面值，超越附属公司在综合财务状况表的净资产值（包括商誉）。

2.15. 当期及递延税项

期内税项支出包括当期及递延税项。税项会在收益表内确认，除非涉及确认于其他全面收益的项目或直接在权益内确认。在这种情况下，税项也会在其他全面收益或直接在权益确认。

当期税项根据呈报期末已颁布或实际颁布的税率计算。

2.14. Impairment of investment in subsidiaries

Impairment testing of the investment in a subsidiary is required upon receiving a dividend from that subsidiary if the dividend exceeds the total comprehensive income of the subsidiary concerned in the period the dividend is declared or if the carrying amount of the subsidiary in the Company's statement of financial position exceeds the carrying amount of the subsidiary's net assets including goodwill in the consolidated statement of financial position.

2.15. Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity.

Current tax is calculated on the basis of the tax rates enacted or substantively enacted at the end of the reporting period.

递延税项采用负债法按资产及负债的税基与综合财务报表所呈列账面值之暂时差额作全数拨备。递延税项采用各呈报期末已颁布或实际颁布并预期在相关递延税项资产变现或递延税项负债结算时适用之税率厘定。

倘可能有未来应税溢利与可动用暂时差额抵销，则确认递延税项资产。除非暂时差异的拨回由本集团控制，并有可能在可预见将来不会拨回暂时差额，就投资附属公司而产生的暂时差额需作递延税项拨备。

直接在其他全面收益中扣除或计入与现金流对冲相关的递延税项，亦应直接在其他全面收益中计入或扣除，其后连同递延盈亏在收益表中确认。

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is provided on temporary differences arising from investment in the subsidiary, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not be reversed in the foreseeable future.

Deferred tax related to cash flow hedges, which are charged or credited directly to OCI, is also credited or charged directly to OCI and is subsequently recognised in the income statement together with the deferred gain or loss.

2.16. 雇员福利

(a) 雇员可享有的假期

雇员所享年假于雇员得到有关假期时确认。按截至各呈报期末就雇员所提供服务的估计享有的年假及长期服务假期的承担列为应计项目。

雇员可享有的病假、产假及待产假，于雇员休假时确认。

(b) 花红计划

本集团根据一项程式以考虑若干调整后所得溢利确认花红负债及开支。本集团根据合约责任或过往经验建立推定责任时，确认有关拨备。

2.16. Employee benefits

(a) Employee leave entitlements

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

Employee entitlements to sick leave, maternity or paternity leave are recognised when the absence occurs.

(b) Bonus plans

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created constructive obligations.

(c) 退休金承担

本集团设立强制性公积金计划及界定供款计划，计划相关资产通常由独立信托人所管理之基金持有。该等退休金计划通常由雇员及本集团供款。

本集团对强制性公积金计划及界定供款计划的供款于产生时列作支出。

(c) Pension obligations

The Group offers a mandatory provident fund scheme and a defined contribution scheme, the assets of which are generally held in separate trustee – administered funds. These pension plans are generally funded by payments from employees and by the Group.

The Group's contributions to the mandatory provident fund scheme and defined contribution scheme are expensed as incurred.

2.17. 拨备

倘本集团现时因过往事件而涉及法律或推定责任，而履行责任很可能须耗用资源，且可合理估计款项时，则确认拨备。

当金额的时间值影响属重大的，拨备按预期偿付责任所需开支以除税前比率（反映当前市场对责任特定之时间值及风险之评估）计算之现值计量。

2.17. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events where it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where the effect of the time value of money is material, provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.18. 租约**(a) 经营租约**

经营租约指由出租人承担拥有权绝大部分风险及回报之租约。本集团主要以承租人身份订立经营租约。经营租约租金（扣除出租人给予的任何优惠后）于租期内以直线法自收益表扣除。

倘经营租约于租约期满前终止，则任何须付予出租人的罚款将于终止发生期间确认为开支。

2.18. Leases**(a) Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Group entered into operating leases primarily as lessee. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(b) 融资租赁

融资租赁指由本集团承担拥有权的绝大部分风险及回报之资产租约。本集团主要以出租人身份订立融资租赁。融资租赁于租赁开始时按租赁物业公允价值或最低租金现值之较低者拨作应收款项。应收款项总额与应收款项现值的差额确认为未赚取融资收入。租约收入于租期内按反映固定回报率的净投资法确认。具有融资租赁特性的租购合约按融资租赁相同方式列账。减值拨备按附注4.2所载贷款组合的会计政策列账。

(b) Finance leases

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. The Group entered into finance leases primarily as lessor. Finance leases are capitalised as receivables at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Hire purchase contracts having the characteristics of a finance lease are accounted for in the same manner as finance leases. Impairment allowances are accounted for in accordance with the accounting policies for loan portfolio as set out in Note 4.2.

2.19. 现金及等同现金项目

就现金流量表而言，现金及等同现金项目包括于获取之日起计三个月内到期的结余，包括现金和银行结余。这些结余是易于转换为已知金额的现金，而其价值变动的风险不高。

2.19. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash and balances with banks that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

2.20. 财务担保合约

财务担保合约，本集团须根据债务工具的条款向持有人支付定额款项以补偿指定欠款人未能支付到期款项所产生损失。

财务担保合约，按附注2.21(b)所载会计政策，列账为保险合同。

2.20. Financial guarantee contracts

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are accounted for as insurance contracts in accordance with the accounting policies set out in Note 2.21(b).

2.21. 保险和其他担保合约**(a) 按揭保险合同**

本集团按揭保险计划下的按揭保险业务，根据年度会计基准入账。依照年度会计处理法，本集团按未来收支的可靠预测作出拨备，厘定本会计年度的承保业绩。承保业绩包括更正过往估计而作出的任何修订。

毛保费指本会计年度透过在《银行业条例》下定义之认可机构参与直接承保业务的保费。扣除折扣及退款后的毛保费包括向核准再保险公司支付再保险费、本集团应收风险保费及服务费。保险费净额于保险生效期间，以时间比例确认为收入。

未到期保费为各呈报期末，估计承担风险及服务所需保费净额部分。

于各呈报期末，就未决申索、已产生但未申报申索及亏损储备作拨备。至于风险分摊业务方面，根据有关监管指引及在董事认为适当的情况下，取决于相关产品，将年内已到期风险保费净额的50%或75%，在一段时间内，预留作为风险储备。期内可自风险储备提取以应付超额申索。于各呈报期末，风险储备的未动用结余可拨回至保留溢利。

2.21. Insurance and other guarantee contracts**(a) Mortgage insurance contracts**

The mortgage insurance business under the Mortgage Insurance Programme (**MIP**) of the Group is accounted for on the annual accounting basis. Under the annual accounting approach, the Group makes provisions based on credible estimates of future income and outgoings to determine the underwriting result for the current accounting period. The underwriting result includes any adjustments arising from the correction of the previous estimates.

Gross premiums represent direct business written through Authorized Institutions (**AIS**) as defined in accordance with the Banking Ordinance during an accounting period. The gross premiums after deduction of discounts and refunds, include the reinsurance premiums to be paid to the approved reinsurers, the risk premiums and servicing fees earned by the Group. The net premiums are recognised as income on a time-apportioned basis during the time the insurance coverage is effective.

Unearned premiums represent that portion of net premiums written which are estimated to relate to risks and services subsequent to the end of each reporting period.

Provisions are made for outstanding claims, claims incurred but not reported and loss reserve at the end of each reporting period. For risk-sharing business, 50% or 75% of the net risk premiums earned in a year depending on the respective product is set aside as a Contingency Reserve for a period of time in accordance with relevant regulatory guidelines and as considered appropriate by the directors. Withdrawals from the Contingency Reserve can be made to meet excess claims at any time during the period. At the end of the reporting period, the unutilised balance of the Contingency Reserve can be released to retained profits.

再保险合同指本集团与再保险公司订立的合约，据此本集团就本集团发出的一份或以上保险合同获赔偿损失。本集团根据再保险合同下所获利益，确认为再保险资产。该等资产包括从再保险公司可收回的申索及应收款项(根据有关再保险合同所预期的申索及利息)。从再保险公司可收回款项或应付再保险公司金额的计量均与再保险合同相关金额及每份再保险合同的条款一致。再保险资产主要为再保险合同的保费，并摊销作开支。

再保险资产初始确认后，倘若有客观证据显示，本集团可能不会收回合约条款内的全数款项，而本集团从再保险公司之收回款项亦能准确计量，则会对该再保险资产减值。

已产生的佣金在收益表内确认。

(b) 其他担保和保险合同

本集团为合资格的中小企业(中小企)和非上市企业取得的贷款提供财务担保，并收取担保费；亦为长者的安老按揭贷款，以及为资助房屋计划业主而设、主要用于补地价的一笔过贷款，提供保险保障，并收取保险保费。

Reinsurance contracts refer to contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more insurance contracts issued by the Group. Benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of claims recoverable from reinsurers and receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance assets are primarily premiums for reinsurance contracts and are amortised as an expense.

A reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that the Group may not receive all amounts due to it under the terms of the contract, and the impact on the amounts that the Group will receive from the reinsurer can be reliably measured.

Commissions are recognised in the income statement as incurred.

(b) Other guarantee and insurance contracts

The Group provides financial guarantees for loan facilities provided to eligible small and medium enterprises (**SMEs**) and non-listed enterprises, in return for a guarantee fee, insurance coverage on reverse mortgage loans provided to elderly people and on lump-sum loans provided to owners of properties of subsidised housing schemes primarily for land premium settlement, in return for an insurance premium.

根据有关监管指引及在董事认为适当的情况下，年内已满期的担保费的50%和保险保费的75%，在一段时间内，预留作为风险储备。期内可自风险储备提取款项以应付超额申索。于各呈报期末，风险储备的未动用结余可拨回至保留溢利。

(c) 人寿保险合同

保费于从年金受益人收到现金以及保单于所有承保程序完成后签发并生效时被确认为收入。

保险合同负债于订立合约及确认保费时确认。该等负债乃根据《保险业(长期负债厘定)规则》的规定为长期业务使用经修订净额保费估值法计算。于各报告日，负债的变动记入收益表。

保险索赔反映年内产生的所有年金付款、退保、提取现金及身故赔偿等成本。退保、提取现金及身故赔偿按所收到的通知记录。年金付款于到期时记录。

本集团会根据当前合约的未来现金流量估算，在每个呈报期日评估其已确认的负债是否足够。如果评估显示其保险负债的账面值不足够应付预计的未来现金流量，不足之数额在收益表中确认。

2.22. 股息分配

于呈报期末后拟派或宣派的股息，当股东批准该股息时，会作为该时期的负债披露。

50% of the guarantee fee earned and 75% of the insurance premium earned in a year is set aside as a Contingency Reserve for a period of time in accordance with relevant regulatory guidelines and as considered appropriate by the directors. Withdrawals from the Contingency Reserve can be made to meet excess claims at any time during the period. At the end of the reporting period, the unutilised balance of the Contingency Reserve can be released to retained profits.

(c) Life insurance contracts

Premiums are recognised as income when the cash is received from the annuitant, and the policy is issued and becomes effective after the completion of all the underwriting procedures.

Insurance contract liabilities are recognised when contracts are entered into and premiums are recognised. These liabilities are measured by using the Modified Net Level Premium Valuation method for long term business in accordance with the provision of the Insurance (Determination of Long Term Liabilities) Rules. The movements in liabilities at each reporting date are recorded in the income statement.

Insurance claims reflect the cost of all annuity payments, surrenders, withdrawals and death claims arising during the year. Surrenders, withdrawals and death claims are recorded on the basis of notifications received. Annuity payments are recorded when due.

The Group will assess if its recognised liabilities are adequate on each reporting date, using the current estimates of future cash flows under these contracts. If the assessment shows that the carrying amount of its insurance liabilities are inadequate in the light of the estimated future cash flows, the shortfall shall be recognised in the income statement.

2.22. Dividend distribution

Dividend proposed or declared after the end of each reporting period is disclosed as a liability in the period in which the dividends are approved by shareholders.

3. 会计政策变动

采纳香港财务报告准则第9号导致会计政策出现变动及对先前于财务报表确认的金额作出调整。

在香港财务报告准则第9号的过渡性条文容许下，本集团追溯采纳香港财务报告准则第9号，但已选择不重列比较资料。因此，所提供的比较资料继续根据本集团之前根据香港会计准则第39号的会计政策入账。采纳香港财务报告准则第9号产生的差异已直接于二零一八年一月一日的保留溢利、减值拨备及其他相关财务状况表项目确认。

二零一八年一月一日前所应用的会计政策

金融资产

直至二零一七年十二月三十一日，本集团将金融资产分为：以公允价值变化计入损益的金融资产、贷款及应收款项、持有至到期投资及可供出售投资。分类方式视乎购入金融资产的目的而定。管理层于初始确认时决定金融资产分类。

(a) 以公允价值变化计入损益的金融资产

此类别可细分为两类：持作买卖的金融资产、及于初始分类时指定为以公允价值变化计入损益的金融资产。倘金融资产主要为在短期内出售而购入，或该资产为集合管理的可识别金融工具组合之一部分、及有证据显示近期曾实际短期获利，则归类为持作买卖用途。除已指定作对冲用途外，否则衍生工具亦归类为持作买卖用途。

3. Changes in accounting policies

The adoption of HKFRS 9 resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements.

As permitted by the transitional provisions of HKFRS 9, the Group has adopted HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy under HKAS 39. Differences arising from the adoption of HKFRS 9 have been recognised directly in retained profits, impairment allowances and other relevant statement of financial position items as at 1 January 2018.

Accounting policies applied prior to 1 January 2018

Financial assets

Until 31 December 2017, the Group classified its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale investments. The classification depended on the purpose for which the financial assets were acquired. Management determined the classification of its financial assets at initial recognition.

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

This category had two sub-categories: financial assets held for trading, and those designated as at fair value through profit or loss at inception. A financial asset was classified as held for trading if acquired principally for the purpose of selling in the short term or if it was part of a portfolio of identified financial instruments that were managed together and for which there was evidence of recent actual pattern of short-term profit-making. Derivatives were also categorised as held for trading unless they were designated as hedges.

符合以下条件之金融资产，一般会初始时被界定为以公允价值变化计入损益类别：

- (i) 若该界定能消除或大幅减少因按不同基准计量金融资产或金融负债之价值或确认其盈利或亏损，而出现不一致的计量或确认情况（有时称为会计错配）；或
- (ii) 若根据明文规定的风险管理或投资策略，有一组金融资产及/或金融负债需按公允价值基准管理及评估表现，而内部亦根据该基准向管理层呈报有关该组金融资产及/或金融负债；或
- (iii) 金融资产，例如所持有债务证券含有一项或多项对现金流量有重大影响的嵌入式衍生工具，可以被指定为以公允价值变化计入损益。

(b) 贷款及应收款项

贷款及应收款项为有固定或可确定还款额、并无活跃市场报价，且本集团无意即时或于短期内买卖之非衍生工具金融资产。

(c) 持有至到期投资

持有至到期投资为有固定或可确定还款额及固定还款期，且本集团管理层有明确意向及能力持有至到期的非衍生工具金融资产。若本集团出售或将持有至到期资产重新分类，而(i)并非由于超越本集团所能控制的、非经常性的，不能被本集团合理预期的单一事件所引起，例如是发行人的信用状况的显著恶化，或(ii)倘若并非微不足道数额之持有至到期资产，则整个资产类别将重新分类至可供出售。

A financial asset was typically classified as fair value through profit or loss at inception if it meets the following criteria:

- (i) the designation eliminated or significantly reduced a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch) that would otherwise arise from measuring the financial assets or financial liabilities or recognising the gains and losses on them on different bases; or
- (ii) a group of financial assets and/or financial liabilities was managed and its performance was evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and this was the basis on which information about the financial assets and/or financial liabilities was provided internally to the key management personnel; or
- (iii) financial assets, such as debt securities held, containing one or more embedded derivatives which significantly modified the cash flows, could be designated at fair value through profit or loss.

(b) Loans and receivables

Loans and receivables were non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and for which the Group had no intention of trading immediately or in the short term.

(c) Held-to-maturity

Held-to-maturity investments were non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management had the positive intention and ability to hold to maturity. Where the Group sold or reclassified held-to-maturity assets (i) other than due to an isolated event that was beyond the Group's control, was non-recurring and could not have been reasonably anticipated by the Group, such as a significant deterioration in the issuer's creditworthiness; or (ii) other than an insignificant amount of held-to-maturity assets, the entire category would be reclassified as available-for-sale.

(d) 可供出售投资

可供出售投资，包括指定为此类别或并无归入任何其他类别的非衍生工具金融资产。可供出售投资为无限定持有时间的投资，可因应流动资金需要或利率、汇率或市价变动而出售。可供出售投资初步按公允价值(包括直接及递增交易成本)确认，其后按公允价值持有。

所有并非以公允价值变化计入损益的金融资产初始时按公允价值加上交易成本确认。以公允价值变化计入损益的金融资产初始时按公允价值确认，而交易成本则在收益表列作支出。

可供出售金融资产及以公允价值变化计入损益的金融资产，其后以公允价值列账。贷款及应收款项及持有至到期投资，则采用实际利息法以摊销成本列账。「以公允价值变化计入损益的金融资产」类别的公允价值变动产生的收益及亏损，于产生时计入该期间的收益表。可供出售金融资产公允价值变动产生的未变现收益及亏损于其他全面收益确认，并累计于权益中(公允价值储备)，直至有关金融资产被注销或减值时，则将先前已于权益确认之累计盈亏拨转至收益表。然而，使用实际利息法计算的利息乃于收益表中确认。可供出售股权工具之股息于有关公司取得获派股息权利时于收益表确认。

(d) Available-for-sale

Available-for-sale investments were non-derivative financial assets that were either designated in this category or not classified in any of the other categories. Available-for-sale investments were those intended to be held for an indefinite period of time, which might be sold in response to needs for liquidity or changes in interest rate, exchange rate or market prices. They were initially recognised at fair value including direct and incremental transaction costs. They were subsequently held at fair value.

Financial assets were initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss were initially recognised at fair value, and transaction costs were expensed in the income statement.

Available-for-sale financial assets and financial assets at fair value through profit or loss were subsequently carried at fair value. Loans and receivables and held-to-maturity investments were carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category were included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets were recognised in OCI and accumulated in equity (fair value reserve), until the financial asset was derecognised or impaired at which time the cumulative gain or loss previously accumulated in equity was reclassified to income statement. However, interest calculated using the effective interest method was recognised in the income statement. Dividends on available-for-sale equity instruments were recognised in the income statement when the entity's right to receive payment was established.

如果按公允价值计量的资产有一个买入价和卖出价，在这个价格范围内的买卖差价最能代表公允价值的情况下，应该用来计量公允价值。倘金融资产的市场并不活跃，本集团会采用估值方法订出公允价值，包括采用近期按公平原则进行的交易、参考其他大致相同的工具、现金流量折现分析及市场参与者广泛采用的其他估值方法厘定公允价值。

倘若本集团有意并有能力在资产重新分类时，持有某些金融资产直至可预见的未来或直至到期日，本集团可以选择将符合贷款及应收款项定义的金融资产，从可供出售类别，重新分类为贷款及应收款项。

重新分类将按重新分类日的公允价值计算。公允价值会成为新的成本或摊销成本(如适用)，而在重新分类日期前的公允价值收益或亏损不作拨回。对于被重新分类为贷款及应收款项和持有至到期类别的金融资产，其实际利率将在重新分类日确定。

金融资产减值

(a) 以摊销成本列账之资产

本集团于各呈报期末，评估有否客观证据显示个别金融资产或一组金融资产出现减值。于初始确认资产后发生一个或多个损失事件以致出现减值之客观证据(损失事件)，且该宗(或该等)损失事件对有关金融资产或一组金融资产之未来现金流量的影响可准确估计，则该金融资产或该组金融资产将视作减值及出现减值亏损。显示个别金融资产或一组资产减值之客观证据包括本集团注意到有关可供观察资料之以下损失事件：

If an asset measured at fair value had a bid price and an ask price, the price within the bid-ask spread that was most representative of fair value in the circumstances should be used to measure fair value. If there was no active market for a financial asset, the Group established fair value by using valuation techniques. These included the use of recent arm's length transactions, reference to other instruments that were substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants.

The Group might choose to reclassify financial assets that would meet the definition of loans and receivables out of the available-for-sale categories if the Group had the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications were made at fair value as of the reclassification date. Fair value became the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date were subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories were determined at the reclassification date.

Impairment of financial assets

(a) Assets carried at amortised cost

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

- | | |
|--|---|
| <ul style="list-style-type: none"> • 发行人或欠债人出现严重财政困难； • 违约，例如没有支付或拖欠利息或本金还款； • 借款人因经济或法律原因出现财政困难，本集团给予借款人在一般情况下不予考虑之优惠条件； • 启动破产程序或其他财务重组； • 因财政困难至使金融资产之活跃市场消失；或 • 可观察得到的资料显示一组金融资产产生的未来预计现金流将较初始确认时有可量度的下降，即使有关下降未能识别为该组合内之个别金融资产。资料包括： <ul style="list-style-type: none"> — 该组合的借款人之还款状况有不利转变；或 — 与组合内资产违约相关之经济状况。 | <ul style="list-style-type: none"> • significant financial difficulty of the issuer or obligor; • a breach of contract, such as a default or delinquency in interest or principal payments; • the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the Group would not otherwise consider; • initiation of bankruptcy proceedings or other financial reorganisation; • the disappearance of an active market for that financial asset because of financial difficulties; or • observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including: <ul style="list-style-type: none"> — adverse changes in the payment status of borrowers in the group; or — economic conditions that correlate with defaults on the assets in the group. |
|--|---|

本集团首先评估有否客观证据显示金额重大之个别金融资产出现减值。至于金额非重大之个别金融资产，本集团会个别评估或组合评估减值。若本集团确定并无客观证据显示所评估个别金融资产(不论金额是否重大)出现减值，则将该资产包括于信贷风险特征相若的组合中，以作出组合减值评估。组合减值评估不包括已经个别评估为有减值亏损或将继续确认减值亏损之资产。

The Group first assessed whether objective evidence of impairment exists individually for financial assets that were individually significant. For exposures which were not individually significant, the Group would assess impairment either individually or collectively. If the Group determined that no objective evidence of impairment existed for an individually assessed financial asset, whether significant or not, it included the asset in a group of financial assets with similar credit risk characteristics and collectively assessed them for impairment. Assets that were individually assessed for impairment and for which an impairment loss was or continues to be recognised were not included in a collective assessment of impairment.

如有客观证据显示，以摊销成本列账之贷款及应收款项，或持有至到期投资出现减值亏损，则亏损额将以资产账面值与预计未来现金流量（不包括未来信贷亏损），按该金融资产原有实际利率的折现差额计算。资产的账面值通过拨备账目而调减，亏损金额则于收益表确认。倘贷款或持有至到期投资按浮动利率计算，则计量减值亏损的折现率为合约厘定的现行实际利率。

不论是否能收回抵押品，对有抵押金融资产预计未来现金流量之现值计算，可反映因收回抵押品后扣除取得及出售抵押品之成本可能产生的现金流量。

整体之组合减值评估而言，金融资产按相若信贷风险特征归类，该等特征与预测该等资产群组之未来现金流量有关，可显示所评估资产在合约条款下其债务人清偿所有到期债务的能力。

一组共同进行减值评估的金融资产的未来现金流量，是按群组内资产的合约现金流量，及与其具相若信贷风险特征的资产之过往亏损记录为基准估量。过往亏损记录会根据现时可观察资料予以调整，以反映并没有对过往亏损记录所依据的该期间现有状况的影响，以及消除于过往期间出现但现时并不存在之条件的影响。

估计一组资产未来现金流量的变动时，须反映各期间的相关可观察数据（显示该组资产亏损之可能性及程度的变动），并调整至与其一致。本集团定期检讨估计未来现金流量的方法及假设，以缩减亏损估计与实际亏损的差距。

If there was objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost had been incurred, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced through the use of an allowance account and the amount of the loss was recognised in the income statement. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract.

The calculation of the present value of estimated future cash flows of a collateralised financial asset reflected the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

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

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

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period which were indicative of changes in the probability of losses in the group and their magnitude. The methodology and assumptions used for estimating future cash flows were reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

倘贷款无法收回，则信贷委员会将酌情决定自相关贷款减值亏损拨备撤销贷款。该等贷款将于完成所有必需程序及确定亏损金额后撤销。倘日后收回以往已撤销的款项，将用于减低收益表中之减值亏损。

When a loan was uncollectable, it was written off against the related allowance for loan impairment at the discretion of the Credit Committee. Such loans were written off after all the necessary procedures had been completed and the amount of the loss had been determined. Subsequent recoveries of amounts previously written off decreased the amount of the allowance for loan impairment in the income statement.

如日后减值亏损拨备减少，且与确认减值后发生的事件有客观联系，则过往确认的减值亏损会透过调整拨备账目回拨。回拨的金额于收益表内确认。

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss was reversed by adjusting the allowance account. The amount of the reversal was recognised in the income statement.

(b) 被归类为可供出售投资的资产

(b) Assets classified as available-for-sale investments

本集团在各呈报期末评估有否客观证据显示，个别可供出售投资或一组可供出售投资出现减值。对于债务证券，本集团采用以上(a)所提出的标准。至于被分类为可供出售的股权投资，倘若其公平值大幅或长期低于成本，亦为显示该等资产出现减值的证据。如可供出售金融资产存在该等证据，其累计亏损(即购入成本与现时公平值之差额扣减原先已于收益表确认之金融资产减值亏损)需自权益拨转至收益表。如日后归类为可供出售之工具的公平值增加，并与确认减值后发生之事件有客观联系，则有关减值亏损将按变化程度于收益表回拨。

The Group assessed at the end of each reporting period whether there was objective evidence that an available-for-sale investment or a group of available-for-sale investments was impaired. For debt securities, the Group used the criteria referred to in (a) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost was also evidence that the assets were impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statement – was removed from equity and recognised in the income statement. If, in a subsequent period, the fair value of the instrument classified as available-for-sale increases and the increase could be objectively related to an event occurring after the impairment loss was recognised in income statement, the impairment loss to the extent of such change was reversed through the income statement.

(c) 已重组贷款

(c) Renegotiated loans

须作组合减值评估或属个别重大的贷款如已重新协商条款，会被视为已重组贷款处理。

Loans that were either subject to collective impairment assessment or individually significant and whose terms had been renegotiated were treated as renegotiated loans.

采纳香港财务报告准则第9号导致确认、分类及计量金融资产以及金融资产减值的会计政策出现变动。香港财务报告准则第9号亦大幅修订其他有关金融工具的标准，例如香港财务报告准则第7号「金融工具：披露」。

下文披露有关采纳香港财务报告准则第9号对本集团的影响。

The adoption of HKFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and impairment of financial assets. HKFRS 9 also significantly amends other standards dealing with financial instruments such as HKFRS 7 “Financial Instruments: Disclosures”.

Set out below are disclosures relating to the impact of the adoption of HKFRS 9 on the Group.

3.1. 金融工具的分类和计量

于二零一八年一月一日，因金融工具分类及计量而对本集团保留溢利的影响总额如下：

3.1. Classification and measurement of financial instruments

The total impact on the Group’s retained profits due to classification and measurement of financial instruments as at 1 January 2018 is as follows:

	附注 Notes	千港元 HK\$'000
期初保留溢利—香港会计准则第39号	Opening retained profits – HKAS 39	5,889,254
将证券投资从可供出售重新分类至以公允价值变化计入损益所引致由公允价值储备转拨到保留溢利	Transfer from fair value reserve arising from reclassification of investment securities from available-for-sale to FVPL	203,305
贷款组合减值拨备增加	Increase in impairment allowance on loan portfolio	(2)
增加减值拨备于	Increase in impairment allowance on	
— 现金及短期资金	— cash and short-term funds	(1,041)
— 按摊销成本列账的证券投资	— investment securities at amortised cost	(1,245)
— 以公允价值变化计入其他全面收益的证券投资	— investment securities at FVOCI	(506)
采纳香港财务报告准则第9号而对保留溢利调整	Adjustment to retained profits from adoption of HKFRS 9	200,511
期初保留溢利—香港财务报告准则第9号	Opening retained profits – HKFRS 9	6,089,765

下表分析过渡至香港财务报告准则第9号对本集团于二零一八年一月一日的综合财务状况表的影响。金融负债的分类及计量并无变动。

The following table analyses the impact of transition to HKFRS 9 on the consolidated statement of financial position of the Group as at 1 January 2018. There were no changes to the classification and measurement of financial liabilities.

		香港会计准则 第39号 于二零一七年 十二月三十一日 已审计 HKAS 39 Audited as at 31 December 2017			重新分类 Reclassification	减值拨备 Impairment allowances	香港财务报告 准则第9号 于二零一八年 一月一日 HKFRS 9 as at 1 January 2018
		附注 Notes	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
资产	ASSETS						
现金及短期资金	Cash and short-term funds	3.2(b)	25,278,190	-	(1,041)		25,277,149
应收利息及汇款	Interest and remittance receivables		343,978	-	-		343,978
衍生金融工具	Derivative financial instruments		333,727	-	-		333,727
贷款组合净额	Loan portfolio, net	3.2(a)	7,829,441	-	(2)		7,829,439
证券投资：	Investment securities:						
—以公允价值变化计入 其他全面收益	— fair value through other comprehensive income	3.1(c)	-	5,480,912	-		5,480,912
—以公允价值变化计入损益	— fair value through profit or loss	3.1(a)	-	1,657,750	-		1,657,750
—按摊销成本列账	— amortised cost	3.1(b), 3.2(c)	-	10,347,834	(1,245)		10,346,589
—可供出售	— available-for-sale	3.1(a), (c)	7,138,662	(7,138,662)	-		-
—持有至到期	— held-to-maturity	3.1(b)	10,347,834	(10,347,834)	-		-
预付款项、按金 及其他资产	Prepayments, deposits and other assets		67,154	-	-		67,154
固定资产	Fixed assets		34,329	-	-		34,329
递延税项资产	Deferred tax assets		295	-	-		295
再保险资产	Reinsurance assets		164,601	-	-		164,601
资产总额	Total assets		51,538,211	-	(2,288)		51,535,923
负债	LIABILITIES						
应付利息	Interest payable		192,133	-	-		192,133
应付账款、应付开支 及其他负债	Accounts payable, accrued expenses and other liabilities		5,363,263	-	-		5,363,263
衍生金融工具	Derivative financial instruments		119,064	-	-		119,064
当期税项负债	Current tax liabilities		116,288	-	-		116,288
保险负债	Insurance liabilities		1,130,150	-	-		1,130,150
已发行债务证券	Debt securities issued		34,840,706	-	-		34,840,706
负债总额	Total liabilities		41,761,604	-	-		41,761,604
权益	EQUITY						
权益持有人应占股本 及储备：	Capital and reserves attributable to the equity holders:						
股本	Share capital		2,000,000	-	-		2,000,000
保留溢利	Retained profits	3.1 (a), 3.2	5,889,254	203,305	(2,794)		6,089,765
风险储备	Contingency reserve		1,679,837	-	-		1,679,837
公平值储备	Fair value reserve	3.1(a), 3.2(c)	207,516	(203,305)	506		4,717
权益总额	Total equity		9,776,607	-	(2,288)		9,774,319
负债及权益总额	Total liabilities and equity		51,538,211	-	(2,288)		51,535,923

下表载列因采纳香港财务报告准则第9号而导致证券投资重新分类对本集团公平值储备及保留溢利的影响。

The following table shows the impact on fair value reserve and retained profits of the Group due to the reclassification of investment securities on the adoption of HKFRS9.

		对公平值储备的影响 (可供出售) Effect on fair value reserve (available-for-sale)	对公平值储备的影响(以公平值变化计入其他全面收益) [#] Effect on fair value reserve (FVOCI) [#]	对保留溢利的影响 [#] Effect on retained profits [#]
	附注 Notes	千港元 HK'000	千港元 HK'000	千港元 HK'000
期初余额—香港会计准则第39号	Opening balance – HKAS 39	207,516	–	5,889,254
投资由可供出售重新分类为以公平值变化计入损益	Reclassify investments from available-for-sale to FVPL	3.1(a)	(203,305)	203,305
债务证券由可供出售重新分类为以公平值变化计入其他全面收益	Reclassify debt securities from available-for-sale to FVOCI	3.1(c)	(4,211)	–
影响总额	Total impact	(207,516)	4,211	203,305
期初余额—香港财务报告准则第9号	Opening balance – HKFRS 9	–	4,211	6,092,559

[#] 未经减值调整。请参阅下文附注3.2。

[#] before adjustment for impairment. See note 3.2 below.

(a) 由可供出售重新分类为以公平值变化计入损益

于二零一八年一月一日，本集团于交易所买卖基金及房地产投资信托基金的证券投资总额1,657,750,000港元已从可供出售金融资产重新分类为以公平值变化计入损益(附注20(b))。根据香港财务报告准则第9号，该等投资不符合分类为摊销成本及以公平值变化计入其他全面收益的标准，因为其现金流量并不代表支付本金及利息，及该等证券投资无法从发行人的角度满足纯股权定义，藉以于初始确认时作出不可撤销的选择以公平值变化计入其他全面收益。有关累计公平值收益203,305,000港元已于二零一八年一月一日从可供出售投资的公平值储备转拨至保留溢利。截至二零一八年十二月三十一日止年度，与该等投资有关的净亏损为13,500,000港元，已在损益中确认(附注10)。

(a) Reclassification from available-for-sale to FVPL

The Group's investment securities in exchange-traded funds and real estate investment trusts were reclassified from available-for-sale to financial assets at FVPL amounting to HK\$ 1,657,750,000 as at 1 January 2018 (Note 20(b)). They do not meet the criteria to be classified as amortised cost and FVOCI in accordance with HKFRS 9, because their cash flows do not represent solely payments of principal and interest and these investment securities cannot fulfil the pure equity definition from the issuer's perspective in order to make an irrevocable election on initial recognition at FVOCI. Related accumulated fair value gain of HK\$203,305,000 were transferred from the fair value reserve for available-for-sale investments to retained profits on 1 January 2018. For the year ended 31 December 2018, net loss related to these investments amounting to HK\$13,500,000 were recognised in profit or loss (Note 10).

(b) 由持有至到期重新分类为摊销成本

先前被分类为持有至到期的债务投资现分类为摊销成本。本集团拟持有该资产以收取合约现金流量，而该等现金流量仅包括本金及未偿还本金的利息。于二零一八年一月一日，该等金融资产的先前账面值与经修订账面值之间并无差异，所以于期初保留溢利中并无确认任何调整。

(c) 可供出售债务投资为分类为以公允价值变化计入其他全面收益

债务投资从可供出售重新分类为以公允价值变化计入其他全面收益，因为本集团乃透过收取合约现金流量及出售该等资产实现其业务模式。该等投资的合约现金流量仅为本金和利息。因此，公平值为5,480,912,000港元的上市及非上市债务投资已从可供出售金融资产重新分类至以公允价值变化计入其他全面收益的金融资产(附注20(a))，而累计公允价值收益4,211,000港元于二零一八年一月一日从可供出售投资公允价值储备重新分类为以公允价值变化计入其他全面收益投资的公允价值储备。

(b) Reclassification from held-to-maturity to amortised cost

Debt investments that would have previously been classified as held-to maturity are now classified as amortised cost. The Group intends to hold the assets to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding. There was no difference between the previous carrying amount and the revised carrying amount of these financial assets at 1 January 2018 to be recognised in opening retained profits.

(c) Available-for-sale debt investments classified as FVOCI

Debt investments were reclassified from available-for-sale to FVOCI, as the Group's business model is achieved both by collecting contractual cash flows and selling of these assets. The contractual cash flows of these investments are solely principal and interest. As a result, listed and unlisted debt investments with a fair value of HK\$5,480,912,000 were reclassified from available-for-sale financial assets to financial assets at FVOCI (Note 20(a)) and accumulated fair value gains of HK\$4,211,000 were reclassified from the fair value reserve for available-for-sale investments to fair value reserve for FVOCI investments on 1 January 2018.

3.2. 金融资产减值

根据香港财务报告准则第9号，本集团有四种受预期信贷亏损模式影响的金融资产：

- 贷款组合；
- 现金及短期资金；
- 以公允价值变化计入其他全面收益的证券投资；及
- 按摊销成本列账的证券投资。

3.2. Impairment of financial assets

The Group has four types of financial assets subject to expected credit loss (ECL) model under HKFRS 9:

- loan portfolio;
- cash and short-term funds;
- investments securities at FVOCI; and
- investments securities at amortised cost.

本集团须就每类资产按照香港财务报告准则第9号修订其减值方法。

减值方法变动对本集团权益的影响披露如下。

(a) 贷款组合

对于二零一八年一月一日已存在的贷款组合，本集团认为于初始确认每项贷款或应收款项时作可靠地评估其违约概率将会过度耗用成本及工作量。按香港财务报告准则第9号准许，减值拨备一般根据具有类似信贷风险特征的贷款组合及逾期日数而厘定。贷款减值拨备2,000港元已于二零一八年一月一日的保留溢利中确认，并已采用附注4.2(a)所述的减值方法。附注4.2(a)将二零一八年一月一日的减值拨备与报告期末的减值拨备作对账。

(b) 现金及短期资金

现金及短期资金被视为低风险，因此减值拨备被确定为12个月的预期信贷亏损。减值拨备1,041,000港元已于二零一八年一月一日的保留溢利中确认，并已采用附注4.2(b)所述的减值方法。

(c) 债务证券投资

按摊销成本和以公允价值变化计入其他全面收益的债务证券投资被视为低风险，因此减值拨备被确定为12个月的预期信贷亏损。按摊销成本及以公允价值变化计入其他全面收益投资的减值拨备分别为1,245,000港元及506,000港元，已于二零一八年一月一日的保留溢利中确认，并已采用附注4.2(c)所述的减值方法。

The Group was required to revise its impairment methodology in compliance with HKFRS 9 for each of these classes of assets.

The impact of the change in impairment methodology on the Group's equity is disclosed below.

(a) Loan portfolio

For loan portfolio already in place at 1 January 2018, the Group has determined that reliably assessing the probability of default at the initial recognition of each loan or receivable would result in undue cost and effort. As permitted by HKFRS 9, the impairment allowance is determined in general based on loan portfolio with similar credit risk characteristics and the days past due. Charge of loan impairment allowances of HK\$2,000 was recognised in retained profits as at 1 January 2018 for which the impairment methodology described in Note 4.2(a) has been applied. Note 4.2(a) reconciles the impairment allowance as at 1 January 2018 to that at the end of the reporting period.

(b) Cash and short-term funds

Cash and short-term funds are considered to be low risk, and thus the impairment allowance is determined as 12-month ECLs. Charge of impairment allowances of HK\$1,041,000 was recognised in retained profits as at 1 January 2018 for which the impairment methodology described in Note 4.2(b) has been applied.

(c) Investments in debt securities

Investments in debt securities at amortised cost and those at FVOCI are considered to be low risk, and thus the impairment allowance is determined as 12-month ECLs. Charge of impairment allowances of HK\$1,245,000 and HK\$506,000 for investments at amortised cost and for investments at FVOCI respectively were recognised in retained profits as at 1 January 2018 for which the impairment methodology described in Note 4.2(c) has been applied.

4. 财务风险管理

4.1. 采用金融工具策略

本集团的主要业务为 (i) 购买按揭或贷款组合；(ii) 透过发行债券为购买资产筹集资金；(iii) 向认可机构所承造以香港住宅物业作抵押的按揭贷款，提供按揭保险；(iv) 向认可机构所承造的香港中小企及非上市公司贷款，提供财务担保；(v) 向认可机构为长者所承造的安老按揭，提供保险保障；(vi) 向认可机构为资助房屋计划业主用于补地价的一笔过贷款，提供保险保障；(vii) 提供一个中央平台以支援小型贷款的运作；及 (viii) 于或自香港提供终身年金产品。根据其性质，本集团业务主要使用金融工具包括现金、贷款、债务及衍生工具。

本集团的业务面对多种财务风险，该等业务涉及分析、评估、承担及管理一定程度的风险或风险组合。本集团于维持财务表现过程中审慎管理风险。

企业风险管理委员会乃于集团层面设立监督企业范围内的风险事项（包括财务及非财务风险）。各类风险的政策及限额由本公司各管理委员会（包括信贷委员会、资产负债管理委员会、交易核准委员会及营运风险管理委员会）监控及定期检讨，并向企业风险管理委员会报告。

4. Financial risk management

4.1. Strategy in using financial instruments

The major activities of the Group are (i) to purchase portfolios of mortgages or loans; (ii) to raise financing for its purchase of assets through issuance of debt securities; (iii) to provide mortgage insurance cover to AIs in respect of mortgage loans originated by such AIs and secured on residential properties in Hong Kong; (iv) to provide financial guarantee cover to AIs in respect of loans originated by such AIs to SMEs and non-listed enterprises in Hong Kong; (v) to provide insurance cover to AIs in respect of reverse mortgage loans originated by such AIs to elderly people; (vi) to provide insurance cover to AIs in respect of lump-sum loans to owners of properties of subsidised housing schemes for land premium settlement; (vii) to operate a centralised microfinance platform to support microfinance loans; and (viii) to offer life annuity products in or from Hong Kong. By their nature, the Group's activities are principally related to the use of financial instruments including cash, loans, debts and derivatives.

The Group's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Group manages the risks in a prudent manner in sustaining the Group's financial performance.

The Corporate Risk Management Committee is set up at group level to provide oversight of the enterprise-wide risk matters including financial and non-financial risks. The policies and limits for various risks are monitored and reviewed regularly by various management committees of the Company, including the Credit Committee, Asset and Liability Committee (**ALCO**), Transaction Approval Committee (**TAC**) and Operational Risk Committee (**ORC**) which report to the Corporate Risk Management Committee.

信贷委员会监察资产收购及小型贷款计划的信贷政策及标准。资产负债管理委员会监察经董事局批准的市场风险管理及投资指引的执行情况。交易核准委员会负责根据最新市况及董事局批准的业务策略，深入分析业务交易的定价基础及风险。营运风险管理委员会负责确保所有运作部门，都采取有效的营运风险及内部监控机制。该委员会也会负责就运作部门在政策、监控和管理等运作事宜发生问题时，提供指引和解决方法。倘若有审核结果涉及营运风险和内部监控，该委员会会确保尽快采取恰当的纠正措施。此外，集团内部审核部负责独立审查本集团的内部监控系统。

就一般保险业务而言，香港按证保险有限公司（**按证保险公司**）已成立风险委员会，其作为独立监督委员会，负责协助其董事会监督风险管理架构的实施及管理按证保险公司所面临的所有风险。至于香港年金有限公司（**香港年金公司**），则成立风险委员会以管理全企业的风险事宜，包括财务及非财务风险。

最重要的风险类型为信贷风险、市场风险（包括货币风险、利率风险及股票价格风险）、流动资金风险及保险风险。

The Credit Committee oversees the credit policies and standards for asset acquisition and Microfinance Scheme. The ALCO oversees the implementation of market risk management and investment guidelines approved by the Board of Directors. The TAC conducts an in-depth analysis of pricing economics and associated risks for business transactions, whilst taking into consideration the latest market conditions and business strategies approved by the Board. The ORC is responsible for ensuring that all business entities and line functions maintain an effective operational risk and internal control framework. The ORC is also responsible for providing directions and resolving issues related to policies, controls and management of operational issues referred to by line functions, as well as ensuring prompt and appropriate corrective action in response to audit findings related to operational risks or internal controls. In addition, Group Internal Audit Department is responsible for the independent review of the internal control systems of the Group.

In respect of general insurance business, a Risk Committee is established by HKMC Insurance Limited (**HKMCI**) as an independent oversight committee to assist its Board to oversee implementation of risk management framework and manage all risks faced by the HKMCI. For HKMC Annuity Limited (**HKMCA**), a Risk Committee is established to manage the enterprise-wide risk matters, including financial and non-financial risks.

The most important types of risks are credit risk, market risk which includes currency risk, interest rate risk and equity price risk, liquidity risk and insurance risk.

4.2. 信贷风险

本集团主要金融资产为其贷款组合、证券投资、现金及短期资金及外汇基金存款。流动资金及证券投资的信贷风险有限，因为交易对手主要是主权国、半主权国机构、银行及公司，其信贷评级须符合按照董事局批准的投资指引的最低要求。香港年金公司的资本及保费收入存放于香港金融管理局（香港金管局）管理的外汇基金。由于交易对手为香港特别行政区政府（政府），故外汇基金存款的信贷风险非常有限。

本集团的信贷风险主要来自其贷款组合，即借款人于款项到期时未能全数偿还的风险。

经济及本地物业市场出现的重大转变可能导致的亏损有别于呈报期末之拨备。因此本集团就管理信贷风险订下审慎政策。

为维持资产组合的素质，本集团采取四项策略：(i) 按既定准则挑选核准卖方，(ii) 采取审慎的资产购买准则，(iii) 进行有效的尽职审查程序及(iv) 确保较高风险的资产或交易有足够的保障。

本集团的按揭贷款信贷风险分散于众多客户及交易对手，而本集团按揭风险之相关抵押品则坐落于香港。

4.2. Credit risk

The Group's principal financial assets are its loan portfolio, investment securities, cash and short-term funds and placements with the Exchange Fund. The credit risk on liquid funds and investment securities is limited because the credit ratings of the counterparties, mainly sovereigns, quasi-sovereign agencies, banks and companies, should meet the minimum requirement in accordance with the investment guidelines approved by the Board of Directors. The capital and premium receipts of the HKMCA are placed with the Exchange Fund managed by the Hong Kong Monetary Authority (HKMA). The credit risk on the placements with the Exchange Fund is very limited as it is exposure to the Government of the Hong Kong Special Administrative Region (Government).

The Group's credit risk is primarily attributable to its loan portfolio, which is the risk that a loan borrower will be unable to pay amounts in full when due.

Significant changes in the economy and local property market could result in losses that are different from those provided for at the end of the reporting period. The Group therefore has a prudent policy for managing its exposure to credit risk.

To maintain the quality of the asset portfolios, the Group adheres to a four-pronged approach to (i) select Approved Sellers with established criteria, (ii) adopt prudent asset purchasing criteria, (iii) conduct effective due diligence reviews and (iv) ensure adequate protection for higher-risk assets or transactions.

Credit risk exposures on mortgage loans of the Group are spread over a large number of customers and counterparties. The underlying collaterals on the Group's mortgage exposures are located in Hong Kong.

本集团尤其注重对问题贷款进行持续信贷审查。业务部门将监控该等贷款，并尽力为收回款项采取如与借款人制定宽减计划从而加强贷款回收力度。根据信贷委员会批准的指引为贷款定期进行减值评估，减值拨备亦于收益表扣除。

抵押品及其他信贷安排加强措施

本集团已实施关于接受用以减低信贷风险的特定类别的抵押品的指引。该等指引定期进行检讨。

贷款组合

按揭贷款组合的主要抵押品类型包括物业及递延代价(附注26)。至于融资租赁应收账款的抵押品类型包括的士和公共小巴牌照。按揭贷款组合和融资租赁应收账款一般有充足的抵押。目前物业抵押品的价值是以公开指数按组合基础而确定。至于其他非按揭贷款组合，一般并不寻求抵押品。

银行定期存款、证券投资及外汇基金存款

银行定期存款一般不寻求抵押，因为其交易对手的性质，和短期内到期，故被视为低风险。证券投资及外汇基金存款一般没有抵押。

The Group undertakes ongoing credit review with special attention paid to problem loans. Operation units will monitor these loans and take recovery action such as establishing relief plan with borrowers in order to maximise recoveries. Loan impairment assessment is performed regularly and impairment allowance is charged to income statement in accordance with the guidelines approved by the Credit Committee.

Collateral and other credit enhancements

The Group has implemented guidelines on the acceptability of specific classes of collateral on credit risk mitigation, which are subject to regular review.

Loan portfolio

The principal collateral types for mortgage portfolio mainly consist of properties and the deferred consideration (Note 26). For finance lease receivable, the collateral types include taxi and public light bus licenses. Mortgage portfolio and finance lease receivable are generally fully secured by collateral. The current collateral value of properties is determined with the use of public indices on a portfolio basis. For other non-mortgage portfolio, no collateral is generally sought.

Time deposits with banks, investment securities and placements with the Exchange Fund

Collaterals are generally not sought for time deposits with banks as the exposures are considered to be low risk due to the nature of the counterparties and short term maturity. Investment securities and placements with the Exchange Fund are generally unsecured.

衍生金融工具

本集团与所有衍生工具之交易对手签订国际掉期及衍生工具协会主协议。按照该协议，倘若其中一方出现违约事件，另一方可以净额结算所有未平仓的金额。本集团亦跟其主要交易对手，与主协议同时执行信贷支持附件。根据信贷支持附件，双方可以透过转移抵押品，减轻未平仓时存在的交易对手风险。

至于金融工具，如衍生工具，本集团按照投资指引及信贷风险政策所制定的交易对手风险限额予以监察。交易对手风险限额由信贷风险委员会每年定期检讨。无论于何时，交易对手风险的上限为对本集团有利的工具（即公平值为正数的资产）的现有公平值，就衍生工具而言，公平值仅占合约价值或用于反映未平仓工具数量的估算价值的小部分。交易对手风险作为交易对手整体信贷限额的一部分，与市场波动的潜在风险一并管理。

按揭保险合同、其他担保和保险合同

详情在附注 4.5 披露。

结算风险存在于任何以现金、证券或股票支付并期望收取相应现金、证券或股票的情况。为涵盖本集团于任何单一日期因市场交易产生的所有结算风险的总额，对每名交易对手均设有每日结算限额。

Derivative financial instruments

The Group enters into International Swaps and Derivatives Association master agreement with all counterparties for derivative transactions where each party will be able to settle all outstanding amounts on a net basis in the event of default of the other party. The Group also executed Credit Support Annex (**CSA**) with its major counterparties in conjunction with the master agreement. Under CSA, collateral is passed between the parties to mitigate the counterparty risk inherent in outstanding positions.

For financial instruments such as derivatives, exposures are monitored against counterparty risk limits established in accordance with the investment guidelines and credit risk policy of the Group. These counterparty risk limits are subject to regular review by the Credit Committee on an annual basis. At any one time, the amount subject to counterparty risk is limited to the current fair value of instruments favourable to the Group (i.e. assets with positive fair value), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This counterparty risk exposure is managed as part of the overall credit limits with counterparties, together with potential exposures from market movements.

Mortgage insurance contracts, other guarantee and insurance contracts

The details are disclosed in Note 4.5.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Group's market transactions on any single day.

预期信贷亏损计量

就金融资产而言，将应用下述信贷风险模型：

本集团于初始确认资产时，评估其违约率，以及于各报告期持续评估信贷风险及信贷减值是否有明显增加。为评估信贷风险有否明显增加，本集团将资产于报告日的违约风险与资产于初始确认时的违约风险进行比较。评估考虑可用合理及辅助性前瞻资料，并特别纳入下述指标：

- 外部信贷评级(尽可能取得)；
- 业务、财务或经济状况的实际或预期重大不利变动，而预期对借款人履行责任的能力构成重大改变；
- 借款人财务状况的实际或预期重大变动；
- 相同借款人的其他金融工具的信贷风险明显增加；
- 支持其责任的抵押品价值或第三方担保或信贷安排加强措施的质素发生重大变动；及
- 借款人预期表现及行为的重大变动，包括该组合内借款人付款状况变动及借款人财务状况变动。

本集团采用三阶段方法计量贷款组合、现金及短期资金以及按摊销成本入账及以公允价值变化计入其他全面收益的债务工具的预期信贷亏损，金融资产自初始确认后根据信贷质素的变化按以下三个阶段进行转移：

ECL measurement

For financial assets, the following credit risk modelling applies:

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk and credit impaired on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- External credit rating (as far as available);
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- Actual or expected significant changes in the financial conditions of the borrower;
- Significant increases in credit risk on other financial instruments of the same borrower;
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the financial conditions of the borrower.

A three-stage approach to measuring ECLs is applied on loan portfolio, cash and short-term funds and debt instruments accounted for at amortised cost and FVOCI. Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

第一阶段：12个月预期信贷亏损

对于初始确认后信贷风险未显著增加及于产生时未出现信贷减值的其预期年限信贷亏损中与未来12个月内发生的违约率相关的亏损部分被确认。

第二阶段：预期年限信贷亏损—未发生信贷减值

对于信贷风险，自初始确认后信贷风险显著增加但未发生信贷减值，则确认预期年限信贷亏损。

第三阶段：预期年限信贷亏损—信贷减值

当一项或多项事件对金融资产的估计未来现金流量产生不利影响时，该资产即评估为发生信贷减值。对于发生信贷减值的金融资产，确认预期年限信贷亏损，其利息收入的计算按应用实际利率于摊销成本（扣除减值拨备）而非账面总值来计算。

预期信贷亏损源自不偏不倚和概率加权估计的预期亏损。预期信贷亏损的金额使用减值拨备账确认，此账户中的变动计入损益表。

于初始确认时，需要为未来12个月内可能发生的违约事件导致的预期信贷亏损计提减值拨备。于各报告日，本集团通过比较报告日与初始确认日之间预期年期发生的违约风险，评估自初始确认后金融资产的信贷风险是否显著增加。倘信贷风险大幅增加，则需要为金融资产的预期年期内所有可能发生的违约事件均计提减值拨备。如在随后的一段时间内，信贷质量得到改善并扭转自初始确认以来任何先前评估的信贷风险显著增加，减值拨备则将从预期年限信贷亏损恢复为12个月预期信贷亏损。

Stage 1: 12-month ECLs

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECLs associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECLs – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised.

Stage 3: Lifetime ECLs – credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised and interest income is calculated by applying the effective interest rate to the amortised cost (net of impairment provision) rather than the gross carrying amount.

ECLs are derived from unbiased and probability-weighted estimates of expected loss. The amount of the ECLs is recognised using an impairment allowance account with the movement in this account charged to income statement.

At initial recognition, impairment allowance is required for ECLs resulting from default events that are possible within the next 12 months. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. In the event of a significant increase in credit risk, impairment allowance is required from all possible default events over the expected life of the financial assets. If, in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the impairment allowance reverts from lifetime ECLs to 12-month ECLs.

倘并无合理预期可收回，例如债务人未能与本集团订立还款计划，该金融资产将予以注销。在所有必要程序基本完成并且已确定亏损金额后，贷款将予以注销。在注销贷款的情况下，本集团继续进行强制执行活动以尝试收回到期应收款项。倘收回有关款项，则在损益中确认。

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Loans are written off after all the necessary procedures have substantially been completed and the amount of the loss has been determined. Where loans have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(a) 贷款组合

本集团将贷款按其信贷风险分为三类，以及如何确定各类别的贷款亏损拨备。

本集团预期信贷亏损贷款模型的假设概述如下：

(a) Loan portfolio

The Group uses three categories for loans which reflect their credit risk and how the loan loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Group's ECL model on loans is as follows:

类别 Category	类别的定义 Definition of category	确认预期信贷亏损拨备的基础 Basis for recognition of ECL provision
第一阶段 Stage 1	借款人违约风险较低，并有足够能力履行合同现金流量。	12个月预期信贷亏损（如资产的预期年期少于12个月，则预期亏损按其预期年期计量。）
第二阶段 Stage 2	贷款的信贷风险大幅增加；如利息及/或本金还款逾期超过30天，则假定为信贷风险显著增加。	12-month ECLs (Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.)
第三阶段 Stage 3	贷款的信贷风险大幅增加；如利息及/或本金还款逾期超过30天，则假定为信贷风险显著增加。	预期年限信贷亏损—未发生信贷减值
注销 Write-off	并无合理预期可收回逾期利息及/或本金还款。 There is no reasonable expectation of recovery on the delinquent interest and/or principal repayments.	预期年限信贷亏损—信贷减值 Lifetime ECLs – credit impaired
		注销资产 Asset is written off

然而，在若干情况下，本集团对所持有的任何信贷安排加强措施前，内部或外部资料显示本集团不可能全数收取未偿还合约金额时，本集团将贷款视作违约。

在贷款期限内，本集团及时为预期信贷亏损作适当拨备，以应对其信贷风险。在计算预期信贷亏损率时，本集团考虑每类贷款组合的历史亏损率，并以前瞻性宏观经济数据作出调整。

下表载有已确认减值拨备的贷款组合的信贷风险分析。

However, in certain cases, the Group will also consider a loan to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any enhancements held by the Group.

Over the term of the loans, the Group accounts for its credit risk by appropriately providing for ECLs on a timely basis. In calculating the ECL rates, the Group considers historical loss rates for each category of loan portfolio, and adjusts for forward-looking macroeconomic data.

The following table contains an analysis of the credit risk exposure of loan portfolio for which impairment allowance is recognised.

		于二零一八年十二月三十一日 As at 31 December 2018			
		第一阶段 Stage 1 千港元 HK\$'000	第二阶段 Stage 2 千港元 HK\$'000	第三阶段 Stage 3 千港元 HK\$'000	总额 Total 千港元 HK\$'000
账面总值	Gross carrying amount	6,435,587	1,615	5,528	6,442,730
减值拨备	Impairment allowance	(47)	(151)	(468)	(666)
账面值	Carrying amount	6,435,540	1,464	5,060	6,442,064

于二零一八年十二月三十一日
的贷款组合减值拨备与期初减
值拨备之对账如下：

The impairment allowance for loan portfolio as at 31
December 2018 reconciles to the opening impairment
allowance as follows:

		第一阶段 Stage 1 千港元 HK\$'000	第二阶段 Stage 2 千港元 HK\$'000	第三阶段 Stage 3 千港元 HK\$'000	总额 Total 千港元 HK\$'000
于二零一七年十二月三十一日 根据香港会计准则第39号 的减值拨备	Impairment allowance as at 31 December 2017 under HKAS 39	3	-	383	386
根据香港财务报告准则第9号 透过期初保留溢利重列的 金额(附注3.1)	Amounts restated through opening retained profits under HKFRS 9 (Note 3.1)	2	-	-	2
于二零一八年一月一日根据 香港财务报告准则第9号的 经重列减值拨备	Restated impairment allowance as at 1 January 2018 under HKFRS 9	5	-	383	388
阶段转移所产生的 减值计量净额	Net measurement of impairment arising from transfer of stage	-	485	516	1,001
因信贷风险变动而产生的变动	Movement due to changes in credit risk	42	-	-	42
收回未撇销贷款	Recoveries of loans not written-off	-	(8)	(135)	(143)
		42	477	381	900
转移至第三阶段	Transfer to stage 3	-	(326)	326	-
注销	Write-offs	-	-	(622)	(622)
于二零一八年十二月三十一日 的减值拨备(附注19)	Impairment allowance as at 31 December 2018 (Note 19)	47	151	468	666
贷款减值拨备	Charge of loan impairment allowance	42	477	381	900
收回及拨回已注销贷款	Recoveries and release of loans previously written-off	-	-	(882)	(882)
减值拨备/(回拨)总额 (附注14)	Total charge/(write-back) of impairment allowance (Note 14)	42	477	(501)	18

(b) 现金及短期资金

于二零一八年十二月三十一日的现金及短期资金减值拨备与期初减值拨备对账如下：

(b) Cash and short-term funds

The impairment allowance for cash and short-term funds as at 31 December 2018 reconciles to the opening impairment allowance as follows:

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000
于二零一七年十二月三十一日根据香港会计准则第39号的减值拨备	Impairment allowance as at 31 December 2017 under HKAS 39	—
根据香港财务报告准则第9号透过期初保留溢利重列的金额(附注3.1)	Amounts restated through opening retained profits under HKFRS 9 (Note 3.1)	1,041
于二零一八年一月一日根据香港财务报告准则第9号的经重列减值拨备	Restated impairment allowance as at 1 January 2018 under HKFRS 9	1,041
期内于损益确认的减值拨备变动(附注14)	Change in the impairment allowance recognised in profit or loss during the period (Note 14)	(95)
于二零一八年十二月三十一日的减值拨备(附注16)	Impairment allowance as at 31 December 2018 (Note 16)	946

根据经批准的投资指引，本集团仅可存款于发钞银行或达到特定最低信贷评级的银行。

According to the approved investment guidelines, the Group can only place deposits with note-issuing banks or banks with a certain minimum credit rating.

本集团已建立一个拨备矩阵，该矩阵基于每个交易对手的外部信用评级及相应的过往信贷亏损纪录，并根据前瞻性宏观经济数据进行调整，以确定减值拨备的预期信贷亏损。

The Group has established a provision matrix that is based on the external credit rating of each counterparty and the corresponding historical credit loss experience, adjusted for forward-looking macroeconomic data to determine the ECLs for impairment allowance.

鉴于所有存款银行均获评级机构评为投资级别，所有该等金融资产均被视为低风险，因此期内确认的减值拨备仅限于12个月预期信贷亏损。

于二零一八年十二月三十一日及二零一七年十二月三十一日，可接受的最低短期信贷评级为A-2(标准普尔)、P-2(穆迪)和F-2(惠誉)。

(c) 证券投资

根据经批准的投资指引，本集团仅可投资于达到特定最低信贷评级的债务证券。资产负债管理委员会对按评级划分的投资进行监察及检讨。

根据外部信贷机构的评级(标准普尔、穆迪及惠誉)，下列为呈报期末债务证券按评定级别的分析。如证券本身没有特定的发行评级，则采用证券发行人的评级呈报。

All of these financial assets are considered to be low risk in view of all deposit banks are rated at investment grade by rating agencies, and thus the impairment allowance recognised during the period was limited to 12-month ECLs.

As at 31 December 2018 and 31 December 2017, the minimum acceptable short-term credit ratings are A-2 (Standard and Poor's), P-2 (Moody's) and F-2 (Fitch).

(c) Investment securities

According to the approved investment guidelines, the Group can only invest in debt securities with a certain minimum credit rating. The proportion of investments according to rating categories is monitored and reviewed by ALCO.

The table below presents an analysis of debt securities by rating classification as at the end of the reporting period, based on external credit agency's ratings (Standard and Poor's, Moody's and Fitch). In the absence of issue-specific ratings, the ratings for the issuers are reported.

		以公允价值计入 其他全面收益的 证券投资 Investment securities at FVOCI	按摊销成本 列账的证券投资 Investment securities at amortised cost	总额 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
于二零一八年十二月三十一日 As at 31 December 2018				
AAA/Aaa	AAA/Aaa	30,105	711,904	742,009
AA-至AA+/Aa3至Aa1	AA- to AA+/Aa3 to Aa1	3,069,211	2,826,744	5,895,955
A-至A+/A3至A1	A- to A+/A3 to A1	1,992,348	8,009,627	10,001,975
总额	Total	5,091,664	11,548,275	16,639,939

		可供出售证券 Available-for-sale securities	持有至到期证券 Held-to-maturity securities	总额 Total
于二零一七年十二月三十一日 As at 31 December 2017		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
AAA/Aaa	AAA/Aaa	56,861	858,547	915,408
AA-至AA+/Aa3至Aa1	AA- to AA+/Aa3 to Aa1	3,468,224	3,147,190	6,615,414
A-至A+/A3至A1	A- to A+/A3 to A1	1,955,827	6,342,097	8,297,924
总额	Total	5,480,912	10,347,834	15,828,746

(i) 按摊销成本列账(先前为持有至到期)的证券投资

按摊销成本列账的证券投资包括上市及非上市债务证券。于二零一八年十二月三十一日的按摊销成本列账的证券投资减值拨备与期初减值拨备对账如下：

(i) Investment securities at amortised cost (previously held-to-maturity)

Investment securities at amortised cost include listed and unlisted debt securities. The impairment allowance on investment securities at amortised cost as at 31 December 2018 reconciles to the opening impairment allowance as follows:

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000
于二零一七年十二月三十一日根据香港会计准则第39号的减值拨备	Impairment allowance as at 31 December 2017 under HKAS 39	-
根据香港财务报告准则第9号透过期初保留溢利重列的金额(附注3.1)	Amounts restated through opening retained profits under HKFRS 9 (Note 3.1)	1,245
于二零一八年一月一日根据香港财务报告准则第9号的经重列减值拨备	Restated impairment allowance as at 1 January 2018 under HKFRS 9	1,245
期内于损益确认的减值拨备变动(附注14)	Change in the impairment allowance recognised in profit or loss during the period (Note 14)	197
于二零一八年十二月三十一日的减值拨备(附注20(c))	Impairment allowance as at 31 December 2018 (Note 20(c))	1,442

本集团已建立一个拨备矩阵，该矩阵基于每个交易对手的外部信用评级及相应的过往信贷亏损纪录，并根据前瞻性宏观经济数据进行调整，以确定减值拨备的预期信贷亏损。

鉴于所有按摊销成本列账的证券投资均获评级机构评为投资级别，所有该等金融资产均被视为低风险，因此期内确认的减值拨备仅限于12个月的预期信贷亏损。

- (ii) 以公允价值变化计入其他全面收益(先前为可供出售)的证券投资

以公允价值变化计入其他全面收益的证券投资包括上市及非上市债务证券。于二零一八年十二月三十一日的以公允价值变化计入其他全面收益的证券投资减值拨备与期初减值拨备对账如下：

The Group has established a provision matrix that is based on the external credit rating of each counterparty and the corresponding historical credit loss experience, adjusted for forward-looking macroeconomic data to determine the ECLs for impairment allowance.

All of these financial assets are considered to be low risk in view of all investment securities at amortised cost are rated at investment grade by rating agencies, and thus the impairment allowance recognised during the period was limited to 12-month ECLs.

- (ii) Investment securities at FVOCI (previously available-for-sale)

Investment securities at FVOCI include listed and unlisted debt securities. The impairment allowance for investment securities at FVOCI as at 31 December 2018 reconciles to the opening impairment allowance as follows:

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000
于二零一七年十二月三十一日根据香港会计准则第39号的减值拨备根据香港财务报告准则第9号透过期初保留溢利重列的金额(附注3.1)	Impairment allowance as at 31 December 2017 under HKAS 39 Amounts restated through opening retained profits under HKFRS 9 (Note 3.1)	— 506
于二零一八年一月一日根据香港财务报告准则第9号的经重列减值拨备期内于损益确认的减值拨备变动(附注14)	Restated impairment allowance as at 1 January 2018 under HKFRS 9 Change in the impairment allowance recognised in profit or loss during the period (Note 14)	506 14
于二零一八年十二月三十一日于其他全面收益确认的减值拨备	Impairment allowance recognised in OCI as at 31 December 2018	520

本集团已建立一个拨备矩阵，该矩阵基于每个交易对手的外部信用评级及相应的过往信贷亏损纪录，并根据前瞻性宏观经济数据进行调整，以确定减值拨备的预期信贷亏损。

鉴于所有以公允价值变化计入其他全面收益的证券投资均获评级机构评为投资级别，所有该等金融资产均被视为低风险，因此期内确认的减值拨备仅限于12个月的预期信贷亏损。

The Group has established a provision matrix that is based on the external credit rating of each counterparty and the corresponding historical credit loss experience, adjusted for forward-looking macroeconomic data to determine the ECLs for impairment allowance.

All of these financial assets are considered to be low risk in view of all investment securities at FVOCI are rated at investment grade by rating agencies, and thus the impairment allowance recognised during the period was limited to 12-month ECLs.

- (d) 未计所持有抵押品或其他信贷安排加强措施的最高信贷风险分析如下：

本集团金融资产最高信贷风险与其账面总额相等。在未计再保险安排下，本集团资产负债表外的最高信贷风险分析如下：

- (d) Maximum exposures to credit risk before taking into account of collateral held or other credit enhancements are analysed as follows:

The maximum exposures to credit risk of the financial assets of the Group are equal to their gross carrying amounts. The maximum exposures to credit risk of the off-balance sheet exposures of the Group before taking into account of reinsurance arrangements are as follows:

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000	于二零一七年 十二月三十一日 As at 31 December 2017 千港元 HK\$'000
风险投保总额	Total risk-in-force		
—按揭保险业务	— mortgage insurance business	23,736,830	21,100,756
—其他担保及保险业务	— other guarantee and insurance business	9,644,703	6,876,730
		33,381,533	27,977,486

(e) 贷款组合的信贷素质分析如下：

(e) Credit quality of the loan portfolio is analysed as follows:

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000	于二零一七年 十二月三十一日 As at 31 December 2017 千港元 HK\$'000
未逾期亦未减值	Neither past due nor impaired	6,307,759	7,652,233
逾期但未减值	Past due but not impaired	134,503	177,213
已减值	Impaired	468	381
贷款组合总额	Gross loan portfolio	6,442,730	7,829,827
贷款减值拨备	Allowance for loan impairment	(666)	(386)
		6,442,064	7,829,441

于呈报期末未逾期亦未减值的贷款组合的信贷素质，可参考本集团采纳的内部评级系统进行评估。

The credit quality of loans that were neither past due nor impaired as at the end of the reporting period can be assessed by reference to the internal rating system adopted by the Group.

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000	于二零一七年 十二月三十一日 As at 31 December 2017 千港元 HK\$'000
级别：	Grades:		
1至3	1 to 3	6,296,101	7,648,227
4	4	-	-
5	5	11,658	4,006
		6,307,759	7,652,233

1至3级包括无重大信贷风险或近期无逾期还款记录的贷款，并持有不同水平的信贷安排加强措施，及持有作为担保按揭贷款组合和融资租约应收账款的抵押品。

4级包括近期有逾期还款记录的贷款，并持有不同水平的信贷安排加强措施，及持有作为担保按揭贷款组合和融资租约应收账款的抵押品。

5级包括近期有逾期还款记录的贷款，并持有作为担保按揭贷款组合和融资租约应收账款的抵押品。

(f) 逾期但未减值的贷款

以下为于呈报期末逾期但未减值的贷款总额分析：

Grades 1 to 3 include loans with either insignificant credit risk or no recent past due history; and with different levels of credit enhancements in addition to the collateral held as security for mortgage portfolio and finance lease receivable.

Grade 4 includes loans with recent past due history and with different levels of credit enhancement in addition to the collateral held as security for mortgage portfolio and finance lease receivable.

Grade 5 includes loans with recent past due history and with collateral held as security for mortgage portfolio and finance lease receivable.

(f) Loans past due but not impaired

The analysis below shows the gross amount of loans that were past due but not impaired at the end of the reporting period:

		于二零一八年 十二月三十一日 As at 31 December 2018 千港元 HK\$'000	于二零一七年 十二月三十一日 As at 31 December 2017 千港元 HK\$'000
逾期：	Past due:		
三个月或以下	Three months or less	133,090	176,723
六个月或以下， 但超过三个月	Six months or less but over three months	1,209	77
六个月以上	Over six months	204	413
总额	Total	134,503	177,213
其中抵押品的公平值	Of which fair value of collateral	2,644,395	2,409,667

(g) 个别减值的贷款

本集团未计所持有抵押品产生的现金流量的个别减值贷款为468,000港元(二零一七年: 381,000港元)。

本集团为个别减值贷款所持相关抵押品的公平值为零(二零一七年: 零)。

(g) Individually impaired loans

Individually impaired loans of the Group before taking into account the cash flows from collateral held amounted to HK\$468,000 (2017: HK\$381,000).

The fair value of related collateral held for individually impaired loans of the Group was nil (2017: nil).

(h) 收回物业

本集团收回作为担保的抵押品的资产。收回物业将在实际可行情况下尽快出售, 所得款项用于减少未偿还债项。收回物业于财务状况表内归类于「其他资产」项目下。如果在偿还债务后尚有剩余款项, 将根据适用的法律, 分配给资产的受益人。

(h) Repossessed properties

The Group obtained assets by taking possession of collateral held as security. Repossessed properties are sold as soon as practicable, with the proceeds used to reduce the outstanding indebtedness and are classified in the statement of financial position within "Other assets". If excess funds arise after repayment of the outstanding indebtedness, they are distributed to the beneficiaries of the assets under the applicable laws.

4.3. 市场风险

本集团承担的市场风险是指金融工具的公平值或未来现金流量因市价变动而波动的风险。市场风险乃因利率、货币及股票产品的未平仓合约而产生。所有该等合约均面对一般及特定市场变动及市场比率或市价(如利率、信贷差、汇率及股价)波动水平变动的风险。本集团所面对市场风险主要来自对公司具有不同价格重订特性的金融工具的利率管理而产生, 或者是以外币定价的金融工具的净风险。本集团亦采用公平值对冲, 透过利率掉期对冲发行定息债券大部分现有利率风险, 将浮息资金与浮息资产作出更好配对。本集团亦采用跨货币掉期, 分别用作公平值对冲和经济对冲, 藉以对冲以外币定价发行的债券的净风险。

4.3. Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Group's exposures to market risk primarily arise from the interest rate management of the entity's financial instruments of different repricing characteristics, or from the net exposure of the foreign currency denominated financial instruments. The Group hedges a major proportion of its existing interest rate risk of the fixed-rate bond issuance using fair value hedges in the form of interest rate swaps by swapping into floating-rate funding to better match the floating-rate assets. The Group also hedges the net exposure of the foreign-currency denominated debts issued by the use of cross-currency swaps as fair value hedges and economic hedges respectively.

市场风险主要由库务部采用董事局批准的风险限额进行管理。关于利率风险管理、融资、对冲、投资的策略由资产负债管理委员会制定。该委员会定期举行会议对金融市场及资产负债组合的近期状况进行检讨。库务部负责监察金融市场变动以及根据资产负债管理委员会制定的策略在现金、衍生工具、债务和投资市场执行交易。中台部门监察对风险限额的遵守情况及进行压力测试以评估在极端状况下可能产生的亏损规模。压力测试结果由资产负债管理委员会进行检讨。

利率风险管理主要指对利息收入净额对不同利率的敏感度进行监察，并通过对冲措施减低不利影响。利率曲线于二零一八年十二月三十一日平行下移20个基点，将使未来12个月的利息收入净额减少约100万港元(二零一七年：增加200万港元)。类似的平行上移，将使未来12个月的利息收入净额增加约100万港元(二零一七年：减少200万港元)。

于二零一八年十二月三十一日，如该日利率平行下移20个基点，年内溢利将减少约100万港元(二零一七年：增加20万港元)，于二零一八年十二月三十一日的公平值储备增加约400万港元(二零一七年：300万港元)。如利率平行上移20个基点，年内溢利将增加100万港元(二零一七年：减少30万港元)，而公平值储备将下调约400万港元(二零一七年：300万港元)。

于二零一八年十二月三十一日，在所有其他可变因素保持不变的情况下，如港元兑美元汇率下跌100点子，年内溢利将增加约2,000万港元(二零一七年：1,700万港元)。反之，如港元兑美元汇率上升100点子，则年内溢利将减少约2,000万港元(二零一七年：1,700万港元)。

The management of market risk is principally undertaken by the Treasury Department using risk limits approved by the Board of Directors. Strategies on interest rate risk management, financing, hedging, investments are formulated by ALCO. Regular meetings are held to review the latest conditions in the financial markets and the asset-liability portfolio mix. The Treasury Department is responsible for monitoring financial market movements and executing transactions in the cash, derivatives, debt and investment markets in accordance with the strategies laid down by ALCO. The middle office monitors the compliance of risk limits and performs stress tests to assess the potential size of losses that could arise in extreme conditions. The results of the stress tests are reviewed by ALCO.

A principal part of the interest rate risk management is to monitor the sensitivity of projected net interest income under different interest rate scenarios and to mitigate the negative impact through hedging operations. A 20 basis points parallel downward shift of the interest rate curve as at 31 December 2018 would decrease the future net interest income for the next twelve months by around HK\$1 million (2017: HK\$2 million increase) and increase by around HK\$1 million (2017: HK\$2 million decrease) for a similar upward parallel shift.

As at 31 December 2018, if interest rates at that date had experienced a 20 basis points parallel shift downwards, profit for the year would have been lower by around HK\$1 million (2017: HK\$0.2 million higher) and the fair value reserve would have been higher by around HK\$4 million (2017: HK\$3 million) as at 31 December 2018. If interest rates had experienced a 20 basis points parallel shift upwards, profit for the year would have been higher by HK\$1 million (2017: HK\$0.3 million lower) and the fair value reserve would have been lower by around HK\$4 million (2017: HK\$3 million).

As at 31 December 2018, with all other variables held constant, if the Hong Kong dollars had weakened by 100 price interest points against the US dollars, profit for the year would have been around HK\$20 million higher (2017: HK\$17 million). Conversely, if the Hong Kong dollars had strengthened by 100 price interest points against the US dollars, profit for the year would have been around HK\$20 million lower (2017: HK\$17 million).

于二零一八年十二月三十一日，在所有其他可变因素保持不变的情况下，如港元兑美元以外的其他外币汇率下跌100点，年内溢利将增加约100万港元（二零一七年：200万港元）。反之，如港元兑美元以外的其他外币汇率上升100点，年内溢利将减少约100万港元（二零一七年：200万港元）。

于二零一八年十二月三十一日，在所有其他可变因素保持不变的情况下，如交易所买卖基金及房地产投资信托基金的价格下跌1%，年内溢利将减少约500万港元。反之，如交易所买卖基金和房地产投资信托基金的价格上升1%，年内溢利将增加约500万港元。

于二零一七年十二月三十一日，在所有其他可变因素保持不变的情况下，如交易所买卖基金及房地产投资信托基金的价格下跌1%，公平值储备将减少约1,700万港元。反之，如交易所买卖基金和房地产投资信托基金的价格上升1%，公平值储备将增加约1,700万港元。

上升或下降反映管理层对利率、汇率及股价在十二个月期间可能的合理变动所作出评估。

(a) 外币风险

本集团因现行外币市场汇率波动对其财务状况及现金流量的影响而承担风险。董事局设定可准许用于投资目的的外币。资产负债管理委员会设定可承受外币风险的限额，并每日进行监察。在融资方面，中期债券发行计划下多种货币的特质，容许本集团发行包括美元、人民币、新加坡元、英镑、澳元、欧元及日圆等主要货币的债券。所有外币债券均对冲为港元。

As at 31 December 2018, with all other variables held constant, if the Hong Kong dollars had weakened by 100 price interest points against foreign currencies other than US dollars, profit for the year would have been around HK\$1 million higher (2017: HK\$2 million). Conversely, if the Hong Kong dollars had strengthened by 100 price interest points against foreign currencies other than US dollars, profit for the year would have been around HK\$1 million lower (2017: HK\$2 million).

As at 31 December 2018, with all other variables held constant, if the price of exchange-traded funds and real estate investment trusts had decreased by 1%, profit for the year would have been around HK\$5 million lower. Conversely, if the price of exchange-traded funds and real estate investment trusts had increased by 1%, profit for the year would have been around HK\$5 million higher.

As at 31 December 2017, with all other variables held constant, if the price of exchange-traded funds and real estate investment trusts had decreased by 1%, the fair value reserve would have been around HK\$17 million lower. Conversely, if the price of exchange-traded funds and real estate investment trusts had increased by 1%, the fair value reserve would have been around HK\$17 million higher.

The increase or decrease represents management's assessment of a reasonably possible change in interest rates, exchange rates and equity prices for a 12-month period.

(a) Foreign currency exposure

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rate on its financial position and cash flows. The Board sets allowable currencies for investment purposes. The ALCO sets limits on the currency exposure that may be undertaken, which is monitored daily. At funding side, the multi-currency feature of the MTN programme enables the Group to issue notes in major currencies, including US dollars, renminbi, Singapore dollars, British pounds, Australian dollars, euro and Japanese yen. All foreign currency-denominated debts are hedged into Hong Kong dollars.

下表概列本集团的外币汇率风险。表内所载为按账面值列示的资产与负债，并按货币种类分类。

The tables below summarise the Group's exposure to foreign currency exchange rate risk. Included in the tables are the assets and liabilities at carrying amounts, categorised by currency.

		港元 HKD 千港元 HK\$'000	美元 USD 千港元 HK\$'000	其他外币 Other foreign currencies 千港元 HK\$'000	总额 Total 千港元 HK\$'000
于二零一八年十二月三十一日	As at 31 December 2018				
资产	Assets				
现金及短期资金	Cash and short-term funds	28,807,046	510,753	73,056	29,390,855
应收利息及汇款	Interest and remittance receivables	281,881	111,117	44,921	437,919
衍生金融工具	Derivative financial instruments	140,193	4,348	16,506	161,047
贷款组合净额	Loan portfolio, net	6,442,064	-	-	6,442,064
证券投资：	Investment securities:				
— 以公允价值变化计入 其他全面收益	— FVOCI	1,253,359	3,838,305	-	5,091,664
— 以公允价值变化计入损益	— FVPL	534,843	8,769	-	543,612
— 按摊销成本列账	— amortised cost	2,808,433	8,738,400	-	11,546,833
外汇基金存款	Placements with the Exchange Fund	7,734,934	-	-	7,734,934
预付款项、按金及 其他资产	Prepayments, deposits and other assets	689,045	140,351	95	829,491
固定资产	Fixed assets	53,766	-	-	53,766
递延税项资产	Deferred tax assets	77,866	-	-	77,866
再保险资产	Reinsurance assets	171,518	-	-	171,518
资产总额	Total assets	48,994,948	13,352,043	134,578	62,481,569
负债	Liabilities				
应付利息	Interest payable	217,962	10,744	28,762	257,468
应付账款、应付开支及 其他负债	Accounts payable, accrued expenses and other liabilities	4,918,523	143,156	-	5,061,679
衍生金融工具	Derivative financial instruments	78,739	2,791	182,856	264,386
当期税项负债	Current tax liabilities	104,077	-	-	104,077
保险负债	Insurance liabilities	4,607,373	-	-	4,607,373
已发行债务证券	Debt securities issued	28,199,186	5,996,683*	3,097,008**	37,292,877
负债总额	Total liabilities	38,125,860	6,153,374	3,308,626	47,587,860
持仓净额	Net position	10,869,088	7,198,669	(3,174,048)	14,893,709
资产负债表外净名义持仓[#]	Off-balance sheet net notional position[#]	(11,770,471)	8,532,367	2,982,048	(256,056)

[#] 「资产负债表外净名义持仓」指外币衍生金融工具（主要用以减低本集团于货币波动的风险）的名义金额与其公平值的差额。

* 全数对冲为港元。

** 总额包括15亿港元的澳元债务证券及15亿港元的人民币债务证券，并全数对冲为港元。

[#] “Off-balance sheet net notional position” represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Group's exposure to currency movements and their fair values.

* Fully hedged into Hong Kong dollars.

** Amounts included debt securities issued in Australian dollars of HK\$1.5 billion and renminbi of HK\$1.5 billion, fully hedged into Hong Kong dollars.

		港元 HKD 千港元 HK\$'000	美元 USD 千港元 HK\$'000	其他外币 Other foreign currencies 千港元 HK\$'000	总额 Total 千港元 HK\$'000
于二零一七年十二月三十一日	As at 31 December 2017				
资产	Assets				
现金及短期资金	Cash and short-term funds	23,703,585	1,371,906	202,699	25,278,190
应收利息及汇款	Interest and remittance receivables	215,386	85,954	42,638	343,978
衍生金融工具	Derivative financial instruments	182,820	4,617	146,290	333,727
贷款组合净额	Loan portfolio, net	7,829,441	-	-	7,829,441
证券投资：	Investment securities：				
— 可供出售	— available-for-sale	2,859,419	4,279,243	-	7,138,662
— 持有至到期	— held-to-maturity	2,487,871	7,775,932	84,031	10,347,834
预付款项、按金及其他资产	Prepayments, deposits and other assets	37,000	30,054	100	67,154
固定资产	Fixed assets	34,329	-	-	34,329
递延税项资产	Deferred tax assets	295	-	-	295
再保险资产	Reinsurance assets	164,601	-	-	164,601
资产总额	Total assets	37,514,747	13,547,706	475,758	51,538,211
负债	Liabilities				
应付利息	Interest payable	162,124	3,592	26,417	192,133
应付账款、应付开支及 其他负债	Accounts payable, accrued expenses and other liabilities	5,098,896	264,367	-	5,363,263
衍生金融工具	Derivative financial instruments	68,163	-	50,901	119,064
当期税项负债	Current tax liabilities	116,288	-	-	116,288
保险负债	Insurance liabilities	1,130,150	-	-	1,130,150
已发行债务证券	Debt securities issued	27,424,606	2,048,751*	5,367,349**	34,840,706
负债总额	Total liabilities	34,000,227	2,316,710	5,444,667	41,761,604
持仓净额	Net position	3,514,520	11,230,996	(4,968,909)	9,776,607
资产负债表外净名义持仓 [#]	Off-balance sheet net notional position [#]	(7,302,494)	2,046,666	5,281,689	25,861

[#] 「资产负债表外净名义持仓」指外币衍生金融工具(主要用以减低本集团于货币波动的风险)的名义金额与其公平值的差额。

* 全数对冲为港元。

** 总额包括26亿港元的英镑债务证券、17亿港元的澳元债务证券及10亿港元的人民币债务证券，并全数对冲为港元。

[#] “Off-balance sheet net notional position” represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Group’s exposure to currency movements and their fair values.

* Fully hedged into Hong Kong dollars.

** Amounts included debt securities issued in British pounds of HK\$2.6 billion, Australian dollars of HK\$1.7 billion and renminbi of HK\$1 billion, fully hedged into Hong Kong dollars.

(b) 现金流量及公平值利率风险

现金流量利率风险指金融工具的未来现金流量，将随着市场利率改变而波动的风险。公平值利率风险乃指金融工具的价值将随着市场利率改变而波动的风险。现行市场利率水平的波动会造成本集团的公平值利率风险及现金流量利率风险。由于利率变动，息差可能会扩大，但倘若发生未能预计的波动，则亦会收窄或引致亏损。资产负债管理委员会设定息率错配水平的限额，并定期对该限额进行监控。

下表概述本集团所面对的利率风险，并按账面值列示的资产及负债，而资产及负债则按重新定息日或到期日(以较早者为准)分类。衍生金融工具(主要用于减低本集团于利率波动承担的风险)的账面值列于「不计息」项目中。

(b) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. The ALCO sets limits on the level of interest rate mismatch that may be undertaken, which is monitored regularly.

The tables below summarise the Group's exposure to interest rate risks. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates. The carrying amounts of derivative financial instruments, which are principally used to reduce the Group's exposure to interest rate movements, are included under the heading "Non-interest bearing".

		一个月以上 至三个月	三个月以上 至一年	一年以上 至五年	五年以上	不计息	总额	
		一个月内 Up to 1 month 千港元 HK\$'000	Over 1 month to 3 months 千港元 HK\$'000	Over 3 months to 1 year 千港元 HK\$'000	Over 1 year to 5 years 千港元 HK\$'000	Over 5 years 千港元 HK\$'000	Non-interest bearing 千港元 HK\$'000	Total 千港元 HK\$'000
于二零一八年十二月三十一日 As at 31 December 2018								
资产 Assets								
现金及短期资金	Cash and short-term funds	9,187,118	18,714,302	1,279,899	-	-	209,536	29,390,855
应收利息及汇款	Interest and remittance receivables	-	-	-	-	-	437,919	437,919
衍生金融工具	Derivative financial instruments	-	-	-	-	-	161,047	161,047
贷款组合净额	Loan portfolio, net	6,400,321	22,248	7,012	10,934	1,549	-	6,442,064
证券投资：	Investment securities：							
— 以公允价值变化计入 其他全面收益	— FVOCI	851,591	3,239,436	497,458	503,179	-	-	5,091,664
— 以公允价值变化计入损益	— FVPL	-	-	-	-	-	543,612	543,612
— 按摊销成本列账	— amortised cost	-	1,309,923	1,335,738	4,317,726	4,583,446	-	11,546,833
外汇基金存款	Placements with the Exchange Fund	-	-	-	-	-	7,734,934	7,734,934
预付款项、按金及其他 资产	Prepayments, deposits and other assets	137,483	-	-	-	-	692,008	829,491
固定资产	Fixed assets	-	-	-	-	-	53,766	53,766
递延税项资产	Deferred tax assets	-	-	-	-	-	77,866	77,866
再保险资产	Reinsurance assets	-	-	-	-	-	171,518	171,518
资产总额	Total assets	16,576,513	23,285,909	3,120,107	4,831,839	4,584,995	10,082,206	62,481,569
负债 Liabilities								
应付利息	Interest payable	-	-	-	-	-	257,468	257,468
应付账款、应付开支 及其他负债	Accounts payable, accrued expenses and other liabilities	4,902,866	-	-	-	-	158,813	5,061,679
衍生金融工具	Derivative financial instruments	-	-	-	-	-	264,386	264,386
当期税项负债	Current tax liabilities	-	-	-	-	-	104,077	104,077
保险负债	Insurance liabilities	-	-	-	-	-	4,607,373	4,607,373
已发行债务证券	Debt securities issued	5,631,318	11,495,125	8,082,087	8,468,836	3,615,511	-	37,292,877
负债总额	Total liabilities	10,534,184	11,495,125	8,082,087	8,468,836	3,615,511	5,392,117	47,587,860
利息敏感度缺口总额*	Total interest sensitivity gap*	6,042,329	11,790,784	(4,961,980)	(3,636,997)	969,484		
利率衍生工具 (持仓净额的名义金额)	Interest rate derivatives (notional amounts of net position)	(567,144)	(6,033,612)	3,810,990	1,293,541	1,240,169		

* 未计入衍生金融工具对已发行
债务证券重定息的影响。

* before the repricing effect of derivative financial instruments on
the debt securities issued.

		一个月以上 至三个月	三个月以上 至一年	一年以上 至五年	五年以上	不计息	总额
		一个月内 Up to 1 month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
于二零一七年十二月三十一日	As at 31 December 2017						
资产	Assets						
现金及短期资金	Cash and short-term funds	10,914,798	10,289,000	3,968,000	-	-	106,392
应收利息及汇款	Interest and remittance receivables	-	-	-	-	-	343,978
衍生金融工具	Derivative financial instruments	-	-	-	-	-	333,727
贷款组合净额	Loan portfolio, net	7,777,557	26,167	10,666	14,835	216	-
证券投资：	Investment securities:						
— 可供出售	— available-for-sale	1,137,784	3,044,884	715,015	583,229	-	1,657,750
— 持有至到期	— held-to-maturity	117,253	1,008,538	464,018	4,802,050	3,955,975	-
预付款项、按金及其他 资产	Prepayments, deposits and other assets	29,315	-	-	-	-	37,839
固定资产	Fixed assets	-	-	-	-	-	34,329
递延税项资产	Deferred tax assets	-	-	-	-	-	295
再保险资产	Reinsurance assets	-	-	-	-	-	164,601
资产总额	Total assets	19,976,707	14,368,589	5,157,699	5,400,114	3,956,191	2,678,911
负债	Liabilities						
应付利息	Interest payable	-	-	-	-	-	192,133
应付账款、应付开支 及其他负债	Accounts payable, accrued expenses and other liabilities	5,208,780	-	-	-	-	154,483
衍生金融工具	Derivative financial instruments	-	-	-	-	-	119,064
当期税项负债	Current tax liabilities	-	-	-	-	-	116,288
保险负债	Insurance liabilities	-	-	-	-	-	1,130,150
已发行债务证券	Debt securities issued	9,410,453	9,501,755	4,750,551	7,564,434	3,613,513	-
负债总额	Total liabilities	14,619,233	9,501,755	4,750,551	7,564,434	3,613,513	1,712,118
利息敏感度缺口*	Total interest sensitivity gap*	5,357,474	4,866,834	407,148	(2,164,320)	342,678	
利率衍生工具 (持仓净额的名义金额)	Interest rate derivatives (notional amounts of net position)	(345,007)	(2,155,968)	360,132	790,986	1,375,718	

* 未计入衍生金融工具对已发行
债务证券重定息的影响。

* before the repricing effect of derivative financial instruments on
the debt securities issued.

4.4. 流动资金风险

流动资金风险指本集团未能偿还其债项或未能为已承诺购买的贷款提供资金的风险。本集团每日监测资金流入及流出，并按所有到期期限列序预计远期资金流入及流出。本集团建立多样化的资金来源支持其业务增长及维持均衡的负债组合。资产负债管理委员会定期对流动资金来源进行检讨。

(a) 未折现现金流量分析

下表列示本集团于呈报期末按剩余合约年期有关非衍生工具金融负债、以净额基准结算的衍生工具金融负债及以总额基准结算的衍生金融工具的应付现金流量。表内披露的金额为预测合约未折现的现金流量，包括根据最早的可能合约到期日计算的将来利息支付款项。本集团的衍生工具包括按净额基准结算的利率掉期、按总额基准结算的跨货币掉期及货币远期合约。

4.4. Liquidity risk

Liquidity risk represents the risk of the Group not being able to repay its payment obligations or to fund committed purchases of loans. Liquidity risk is managed by monitoring the actual inflows and outflows of funds on a daily basis and projecting longer-term inflows and outflows of funds across a full maturity spectrum. The Group has established diversified funding sources to support the growth of its business and the maintenance of a balanced portfolio of liabilities. Sources of liquidity are regularly reviewed by ALCO.

(a) Undiscounted cash flows analysis

The tables below present cash flows payable by the Group under non-derivative financial liabilities, derivative financial liabilities that will be settled on a net basis and derivative financial instruments that will be settled on gross basis by remaining contractual maturities as at the end of the reporting period. The amounts disclosed in the tables are the projected contractual undiscounted cash flows including future interest payments on the basis of their earliest possible contractual maturity. The Group's derivatives include interest rate swaps that will be settled on net basis; cross currency swaps and currency forwards that will be settled on gross basis.

(i) 非衍生工具现金流出

(i) Non-derivative cash outflows

		一个月以上	三个月以上	一年以上	五年以上	总额
		至三个月	至一年	至五年		
一个月内	Over	Over	Over	Over		
Up to 1	1 month to	3 months	1 year to	5 years	Over	Total
month	3 months	to 1 year	5 years	5 years		
千港元	千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于二零一八年十二月三十一日	As at 31 December 2018					
负债	Liabilities					
已发行债务证券	Debt securities issued	(2,179,266)	(6,272,341)	(11,778,059)	(14,558,938)	(4,517,697)
						(39,306,301)

		一个月以上	三个月以上	一年以上	五年以上	总额
		至三个月	至一年	至五年		
一个月内	Over	Over	Over	Over		
Up to	1 month to	3 months	1 year to	5 years	Over	Total
1 month	3 months	to 1 year	5 years	5 years		
千港元	千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于二零一七年十二月三十一日	As at 31 December 2017					
负债	Liabilities					
已发行债务证券	Debt securities issued	(4,926,521)	(2,155,632)	(12,005,961)	(13,525,066)	(4,532,062)
						(37,145,242)

(ii) 衍生工具现金流入/(流出)

(ii) Derivative cash inflows/(outflows)

		一个月以上	三个月以上	一年以上	五年以上	总额
		至三个月	至一年	至五年		
一个月内	Over	Over	Over	Over	Over	
Up to 1	1 month to	3 months	1 year to	5 years	5 years	Total
month	3 months	to 1 year	5 years	5 years	5 years	Total
千港元	千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于二零一八年十二月三十一日	As at 31 December 2018					
按下列基准结算的	Derivative financial					
衍生金融工具：	instrument settled:					
— 净额基准	— on net basis	(6,129)	17,655	29	14,587	(29,246)
— 总额基准	— on gross basis					
流出总额	Total outflow	(785,440)	(1,808,855)	(6,528,845)	(1,512,233)	(1,503,110)
流入总额	Total inflow	782,570	1,801,737	6,574,167	1,571,487	1,328,637
		(8,999)	10,537	45,351	73,841	(203,719)
						(82,989)

		一个月以上	三个月以上	一年以上	五年以上	总额
		至三个月	至一年	至五年		
一个月内	Over	Over	Over	Over	Over	
Up to 1	1 month to	3 months	1 year to	5 years	5 years	Total
1 month	3 months	to 1 year	5 years	5 years	5 years	Total
千港元	千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于二零一七年十二月三十一日	As at 31 December 2017					
按下列基准结算的	Derivative financial					
衍生金融工具：	instrument settled:					
— 净额基准	— on net basis	985	(11,490)	31,536	(13,181)	(30,558)
— 总额基准	— on gross basis					
流出总额	Total outflow	(172,843)	(1,304,591)	(3,649,074)	(993,568)	(1,540,185)
流入总额	Total inflow	172,508	1,323,759	3,790,465	1,102,945	1,532,460
		650	7,678	172,927	96,196	(38,283)
						239,168

(b) 到期日分析

下表根据呈报期末至合约到期日剩余期间，分析有关资产及负债到期组别。

(b) Maturity analysis

The table below analyses the assets and liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

		即时到期	一个月以上至 三个月	一个月以上至 三个月 Over	三个月以上至 一年 Over	一年以上 至五年 Over	五年以上 Over	无限期	总额
		Repayable on demand	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	5 years Over	Undated	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于二零一八年十二月三十一日	As at 31 December 2018								
资产	Assets								
现金及短期资金(总额)	Cash and short-term funds (gross)	196,590	9,200,211	18,715,000	1,280,000	-	-	-	29,391,801
贷款组合	Loan portfolio	2,195	44,596	123,539	460,888	2,109,440	3,694,490	7,582	6,442,730
证券投资	Investment securities								
— 以公允价值变化计入其他全面收益	— FVOCI	-	27,780	191,143	1,627,876	3,244,865	-	-	5,091,664
— 以公允价值变化计入损益	— FVPL	-	-	-	-	-	-	543,612	543,612
— 按摊销成本列账(总额)	— amortised cost (gross)	-	-	300,000	1,335,810	5,328,313	4,584,152	-	11,548,275
外汇基金存款	Placements with the Exchange Fund	-	-	-	-	-	7,734,934	-	7,734,934
再保险资产	Reinsurance assets	-	-	-	-	-	-	171,518	171,518
		198,785	9,272,587	19,329,682	4,704,574	10,682,618	16,013,576	722,712	60,924,534
负债	Liabilities								
保险负债	Insurance liabilities	-	20,357	40,386	176,995	824,770	2,222,021	1,322,844	4,607,373
已发行债务证券	Debt securities issued	-	2,592,186	6,110,063	11,307,930	13,667,187	3,615,511	-	37,292,877
		-	2,612,543	6,150,449	11,484,925	14,491,957	5,837,532	1,322,844	41,900,250

		即时到期	一个月以上至 三个月	一个月以上至 三个月 Over	三个月以上至 一年 Over	一年以上 至五年 Over	五年以上 Over	无限期	总额
		Repayable on demand	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	5 years Over	Undated	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于二零一七年十二月三十一日	As at 31 December 2017								
资产	Assets								
现金及短期资金	Cash and short-term funds	93,799	10,927,391	10,289,000	3,968,000	-	-	-	25,278,190
贷款组合	Loan portfolio	3,426	61,580	132,817	543,114	2,466,304	4,621,873	713	7,829,827
证券投资	Investment securities								
— 可供出售	— available-for-sale	-	551,833	291,063	819,816	3,818,200	-	1,657,750	7,138,662
— 持有至到期	— held-to-maturity	-	117,253	-	464,018	5,810,588	3,955,975	-	10,347,834
再保险资产	Reinsurance assets	-	-	-	-	-	-	164,601	164,601
		97,225	11,658,057	10,712,880	5,794,948	12,095,092	8,577,848	1,823,064	50,759,114
负债	Liabilities								
保险负债	Insurance liabilities	-	-	-	-	-	-	1,130,150	1,130,150
已发行债务证券	Debt securities issued	-	4,871,829	2,060,057	11,647,747	12,647,560	3,613,513	-	34,840,706
		-	4,871,829	2,060,057	11,647,747	12,647,560	3,613,513	1,130,150	35,970,856

除上述外，应收利息及汇款、预付款项及其他资产、应付利息、应付账项、应付开支及当期税项负债，预期将在呈报期日起计的十二个月内收回或偿还。而在综合财务状况表的其他资产和负债，则预期由呈报期日起计需要逾十二个月才能收回或偿还。

此外，外汇基金承诺透过循环信贷安排向本集团提供300亿港元循环信贷。这个安排使本集团可在异常经济环境下保持平稳营运，因而更有效地履行促进香港银行及金融稳定的任务。

4.5. 保险风险

本集团透过其一般保险业务附属公司提供按揭保险，为认可机构就所承造香港住宅物业贷款之信贷亏损风险提供最高可达40%的保险额，惟批出贷款时贷款额与物业价值比率为90%或以下，或按当时所指定的其他限制。本集团亦就认可机构给予香港的中小企及非上市企业的贷款，提供高达50%-70%的财务担保保障；以及就认可机构给予住宅物业及其他资产（如适用）作为担保的安老按揭，和就认可机构给予资助房屋计划的业主，以其资助物业作为担保的一笔过、主要用于补地价的贷款，提供保险保障。

任何保险合约的风险为已投保事件发生的可能性及所引致的申索金额的不确定性。根据保险合同本身的特质，此类风险属随机，因此不能预计。

Apart from the above, interest and remittance receivables, prepayments and other assets, interest payable, accounts payable, accrued expenses and current tax liabilities are expected to be recovered or settled within twelve months from the reporting date. Other assets and liabilities included in the consolidated statement of financial position are expected to be recovered or settled in a period more than twelve months after the reporting date.

In addition, the Exchange Fund has committed to providing the Group with a HK\$30 billion revolving credit under the Revolving Credit Facility, which enables the Group to maintain smooth operation under exceptional circumstances, so that it can better fulfil its mandate to promote banking and financial stability in Hong Kong.

4.5. Insurance risk

Through its general insurance subsidiary, the Group provides the mortgage insurance cover to the AIs for first credit losses of up to 40% of the property value of a residential mortgage loan in Hong Kong with loan-to-value ratio 90% or below at origination, or other thresholds as specified from time to time. The Group also provides financial guarantee cover to AIs up to 50%-70% of the banking facilities granted to SMEs and non-listed enterprises in Hong Kong, insurance cover to AIs in respect of reverse mortgage loans originated by such AIs and secured on residential properties and, if applicable, other assets, and in respect of lump-sum loans advanced by such AIs to owners of properties of subsidised housing schemes primarily for land premium settlement and secured on these properties.

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

对一组保险合同而言，按机会率的理论应用予定价及拨备时，本集团保险合同面对的主要风险为实际申索超出保险负债账面值。当申索的次数及金额超过预计时，上述情况便可能发生。保险事件为随机，而申索及赔偿的实际次数及金额每年有所不同，同时亦可能有异于使用统计方法得出的估计数字。

经验显示类似保险合同的组合越大，预期后果的相对可变性则越低。此外，越是多元化的组合，越是不会由于组合内任何一组分组变动而使整体受影响。本集团已制定业务策略，以分散所接纳保险风险种类，并在每个主要类别内归纳足够宗数，从而降低预期后果的可变性。

申索的次数及金额可受多项因素影响。最主要因素为经济衰退、本港物业市场下滑及借款人死亡率低。经济衰退可能引致拖欠付款增加，影响申索次数和抵押品价值。物业价格下跌，会使抵押品价值低于按揭贷款未偿还余额，因而增加索偿金额。安老按揭借款人死亡率低意味着更长的年金付款期，贷款金额随着时间亦愈高。这将影响申索的次数及金额，因为会带来物业价值在未来并不足以偿还贷款的风险。

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed a business strategy to diversify the type of insurance risks accepted and within each of the key categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The frequency and severity of claims can be affected by several factors. The most significant are a downturn of the economy, a slump in the local property market and a low mortality rate of borrowers. Economic downturn, which may cause a rise in defaulted payment, affects the frequency of claims and collateral value. A drop in property prices, where the collateral value falls below the outstanding balance of the mortgage loan, will increase the severity of claims. Low mortality rate of reverse mortgage borrowers means longer payout period and larger loan balance will be over time. This will affect the frequency and severity of claims as there is a risk of the property value insufficient to cover the outstanding loan balance in the future.

本集团采纳一套审慎的保险承保资格准则管理有关风险。为确保预留充足拨备应付未来索偿付款，本集团以审慎负债估值假设及按监管指引内规定的方法计算技术储备。本集团亦向核准再保险公司按比例投保摊分再保险，致力减少按揭保险所面对的风险。本集团进行综合评估，包括按核准筛选架构，评估按揭再保险公司的财政实力及信贷评级。本集团会定期检讨核准再保险公司。至于就本集团透过其一般保险业务附属公司提供给认可机构的财务担保保障，本集团依赖贷款人审慎评估借款人的信贷，从而减低拖欠风险；任何贷款安排导致的损失将在平等基础上由本集团与贷款人按比例摊分，藉以减低道德风险。安老按揭贷款假设的死亡率会定期作出检讨，以评估营运时实际和预期结果的较大偏差所导致的风险。

本集团透过其人寿保险附属公司向个人客户提供年金产品。保险风险源于对承保保单及定价所产生的风险的不准确评估。主要的保险风险为长寿风险，此乃因年金受益人的实际寿命超过预期寿命的可能性而产生。本集团透过采用一系列的审慎假设及定期进行经验研究以管理保险风险。年金产品固有的资产负债错配风险是由于资产波动、不确定的年金负债、现金流量错配以及资产与负债之间的货币错配。为减轻此类风险，本集团积极监控表现，并致力维持对资产配置的控制。

本集团已成立长寿风险委员会以管理本集团所承担的长寿风险。其职责包括批准长寿风险管理政策和对冲交易，以及检讨本集团所取得的长寿经验及其承担的风险。其亦监测及分析整体趋势、科技变化及其对人类寿命的影响。

The Group manages these risks by adopting a set of prudent insurance underwriting eligibility criteria. To ensure sufficient provision is set aside for meeting future claim payments, the Group calculates technical reserves on prudent liability valuation assumptions and the method prescribed in the regulatory guidelines. The Group also takes out quota-share reinsurance from its approved mortgage reinsurers in an effort to limit its risk exposure under the mortgage insurance business. The Group conducts comprehensive assessment including the financial strength and credit ratings of the mortgage reinsurers in accordance with the approved selection framework. The approved mortgage reinsurers are subject to periodic reviews. For financial guarantee cover provided to AIs via its general insurance subsidiary, the Group relies on the lenders' prudent credit assessment on the borrowers to mitigate default risk and any loss in the loan facility will be shared proportionately between the Group and the lender on a pari passu basis to minimise moral hazards. The mortality assumptions of reverse mortgages are also reviewed on a regular basis, to assess the risk of larger deviation between the actual and expected operating results.

Through its life insurance subsidiary, the Group offers annuity product to personal customers. Insurance risk arises from an inaccurate assessment of the risks entailed in writing and pricing an insurance policy. The major insurance risk is the longevity risk which arises from the possibility that actual life expectancy of annuitants being longer than expected. Insurance risk is managed by adopting a prudent set of assumptions and conducting regular experience studies. Asset-liability mismatch risk inherent to the annuity product is due to asset volatility, uncertain annuity liabilities, cash flow mismatch and currency mismatch between assets and liabilities. To mitigate such risk, the Group actively monitor the performance and steadfastly maintains control over asset allocation.

The Group established Longevity Risk Committee to manage longevity risk of the Group. Its duties include approving longevity risk management policies and hedging transactions and reviewing longevity experiences and exposures of the Group. It also monitors and analyses the general trend, technological changes and their implications for human longevity.

一般保险附属公司及人寿保险附属公司均须受保险业监管局监管，并须遵守保险业监管局所订明的有关合规要求。

The general insurance subsidiary and life insurance subsidiary are subject to the supervision of the Insurance Authority and are required to observe the relevant compliance requirements stipulated by the Insurance Authority.

于二零一八年十二月三十一日，如一般保险业务的综合比率增加1%，则年内溢利将减少300万港元（二零一七年：300万港元）。如综合比率下降1%，则年内溢利将增加300万港元（二零一七年：300万港元）。

As at 31 December 2018, if the combined ratio of general insurance business had increased by 1%, profit for the year would have been HK\$3 million (2017: HK\$3 million) lower. If the combined ratio had decreased by 1%, profit for the year would have been HK\$3 million (2017: HK\$3 million) higher.

下表显示于二零一八年十二月三十一日人寿保险业务的保险负债对死亡率及估值利率的潜在变化的敏感度（二零一七年：无）。

The following table shows the sensitivity of insurance liabilities on the life insurance business to potential changes in mortality and valuation interest rate as at 31 December 2018 (2017: nil).

		保险负债 金额变动 Amount change from insurance liabilities 千港元 HK\$'000 增加/(减少) Increase/ (decrease)	保险负债 百分比变动 Percentage change from insurance liabilities % % 增加/(减少) Increase/ (decrease)
于二零一八年十二月三十一日 As at 31 December 2018			
死亡率	Mortality		
+ 10%	+ 10%	(45,692)	(1.4)
- 10%	- 10%	51,432	1.6
估值利率	Valuation interest rate		
+ 0.5%	+ 0.5%	(132,321)	(4.0)
- 0.5%	- 0.5%	143,042	4.4

4.6. 金融资产及负债的公平值

(a) 公平值估计

下表列示按公平值(根据估值方法估算)确认的金融工具。公平值架构级别定义如下:

- 于活跃市场中有相同资产或负债之报价(第一层);
- 除第一层所包括之报价外,就资产或负债能直接(如价格)或间接(如从价格推断)可观察之数据(第二层);及
- 有关资产或负债并非基于可观察之市场数据(不可观察之数据)(第三层)。

4.6. Fair values of financial assets and liabilities

(a) Fair value estimation

The following table shows financial instruments recognised at fair value, by valuation method. The different levels of fair value hierarchy have been defined as follows:

- Quoted prices in active markets for identical assets or liabilities (**Level 1**);
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (**Level 2**); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (**Level 3**).

		于二零一八年十二月三十一日 As at 31 December 2018				于二零一七年十二月三十一日 As at 31 December 2017		
		第一层 Level 1 千港元 HK\$'000	第二层 Level 2 千港元 HK\$'000	第三层 Level 3 千港元 HK\$'000	总额 Total 千港元 HK\$'000	第一层 Level 1 千港元 HK\$'000	第二层 Level 2 千港元 HK\$'000	总额 Total 千港元 HK\$'000
资产	Assets							
衍生金融工具	Derivative financial instruments	-	161,047	-	161,047	-	333,727	333,727
证券投资	Investment securities							
— 以公允价值变化计入 其他全面收益	— FVOCI	5,091,664	-	-	5,091,664	-	-	-
— 以公允价值变化计入损益	— FVPL	543,612	-	-	543,612	-	-	-
可供出售证券	Available-for-sale securities							
— 债务证券	— Debt securities	-	-	-	-	5,480,912	-	5,480,912
— 其他证券	— Other securities	-	-	-	-	1,657,750	-	1,657,750
外汇基金存款	Placements with the Exchange Fund	-	-	7,734,934	7,734,934	-	-	-
		5,635,276	161,047	7,734,934	13,531,257	7,138,662	333,727	7,472,389
负债	Liabilities							
衍生金融工具	Derivative financial instruments	-	264,386	-	264,386	-	119,064	119,064
于初始确认时指定为以公允价值变化计入损益的已发行债务证券	Debt securities issued designated as at fair value through profit or loss upon initial recognition	-	143,981	-	143,981	-	141,946	141,946
		-	408,367	-	408,367	-	261,010	261,010

于二零一七年十二月三十一日，按公允价值计量的金融工具并没有使用不可观察之市场数据为估值方法(第三层)。

于本年度，第一层与第二层的金融工具之间并没有转移，亦无转入或转出第三层。

(i) 第一层的金融工具

于活跃市场交易的金融工具，其公允价值会根据呈报期日的市场报价。活跃市场是指可以容易地和定期地从交易所、交易员、经纪、行业协会、定价服务机构或监管机构取得报价，而该等价格代表按公平基准、实际和定期在市场的交易。如果按公允价值计量的资产或负债有一个买入价和卖出价，在这个买卖差价范围内的最能代表公平值的价格，应该用来计量公平值。而这类工具就被包括在第一层。

(ii) 第二层的金融工具

并非在活跃市场交易的金融工具的公允价值按估值方法确定。估值方法会尽量利用市场上可取得的及可观察的数据而尽可能少依赖对公司特定的估算。倘若计量工具的公平值时所需的重要资料是基于可观察的数据，该工具则被包括在第2层。

第2层的衍生工具包括利率掉期、货币掉期及货币远期合约。这些衍生工具会利用可观察到的收益率曲线，从而得到远期利率和远期汇率(如适用)，用来计量公平值。

No financial instrument was measured at fair value using a valuation technique not supported by observable market data (Level 3) as at 31 December 2017.

There was no transfer between Level 1 and Level 2 nor transfers into or out of Level 3 during the year.

(i) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If an asset or a liability measured at fair value has a bid price and an ask price, the price within the bid-ask spread that is most representative of fair value in the circumstances shall be used to measure fair value. These instruments are included in Level 1.

(ii) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 2 derivatives comprise interest rate swaps, currency swaps and currency forwards. These derivatives are fair valued using forward interest rates and forward exchange rates, if applicable, from observable yield curves.

第2层的债务证券使用较不活跃市场上的市场报价，来计量公平值；如果没有的话，可以使用现金流量折现分析方法，从债务工具的交易对手在市场上可观察得到的报价，以得出折现率，用以折现合约现金流量。

Level 2 debt securities are fair valued using quoted market prices in less active markets, or if not available, a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market prices of other quoted debt instruments of the counterparties.

(iii) 第三层的金融工具

倘若其中一个或以上的重要资料并非是基于可观察的市场数据，该工具则被包括在第3层。外汇基金存款计入第三级，其公平值乃参考未来年度的估计投资回报率厘定。

(iii) Financial instruments in Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The placements with the Exchange Fund are included in Level 3 with its fair value determined by reference to the estimated rates of investment return for future years.

第三层金融工具的公平值计量变动如下：

Movement in Level 3 fair value measurement as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
于一月一日	As at 1 January	-	-
外汇基金存款	Placements with the Exchange Fund	7,550,000	-
于损益中确认的 外汇基金存款收益	Income from placements with the Exchange Fund recognised in profit or loss	184,934	-
于十二月三十一日	As at 31 December	7,734,934	-

(b) 并非以公平值计量的金融资产和负债

于二零一八年十二月三十一日及二零一七年十二月三十一日，本集团并未于财务状况表按公平值悉数呈列金融工具的账面值与公平值并没有重大不同。除其账面值与公平值相若的金融工具外，下表为非以公平值计量的金融工具之账面值、公平值及公平值架构级别：

(b) Fair values of financial assets and liabilities not measured at fair value

The carrying amounts of the Group's financial instruments not presented on the Group's statement of financial position at their fair values are not materially different from their fair values as at 31 December 2018 and 31 December 2017 except for the following financial instruments, for which their carrying amounts and fair values and the level of fair value hierarchy are disclosed below:

		于二零一八年十二月三十一日 As at 31 December 2018				于二零一七年十二月三十一日 As at 31 December 2017			
		账面值 Carrying amount 千港元 HK\$'000	公平值 Fair value 千港元 HK\$'000	第一层 Level 1 千港元 HK\$'000	第二层 Level 2 千港元 HK\$'000	账面值 Carrying amount 千港元 HK\$'000	公平值 Fair value 千港元 HK\$'000	第一层 Level 1 千港元 HK\$'000	第二层 Level 2 千港元 HK\$'000
金融资产	Financial assets								
证券投资	Investment securities								
— 按摊销成本列账	— amortised cost	11,546,833	11,530,161	11,530,161	-	-	-	-	-
— 持有至到期	— held-to-maturity	-	-	-	-	10,347,834	10,561,660	10,263,983	297,677
金融负债	Financial liabilities								
已发行债务证券	Debt securities issued	37,148,896	36,588,554	-	36,588,554	34,698,760	34,830,933	-	34,830,933

估计金融工具公平值时已使用下列方法及重要假设：

(i) 现金及短期资金

现金及短期资金包括银行存款，并于扣除减值拨备后列账。浮息存款的公平值即其账面值。定息存款（存款期通常少于六个月）的估计公平值乃基于使用同类信贷风险债务的现行货币市场利率及剩余年期计算之折现现金流量。因此，存款的公平值约等于其账面值。

(ii) 贷款组合净额

贷款组合于扣除减值拨备后列账。小部分贷款组合按固定利率计息。因此，贷款组合的账面值为公平值的合理估计。

The following methods and significant assumptions have been used to estimate the fair values of financial instruments:

(i) Cash and short-term funds

Cash and short-term funds include bank deposits and are stated net of impairment allowance. The fair value of floating-rate deposits is the carrying amount. The estimated fair value of fixed-rate deposits, which are normally less than 6 months, is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity. Therefore, the fair value of the deposits is approximately equal to their carrying value.

(ii) Loan portfolio, net

Loan portfolio is stated net of impairment allowance. An insignificant portion of loan portfolio bears interest at fixed rate. Therefore, the carrying value of loan portfolio is a reasonable estimate of the fair value.

<p>(iii) 按摊销成本列账(先前为持有至到期)的证券投资</p> <p>证券投资于扣除减值拨备后列账。按摊销成本列账的证券投资之公平值以市价或经纪/交易商报价的净价为基础。倘未能取得有关资料,则采用具有同类信贷、到期日及收益率等特点之证券所报的市价估计公平值。</p>	<p>(iii) Investment securities at amortised cost (previously held-to-maturity)</p> <p>Investment securities are stated net of impairment allowance. Fair value for investment securities at amortised cost is based on market prices or broker/dealer price quotations, which are the clean prices. Where this information is not available, fair value has been estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.</p>
<p>(iv) 外汇基金存款</p> <p>外汇基金存款的公平值乃参考未来年度的估计投资回报率厘定,其公平值与账面值相若。</p>	<p>(iv) Placements with the Exchange Fund</p> <p>The fair value of the placements with the Exchange Fund is determined with reference to the estimated rates of investment return for future years, approximating its carrying values.</p>
<p>(v) 其他资产</p> <p>这些主要是指在呈报期日后执行结算的债务证券的应收款项,其公平值与账面值相若。</p>	<p>(v) Other assets</p> <p>These mainly represent receivables from debt securities executed for settlement after the reporting date with the fair value approximating the carrying amount.</p>
<p>(vi) 已发行债务证券</p> <p>公平值总额乃基于市场报价的净价计算。至于未有市场报价的债券,会基于到期前剩余期限的现时收益率曲线并采用现金流量折现模型计算。</p>	<p>(vi) Debt securities issued</p> <p>The aggregate fair values are calculated based on quoted market prices, which are the clean prices. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.</p>
<p>(vii) 其他负债</p> <p>其他负债主要指二零零三年十二月及二零零四年一月自政府购买的按揭贷款加强信贷安排的递延代价,其公平值与账面值相若。</p>	<p>(vii) Other liabilities</p> <p>These mainly represent the deferred consideration used for credit enhancement on the mortgage loans purchased from the Government in December 2003 and January 2004 with the fair value approximating the carrying amount.</p>

(viii) 应收利息及汇款及应付利息

应计利息被独立确认，由于预期将在呈报期日起计的十二个月内收回或偿还，其公允价值与账面价值相若。汇款预期将在呈报期日起计一个月内收回，其公允价值与账面价值相若。

(viii) Interest and remittance receivables and interest payable

Accrued interest is recognised separately with the fair value approximating the carrying amount as it is expected to be recovered or settled within twelve months from the reporting date. Remittance receivables are expected to be recovered within one month from the reporting date with the fair value approximating the carrying amount.

4.7. 资本管理

本集团管理资本(其涵盖范围较列于财务状况表账面的权益为广)的目的如下：

- 本公司及其保险附属公司分别需符合政府财政司司长(财政司司长)及保险业监管局制定的资本规定；
- 确保本集团持续营运的能力，以继续为股东提供回报；
- 维持本集团的稳定及发展；
- 按有效及风险为本的方法分配资本，优化对股东的经风险调节的回报；及
- 维持雄厚的资本基础支持业务发展。

管理层根据财政司司长颁布的资本充足率指引(指引)，每日监控资本充足程度及监管资金的用途。指引主要参照巴塞尔协定II以风险为本的资本充足框架，而指引亦规定最低资本充足率为8%。

4.7. Capital management

The Group's objectives when managing capital, which is a broader concept than the equity on the face of the statement of financial position, are:

- To comply with the capital requirements set by the Financial Secretary of the Government (**Financial Secretary**) and the Insurance Authority for the Company and its insurance subsidiaries respectively;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders;
- To support the Group's stability and growth;
- To allocate capital in an efficient and risk based approach to optimise risk adjusted return to the shareholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the management in accordance with the Guidelines on Capital Adequacy Ratio (**Guidelines**) issued by the Financial Secretary, by reference largely to Basel II risk-based capital adequacy framework. The minimum Capital Adequacy Ratio (**CAR**) stipulated in the Guidelines is 8%.

总裁须根据财政司司长颁布的指引每季度向董事局提交报告。如资本充足率下跌至14%的临界水平，总裁会通知执行董事。如资本充足率下跌至12%或以下，董事局将获通知，并会采取适当的补救措施。年内，本集团均遵守财政司司长制定的指引的所有资本规定。

根据参考《银行业(资本)规则》制定的资本充足率指引，《银行业(资本)规则》下的资本比率计算基础跟随财务报告的综合基础，但不包括属于「受规管金融机构」(例如保险公司)的附属公司。此乃由于该等机构受监管机构所监督，并须维持足以维持业务活动的资本(例如偿付能力充足率)，与《银行业(资本)规则》对银行所规定者相若。该等未予综合的受规管金融机构的投资成本从资本基础中扣除，而相应的相关的风险资产亦不会计入加权资产的计算中。

下表概述于呈报期末的资本基础组成及资本充足率。

The Chief Executive Officer is required to submit a report to the Board of Directors on a quarterly basis by reference to the Guidelines issued by the Financial Secretary. If the CAR drops to the threshold level of 14%, the Chief Executive Officer will alert the Executive Directors. If the CAR falls to 12% or below, the Board of Directors will be informed and appropriate remedial actions will be taken. During the year, the Group complied with all of the capital requirement set out in the Guidelines by the Financial Secretary.

Pursuant to the Guidelines on the CAR, which is made by reference to the Banking (Capital) Rules (BCR), the calculation basis of capital ratio under the BCR follows the basis of consolidation for financial reporting with the exclusion of subsidiaries which are “regulated financial entities” (e.g. insurance companies). It is because these entities are supervised by a regulator and are subject to the maintenance of adequate capital (e.g. solvency ratio) to support business activities comparable to those prescribed for banks under the BCR. The investment cost of these unconsolidated regulated financial entities is deducted from the capital base whilst the corresponding related exposures are also excluded from the calculation of risk-weighted assets.

The table below summarises the composition of capital base and the CAR as at the end of the reporting period.

		2018	2017
		千港元	千港元
		HK\$'000	HK\$'000
股本	Share capital	7,000,000	2,000,000
储备	Reserves	8,150,766	7,662,473
减值拨备	Impairment allowance	3,290	386
扣除：	Deductions:		
— 于受监管附属公司的投资	— Investment in regulated subsidiaries	(8,000,000)	—
— 其他扣除额	— Other deductions	(2,971)	(183,796)
资本基础总额	Total capital base	7,151,085	9,479,063
资本充足率	Capital Adequacy Ratio	26.8%	21.0%

4.8. 金融资产及金融负债之对销

下表披露涉及在本集团的综合财务状况表中并没有对销的金融资产和金融负债，但该等资产和负债受强制净额结算安排或涵盖类似金融工具的相若协议所约束。披露有助对总额和净额的了解，及提供减低相关信贷风险的附加资料。

4.8. Offsetting financial assets and financial liabilities

The disclosures set out in the tables below pertain to financial assets and financial liabilities that are not offset in the Group's consolidated statement of financial position but are subject to enforceable master netting arrangements or similar agreements that cover similar financial instruments. The disclosures enable the understanding of both the gross and net amounts, as well as provide additional information on how such credit risk is mitigated.

		于二零一八年十二月三十一日 As at 31 December 2018				于二零一七年十二月三十一日 As at 31 December 2017			
		相关但并未在综合财务状况表				相关但并未在综合财务状况表			
综合财务状况表的 账面价值 Carrying amounts on the consolidated statement of financial position	对销的金额 [#] Related amount not set off in the consolidated statement of financial position [#]	衍生金融工具 Derivative financial instruments		现金抵押品 Cash collateral	净额* Net amount*	综合财务状况表的 账面价值 Carrying amounts on the consolidated statement of financial position	对销的金额 [#] Related amount not set off in the consolidated statement of financial position [#]	衍生金融工具 Derivative financial instruments	
		千港元 HK\$'000	千港元 HK\$'000					千港元 HK\$'000	千港元 HK\$'000
金融资产 正数的衍生金融 工具公平值	Financial assets Positive fair values for derivative financial instruments	161,047	(98,859)	(58,154)	4,034	333,727	(79,634)	(207,029)	47,064
金融负债 负数的衍生金融 工具公平值	Financial liabilities Negative fair values for derivative financial instruments	264,386	(98,859)	(137,483)	28,044	119,064	(79,634)	(29,315)	10,115

[#] 「相关但并未在综合财务状况表对销的金额」指受净额结算安排或相若协议包括信贷支持附件所约束的金融负债 / 资产金额。

^{*} 净额指受净额结算安排或相若协议所约束的金融资产 / 负债，但倘若本集团的交易对手违约，其并没有相等的金融负债 / 资产可与本集团作对销。

[#] Amounts under "Related amount not set off in the consolidated statement of financial position" represent the amounts of financial liabilities/assets position that are subject to netting arrangements or similar agreements including CSA.

^{*} Net amount represents financial assets/liabilities that are subject to netting arrangements or similar agreements but the Group's counterparty does not have equivalent financial liabilities/assets position with the Group to offset upon default.

5. 关键会计估计及假设

本集团采用对下一个财政年度的资产及负债列账额有影响之估计及假设。本集团会根据过往经验及其他因素(包括于有关情况下对未来事项作出的合理预期)，持续评估所作估计及判断。

5.1 贷款组合的减值拨备

本集团会检讨其贷款组合，以定期评估预期信贷亏损。在厘定预期信贷亏损时，本集团对自初始确认后信贷风险是否有任何重大增加作出判断。就假设及估计，本集团需纳入有关过去事件、当前状况及经济状况预测的相关资料作出判断。估计未来现金流金额及时间的方法及假设会定期检讨，以减小估计亏损及实际亏损经验的差异。

贷款组合于二零一八年十二月三十一日的账面值在附注 19 内披露。

5.2 一般保险业务的保险及担保组合的未决申索拨备

本集团检讨其保险及担保组合，以评估未决申索拨备，包括数额未经确定的申索及来自未通知承保者的事件的申索，即已产生但未申报及相关的索偿付款开支。在决定未决申索拨备时，本集团在保险及担保合约下履行其责任中需支付作出判断及假设，包括但不限于应用的损失严重率、经济气候及本地物业市场。估算最终申索数额的方法及假设会作定期检讨。

5. Critical accounting estimates and assumptions

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1. Impairment allowances on loan portfolio

The Group reviews its loan portfolio to assess ECLs on a regular basis. In determining ECLs, the Group makes judgements as to whether there is any significant increase in credit risk since initial recognition. It is required to exercise judgements in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecast of economic conditions. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

The carrying amount of loan portfolio as at 31 December 2018 is disclosed in Note 19.

5.2. Provision for outstanding claims on insurance and guarantee portfolios of general insurance business

The Group reviews its insurance and guarantee portfolios to assess provision for outstanding claims, including claims of which the amounts have not been determined and claims arising out of incidents that have not been notified to the insurer, known as "Incurred But Not Reported" and related expenses for settling such claims. In determining the provision for outstanding claims, the Group makes judgement and assumptions including but not limited to the loss severity rate applied, the economic climate and the local property market in making estimation of the payments which the Group is required to make in fulfilling its obligations under the insurance and guarantee contracts. The methodology and assumptions used for estimating the ultimate claim amount are reviewed regularly.

保险负债于二零一八年十二月三十一日的账面值在附注 27 内披露。

5.3. 人寿保险业务的保险合同负责

保险合同负债乃基于当前假设，并考虑风险因素及假设上的偏差。所用的主要假设涉及死亡率、长寿、费用及折现率，并定期进行检讨。

保险负债于二零一八年十二月三十一日的账面值在附注 27 内披露。

6. 分类资料

本集团主要在香港从事购买资产及供款管理服务、一般保险及人寿保险业务。其他业务，例如为提供资金以购入按揭贷款而发行的债务工具，及将按揭贷款收取款项所产生的盈余资金进行再投资，被视为按揭业务的附属业务。于二零一七年，本集团作为一个整体，建基于以按揭相关业务作为单一分类来处理资源分配和绩效评估。随着于二零一八年完成企业重组及开展年金业务，已识别以下三个经营分类。

一般保险主要包括按揭保险、安老按揭及中小企融资担保业务。人寿保险包括年金业务。购买资产及供款管理服务包括贷款收购业务及债务发行等其他业务。

The carrying amount of insurance liabilities as at 31 December 2018 is disclosed in Note 27.

5.3. Insurance contract liabilities of life insurance business

The liability for insurance contracts is based on current assumptions with a margin for risk and adverse deviation. The main assumptions used relate to mortality, longevity, expenses and discount rates, which are reviewed regularly.

The carrying amount of insurance liabilities as at 31 December 2018 is disclosed in Note 27.

6. Segment information

The Group is principally engaged in asset purchase and servicing, general insurance and life insurance businesses in Hong Kong. Other activities such as debt issuance to fund the mortgage purchase and investment to reinvest the surplus funds from mortgage receipt are considered ancillary to mortgage business. In 2017, the Group was organised in such a way that resource allocation and performance measurement were based on the Group as a whole in a single segment for mortgage related businesses. With the completion of corporate restructuring and the launch of annuity business in 2018, the following three operating segments are identified.

General insurance includes mainly mortgage insurance, reverse mortgage and SME financing guarantee businesses. Life insurance includes annuity business. Asset purchase and servicing include loan acquisition business and other activities such as debt issuance.

下表列示本集团截至二零一八年十二月三十一日止年度经营分部的收入、溢利及其他资料。

The following tables represent revenue, profit and other information for operating segments of the Group for the year ended 31 December 2018.

		购买资产及 供款管理服 务	一般保险	人寿保险	分部间对销	总计
		Asset purchase and servicing	General insurance	Life insurance	Inter- segment elimination	Total
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
截至二零一八年十二月三十一日止年度	Year ended 31 December 2018					
净利息收入	Net interest income	438,904	95,264	2,041	-	536,209
净保险业务业绩	Net insurance business results	-	243,509	(549,885)	-	(306,376)
其他收入	Other income	162,269	34	184,952	(97,622)	249,633
经营收入	Operating income	601,173	338,807	(362,892)	(97,622)	479,466
经营支出	Operating expenses	(240,840)	(166,087)	(103,083)	97,622	(412,388)
未计减值前的经营溢利	Operating profit before impairment	360,333	172,720	(465,975)	-	67,078
减值回拨/(拨备)	Write back/(charge) of impairment allowances	153	(280)	(7)	-	(134)
除税前溢利	Profit before taxation	360,486	172,440	(465,982)	-	66,944
税项	Taxation					59,614
本年度溢利	Profit for the year					126,558
于二零一八年十二月三十一日	As at 31 December 2018					
分部资产	Segment assets	49,699,136	5,008,698	8,008,883	(235,148)	62,481,569
分部负债	Segment liabilities	42,550,765	1,863,272	3,408,971	(235,148)	47,587,860

7. 利息收入

7. Interest income

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
贷款组合	Loan portfolio	162,583	165,467
现金及短期资金	Cash and short-term funds	557,744	320,395
证券投资	Investment securities	509,383	416,471
		1,229,710	902,333

8. 利息支出

8. Interest expense

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
银行借款及已发行债务证券	Bank loans and debt securities issued	607,367	349,328
其他	Others	86,134	45,427
		693,501	394,755

9. 保险业务的收益账

9. Revenue account for insurance business

		2018		
		一般保险 General insurance 千港元 HK\$'000	人寿保险 Life insurance 千港元 HK\$'000	总计 Total 千港元 HK\$'000
毛保费(附注(a)及附注27(a)(i))	Gross premiums written (Note (a) and Note 27(a)(i))	634,757	2,780,240	3,414,997
再保险保费(附注27(a)(i))	Reinsurance premiums (Note 27(a)(i))	(69,018)	-	(69,018)
保险费净额(附注27(a)(i))	Net premiums written (Note 27(a)(i))	565,739	2,780,240	3,345,979
未到期保费的变动净额	Movement in unearned premiums, net	(188,327)	-	(188,327)
已到期保费净额(附注27(a)(i))	Net premiums earned (Note 27(a)(i))	377,412	2,780,240	3,157,652
申索产生净额、已付利益及 保单持有人负债变动 (附注27(a)(ii)及附注27(b)(i))	Net claims incurred, benefits paid and movement in policyholders' liabilities (Note 27(a)(ii) and Note 27(b)(i))	(3,392)	(3,317,645)	(3,321,037)
拨备后已到期保费净额	Net premiums earned after provisions	374,020	(537,405)	(163,385)
佣金支出	Commission expenses	(154,121)	(12,268)	(166,389)
征费支出	Levy expenses	-	(212)	(212)
再保险公司承担的佣金支出	Reinsurers' share of commission expenses	23,610	-	23,610
佣金支出净额及征费支出	Net commission and levy expenses	(130,511)	(12,480)	(142,991)
扣除佣金及征费支出后 已到期保费净额	Net premiums earned after commission and levy expenses	243,509	(549,885)	(306,376)

		2017 一般保險 2017 General insurance 千港元 HK\$'000
毛保费(附注(a)及附注27(a)(i))	Gross premiums written (Note (a) and Note 27(a)(i))	493,459
再保险保费(附注27(a)(i))	Reinsurance premiums (Note 27(a)(i))	(76,383)
保险费净额(附注27(a)(ii))	Net premiums written (Note 27(a)(ii))	417,076
未到期保费的变动净额	Movement in unearned premiums, net	(64,662)
已到期保费净额(附注27(a)(ii))	Net premiums earned (Note 27(a)(ii))	352,414
申索产生净额(附注27(a)(ii))	Net claims incurred (Note 27(a)(ii))	(641)
拨备后已到期保费净额	Net premiums earned after provisions	351,773
佣金支出	Commission expenses	(166,252)
再保险公司承担的佣金支出	Reinsurers' share of commission expenses	25,798
佣金支出净额	Net commission expenses	(140,454)
扣除佣金后已到期保费净额	Net premiums earned after commission	211,319

附注：

- (a) 就一般保险业务而言，毛保费主要来自按揭及安老按揭贷款保险业务，小部分来自为资助房屋计划的业主而设主要用于补地价的一笔过贷款的按揭保险。

Note:

- (a) For general insurance business, gross premiums were mainly derived from mortgage insurance cover on mortgage loans and on reverse mortgage loans with a small portion from mortgage insurance cover on lump-sum loans to owners of properties of subsidised housing schemes primarily for land premium settlement.

10. 其他收入

10. Other income

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
来自外汇基金存款的收益	Income from placements with the Exchange Fund	184,934	–
提早还款费用及过期罚款	Early prepayment fees and late charges	384	466
汇兑差额	Exchange difference	12,335	171,147
金融工具公平值变动净额	Net change in fair value of financial instruments	11,840	(1,057)
以公平值变化计入损益的投资亏损净额	Net loss on investments at fair value through profit or loss	(13,500)	–
上市投资的股息收入	Dividend income from listed investments	58,626	82,878
出售按摊销成本列账的投资收益净额	Net gains on disposal of investments at amortised cost	192	–
出售可供出售投资的收益净额(附注13)	Net gains on disposal of available-for-sale investments (Note 13)	–	163,538
其他	Others	(5,178)	(2,488)
		249,633	414,484

金融工具公平值变动相当于以下各项的总和：(i)指定为公平值对冲的对冲工具公平值亏损3.24亿港元(二零一七年：16.76亿港元收益)及对冲项目公平值收益3.25亿港元(二零一七年：16.76亿港元亏损)；及(ii)不符合采用对冲会计方法的衍生工具公平值收益700万港元(二零一七年：200万港元亏损)及指定为以公平值变化计入损益的已发行债务证券公平值收益400万港元(二零一七年：100万港元)。

Change in fair value of financial instruments represented the aggregate of (i) HK\$324 million fair value loss on hedging instruments designated as fair value hedge (2017: HK\$1,676 million gain) and HK\$325 million fair value gain on the hedged items (2017: HK\$1,676 million loss); and (ii) HK\$7 million fair value gain on derivatives not qualified as hedges for accounting purposes (2017: HK\$2 million loss) and HK\$4 million fair value gain on debt securities issued designated as at fair value through profit or loss (2017: HK\$1 million).

11. 经营支出

11. Operating expenses

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
雇员成本：	Staff costs:		
— 薪金及福利	— Salaries and benefits	237,081	176,713
— 退休金成本—界定供款计划	— Pension costs—defined contribution plans	13,576	12,060
办公室：	Premises:		
— 租金	— Rental	49,845	32,420
— 其他	— Others	9,123	6,589
董事袍金	Directors' fees	—	—
就董事参与公司管理事务的其他服务而付予之酬金：	Emoluments in respect of directors' other services in connection with the management of the affairs of the Company:		
— 薪金、津贴及花红	— Salaries, allowances and bonus	6,367	6,184
— 为退休计划所作之供款	— Retirement scheme contributions	633	616
折旧(附注24)	Depreciation (Note 24)	19,371	14,415
财经资讯服务	Financial information services	8,259	6,015
顾问费	Consultancy fees	17,248	16,526
市场推广及广告支出	Marketing and advertising expenses	21,294	15,559
其他经营支出	Other operating expenses	29,591	17,099
		412,388	304,196

12. 核数师酬金

12. Auditor's remuneration

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
核数师酬金：	Auditor's remuneration:		
— 审核服务	— Audit services	3,215	1,735
— 其他服务	— Other services	1,349	2,151
		4,564	3,886

13. 出售可供出售投资的收益净额 13. Net gains on disposal of available-for-sale investments

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
出售可供出售投资的 收益净额：	Net gains on disposal of available-for-sale investments:		
— 变现于一月一日已于储备 内确认的款项	— Realisation of amounts recognised in reserves up to 1 January	—	83,161
— 本年度产生收益净额	— Net gains arising in current year	—	80,377
		—	163,538

14. 减值拨备 14. Charge of impairment allowances

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
减值拨备/(回拨)：	Charge/(write-back) of impairment allowances:		
— 现金及短期资金(附注4.2(b))	— Cash and short-term funds (Note 4.2(b))	(95)	—
— 证券投资	— Investment securities		
— 按摊销成本列账 (附注4.2(c)(i))	— amortised cost (Note 4.2(c)(i))	197	—
— 以公允价值变化计入其他 全面收益(附注4.2(c)(ii))	— FVOCI (Note 4.2(c)(ii))	14	—
— 贷款组合(附注4.2(a))	— Loan portfolio (Note 4.2(a))	18	453
		134	453

15. 税项

(a) 综合收益表内的税项为：

15. Taxation

(a) Taxation in the consolidated income statement represents:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
香港利得税	Hong Kong profits tax		
— 当期税项	— Current tax	17,987	21,676
— 过往年度调整	— Adjustment in respect of prior years	(30)	421
		17,957	22,097
递延税项	Deferred taxation		
— 本年度(退回)/支出	— (Credit)/charge for current year	(77,571)	240
		(59,614)	22,337

就本期间产生的估计应课税溢利按16.5% (二零一七年：16.5%) 的税率计提香港利得税拨备。递延税项以负债法按16.5% (二零一七年：16.5%) 的主要税率计算全部的暂时差额。

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the period. Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% (2017: 16.5%).

本集团的除税前溢利的税项与采用香港税率计算的理论金额的差异如下：

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
除税前溢利	Profit before taxation	66,944	828,732
按16.5% (二零一七年：16.5%) 的税率计算	Calculated at a taxation rate of 16.5% (2017: 16.5%)	11,046	136,741
税务影响：	Tax effect of:		
— 毋须缴税的收入	— income not subject to taxation	(157,438)	(158,786)
— 不可扣税的开支	— expenses not deductible for taxation purposes	86,808	43,961
— 过往年度调整	— adjustment in respect of prior years	(30)	421
税项(退回)/支出	Taxation (credit)/charge	(59,614)	22,337

(b) 财务状况表内的税项拨备为：

(b) Provision for taxation in the statement of financial position represents:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
当期税项资产 (包括于「其他资产」内)	Current tax assets (included in "Other assets")	-	351
递延税项资产	Deferred tax assets	77,866	295
		77,866	646
当期税项负债	Current tax liabilities	104,077	116,288

于二零一八年十二月三十一日及二零一七年十二月三十一日，并无任何重大未拨备递延税项。

There was no significant unprovided deferred taxation as at 31 December 2018 and 31 December 2017.

递延税项(资产)/负债的主要组成部分及年内变动如下：

The major components of deferred tax (assets)/liabilities and the movements during the year are as follows:

		加速税项折旧 Accelerated tax depreciation 千港元 HK\$'000	减值拨备 Impairment allowances and provisions 千港元 HK\$'000	公平值变动 Fair value changes 千港元 HK\$'000	税务亏损 Tax losses 千港元 HK\$'000	总额 Total 千港元 HK\$'000
于二零一七年一月一日	As at 1 January 2017	2,811	(3,346)	17,195	-	16,660
于收益表内扣除/(存入)	Charged/(credited) to income statement	555	(315)	-	-	240
于权益内存入	Credited to equity	-	-	(17,195)	-	(17,195)
于二零一七年十二月三十一日	As at 31 December 2017	3,366	(3,661)	-	-	(295)
于收益表内扣除/(存入)	Charged/(credited) to income statement	603	(964)	-	(77,210)	(77,571)
于二零一八年十二月三十一日	As at 31 December 2018	3,969	(4,625)	-	(77,210)	(77,866)

递延税项资产只限于有足够未来应课税溢利可供变现的情况下才会确认。未动用税务亏损可无限期结转。

Deferred tax assets are recognised to the extent that sufficient future taxable profits will be available for realisation. The unused tax losses can be carried forward indefinitely.

于十二个月内，无任何重大递延税项资产/负债需要结算。

There is no significant amount of deferred tax assets/liabilities to be settled within twelve months.

16. 现金及短期资金

16. Cash and short-term funds

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
银行现金	Cash at banks	196,590	93,799
银行定期存款	Time deposits with banks	29,195,211	25,184,391
现金及短期资金总额	Gross cash and short-term funds	29,391,801	25,278,190
现金及短期资金的减值拨备 (附注4.2(b))	Impairment allowance on cash and short-term funds (Note 4.2 (b))	(946)	—
		29,390,855	25,278,190

就现金流量表而言，现金及等同现金项目包括以下自交易日期起计三个月内到期的结余。

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances with less than three months' maturity from the date of transaction.

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
银行现金	Cash at banks	196,590	93,799
银行定期存款	Time deposits with banks	14,581,211	14,992,391
现金及等同现金项目	Cash and cash equivalents	14,777,801	15,086,190

17. 应收利息及汇款

17. Interest and remittance receivables

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
以下各项的应收利息：	Interest receivable from:		
— 利率掉期合约	— interest rate swap contracts	161,582	143,319
— 证券投资	— investment securities	135,392	109,921
— 银行定期存款	— time deposits with banks	99,291	47,075
贷款组合的应收利息及 分期付款	Interest receivable and instalments, in transit from loan portfolio	41,654	43,663
		437,919	343,978

18. 衍生金融工具

(a) 衍生工具的应用

本集团应用下列衍生工具对冲本集团的金融风险。

货币远期合约为在未来日期以预先指定的汇率购买或出售外币的承诺。货币及利率掉期为以一组现金流量换取另一组现金流量的承诺。掉期导致货币或利率或两者组合的转换。除若干货币掉期外，该等交易不涉及转换本金。本集团的信贷风险为交易对手未能履行其责任而重置掉期合约的潜在成本。本集团根据审慎的库务交易对手风险管理机制，持续监测有关风险。

若干种类金融工具的名义金额，为于综合财务状况表确认的工具提供一个比较的基准，惟未必反映涉及的未来现金流量的金额或工具当前的公允价值，因此，并不能反映本集团面临的信贷或价格风险。随着市场利率及汇率相对其条款的波动，衍生工具可能对本集团产生有利（资产）或不利（负债）的影响。衍生金融工具的合约或名义金额总额、上述有利或不利影响幅度，及衍生工具金融资产及负债之公平总值，可能不时大幅波动。所持有的衍生工具公平值载于下文。

18. Derivative financial instruments

(a) Use of derivatives

The Group uses the following derivative instruments to hedge the Group's financial risks.

Currency forwards are commitment to purchase or sell foreign currency at a pre-specified exchange rate on a future date. Currency and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an exchange of currencies or interest rates or a combination of all these. No exchange of principal takes place except for certain currency swaps. The Group's credit risk represents the potential cost to replace the swap contracts if counterparties fail to perform their obligations. This risk is monitored on an ongoing basis under a prudent treasury counterparty risk management framework.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognised on the consolidated statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amounts of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time. The fair values of derivative instruments held are set out below.

19. 贷款组合净额

(a) 贷款组合减拨备

		2018	2017
		千港元	千港元
		HK\$'000	HK\$'000
住宅按揭贷款组合	Residential mortgage portfolio	6,179,353	7,484,605
非按揭贷款组合	Non-mortgage portfolio	263,377	345,222
		6,442,730	7,829,827
贷款减值拨备(附注4.2(a))	Allowance for loan impairment (Note 4.2(a))	(666)	(386)
		6,442,064	7,829,441

贷款减值拨备总额占贷款组合尚未偿还本金结余的百分比如下：

Total allowance for loan impairment as a percentage of the outstanding principal balances of the loan portfolio is as follows:

		2018	2017
贷款减值拨备总额占贷款组合总额的百分比	Total allowance for loan impairment as a percentage of the gross loan portfolio	0.010%	0.005%

作出贷款减值拨备时，已考虑抵押品的目前市值。

Allowance for loan impairment has been made after taking into account the current market value of the collateral.

		2018	2017
减值贷款组合总额占贷款组合总额的百分比	Gross impaired loan portfolio as a percentage of gross loan portfolio	0.007%	0.005%

(b) 贷款组合内的融资租赁投资净额

(b) Net investments in finance leases included in loan portfolio

		2018		
		最低应收租约 款项现值 Present value of minimum lease payments receivable 千港元 HK\$'000	未来期间的 利息收入 Interest income relating to future periods 千港元 HK\$'000	最低应收租约 款项总额 Total minimum lease payments receivable 千港元 HK\$'000
应收款项：	Amounts receivable:			
— 一年内	— within one year	25,533	5,341	30,874
— 一年后至五年内	— after one year but within five years	85,546	16,329	101,875
— 五年后	— after five years	142,565	17,318	159,883
		253,644	38,988	292,632

		2017		
		最低应收租约 款项现值 Present value of minimum lease payments receivable 千港元 HK\$'000	未来期间的 利息收入 Interest income relating to future periods 千港元 HK\$'000	最低应收租约 款项总额 Total minimum lease payments receivable 千港元 HK\$'000
应收款项：	Amounts receivable:			
— 一年内	— within one year	30,678	6,618	37,296
— 一年后至五年内	— after one year but within five years	109,174	20,535	129,709
— 五年后	— after five years	193,169	23,879	217,048
		333,021	51,032	384,053

没有就融资租赁约应收账款作出贷款减值拨备。

No allowance for loan impairment has been provided for finance lease receivable.

20. 证券投资

20. Investment securities

(a) 以公允价值变化计入其他全面收益的证券投资

(a) Investment securities at FVOCI

		2018 千港元	2017* 千港元
按公允价值列账的债务证券	Debt securities at fair value		
于香港上市	Listed in Hong Kong	587,702	—
于香港境外上市	Listed outside Hong Kong	2,128,745	—
非上市	Unlisted	2,375,217	—
以公允价值变化计入其他全面收益的证券总额	Total FVOCI securities	5,091,664	—

以公允价值变化计入其他全面收益的证券包括债务证券，其中合约现金流量仅为本金及利息，而本集团持有此类债务证券之业务模式的目标则通过收取合约现金流量及出售金融资产而实现。

FVOCI securities comprise debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

按发行机构类别分析以公允价值变化计入其他全面收益的证券如下：

FVOCI securities are analysed by categories of issuers as follows:

		2018 千港元 HK\$'000	2017* 千港元 HK\$'000
银行及其他金融机构	Banks and other financial institutions	4,266,072	—
公司企业	Corporate entities	795,487	—
公营机构	Public sector entities	30,105	—
		5,091,664	—

以公允价值变化计入其他全面收益的证券的变动概述如下：

The movement in FVOCI securities is summarised as follows:

		2018 千港元 HK\$'000	2017* 千港元 HK\$'000
于一月一日(附注 3.1(c))	As at 1 January (Note 3.1(c))	5,480,912	—
增加	Additions	1,307,246	—
赎回	Redemption	(1,693,196)	—
摊销	Amortisation	(2,534)	—
公允价值变动	Change in fair value	(7,182)	—
外币汇兑差额	Exchange difference	6,418	—
于十二月三十一日	As at 31 December	5,091,664	—

* 根据附注 20(d) 所披露，该等投资于二零一七年分类为可供出售。

* These investments were classified as available-for-sale in 2017 as disclosed in Note 20(d).

有关减值、信贷质素及本集团信贷风险的资料于附注 4.2(c) 披露。

Information on the impairment, credit quality and the Group's exposure to credit risk are disclosed in Note 4.2(c).

(b) 以公允价值变化计入损益的证券投资

(b) Investment securities at FVPL

		2018 千港元 HK\$'000	2017* 千港元 HK\$'000
按公允价值列账的交易所买卖基金及房地产投资信托基金于香港上市	Exchange-traded funds and real estate investment funds at fair value Listed in Hong Kong	543,612	—
以公允价值变化计入损益的证券总额	Total FVPL securities	543,612	—

本集团将不符合按摊销成本计量或以公允价值变化计入其他全面收益标准的交易所买卖基金及房地产投资信托基金等其他证券投资分类为以公允价值变化计入损益。

The Group classifies other investment securities in exchange-traded funds and real estate investments trusts at FVPL, which do not qualify for measurement at either amortised cost or FVOCI.

以公允价值变化计入损益的证券的变动
概述如下：

The movement in FVPL securities is summarised as follows:

		2018 千港元 HK\$'000	2017* 千港元 HK\$'000
于一月一日(附注 3.1(a))	As at 1 January (Note 3.1(a))	1,657,750	-
增加	Additions	16,644	-
出售	Sale	(1,096,226)	-
公允价值变动	Change in fair value	(35,278)	-
外币汇兑差额	Exchange difference	722	-
于十二月三十一日	As at 31 December	543,612	-

* 根据附注 20(d) 所披露，该等投资于二零一七年分类为可供出售。

* These investments were classified as available-for-sale in 2017 as disclosed in Note 20(d).

(c) 按摊销成本列账的证券投资

(c) Investment securities at amortised cost

		2018 千港元 HK\$'000	2017# 千港元 HK\$'000
按摊销成本列账的债务证券	Debt securities at amortised cost		
于香港上市	Listed in Hong Kong	6,317,348	-
于香港境外上市	Listed outside Hong Kong	2,106,090	-
		8,423,438	-
非上市	Unlisted	3,124,837	-
按摊销成本列账的证券投资总额	Gross investment securities at amortised cost	11,548,275	-
按摊销成本列账的证券投资的减值拨备(附注 4.2(c)(i))	Impairment allowance on investment securities at amortised cost (Note 4.2(c)(i))	(1,442)	-
按摊销成本列账的证券总额	Total amortised costs securities	11,546,833	-

本集团仅于同时符合以下标准之情况时，方会将证券投资分类为按摊销成本列账：

- 业务模式的目标为持有资产以收取合约现金流量；及
- 根据合约条款在指定日期的现金流量乃全数用于支付本金和未偿还本金的利息。

The Group classifies investment securities as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model with the objective of collecting the contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

按发行机构类别分析按摊销成本列账的证券如下：

Amortised cost securities are analysed by categories of issuers as follows:

		2018 千港元 HK\$'000	2017 [#] 千港元 HK\$'000
银行及其他金融机构	Banks and other financial institutions	5,075,984	—
公司企业	Corporate entities	4,904,367	—
公营机构	Public sector entities	540,768	—
中央政府	Central governments	1,027,156	—
		11,548,275	—

按摊销成本列账的证券的变动概述如下：

The movement in amortised cost securities is summarised as follows:

		2018 千港元 HK\$'000	2017 [#] 千港元 HK\$'000
于一月一日(附注3.1(b))	As at 1 January (Note 3.1(b))	10,347,834	—
增加	Additions	1,855,361	—
出售及赎回	Sale and redemption	(653,843)	—
摊销	Amortisation	(11,141)	—
外币汇兑差额	Exchange difference	10,064	—
于十二月三十一日	As at 31 December	11,548,275	—

* 根据附注20(e)所披露，该等投资于二零一七年分类为持有至到期。

* These investments were classified as held-to-maturity in 2017 as disclosed in Note 20(e).

有关减值、信贷质素及本集团信贷风险的资料于附注4.2(c)披露。

Information on the impairment, credit quality and the Group's exposure to credit risk are disclosed in Note 4.2(c).

(d) 可供出售证券

(d) Available-for-sale securities

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
按公允价值列账的债务证券	Debt securities at fair value		
于香港上市	Listed in Hong Kong	–	279,317
于香港境外上市	Listed outside Hong Kong	–	2,315,572
非上市	Unlisted	–	2,886,023
按公允价值列账的其他证券	Other securities at fair value		
于香港上市	Listed in Hong Kong	–	1,657,750
可供出售证券总额	Total available-for-sale securities	–	7,138,662

其他证券指交易所买卖基金及房地产投资信托基金。

Other securities refer to exchange-traded funds and real estate investment trusts.

按发行机构类别分析可供出售证券如下：

Available-for-sale securities are analysed by categories of issuers as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
银行及其他金融机构	Banks and other financial institutions	–	4,040,368
公司企业	Corporate entities	–	909,924
公营机构	Public sector entities	–	30,740
其他	Others	–	2,157,630
		–	7,138,662

可供出售证券的变动概述如下：

The movement in available-for-sale securities is summarised as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
于一月一日	As at 1 January	–	6,977,677
增加	Additions	–	3,144,426
出售及赎回	Sale and redemption	–	(3,212,744)
摊销	Amortisation	–	(4,493)
公平值变动	Change in fair value	–	191,162
外币汇兑差额	Exchange difference	–	42,634
于十二月三十一日	As at 31 December	–	7,138,662

(e) 持有至到期证券

(e) Held-to-maturity securities

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
按摊销成本列账的债务证券	Debt securities at amortised cost		
于香港上市	Listed in Hong Kong	–	5,501,627
于香港境外上市	Listed outside Hong Kong	–	1,959,044
		–	7,460,671
非上市	Unlisted	–	2,887,163
持有至到期证券总额	Total held-to-maturity securities	–	10,347,834

按发行机构类别分析持有至到期证券如下：

Held-to-maturity securities are analysed by categories of issuers as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
银行及其他金融机构	Banks and other financial institutions	–	4,955,910
公司企业	Corporate entities	–	4,299,090
公营机构	Public sector entities	–	471,079
中央政府	Central governments	–	621,755
		–	10,347,834

持有至到期证券的变动概述如下：

The movement in held-to-maturity securities is summarised as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
于一月一日	As at 1 January	–	9,931,665
增加	Additions	–	3,112,996
赎回	Redemption	–	(2,746,656)
摊销	Amortisation	–	(17,279)
外币汇兑差额	Exchange difference	–	67,108
于十二月三十一日	As at 31 December	–	10,347,834

21. 外汇基金存款

本集团已将香港年金公司的外汇基金存款分类为以公允价值变化计入损益的金融资产。于二零一八年十二月三十一日，外汇基金存款结余为77亿港元（二零一七年：无），包括本金总额为76亿港元（二零一七年：无）加上于呈报日已赚取及已累计但尚未提取的收入。

外汇基金存款投资于外汇基金的投资组合及长期增长组合，并受锁定投资期限限制。外汇基金存款回报率按年厘定。就投资组合而言，回报率乃根据投资组合过去六年的年均回报率或上年度三年期政府债券的年均收益率（下限为0%）计算，以较高者为准。就长期增长组合而言，回报率乃根据本年度时间加权回报率厘定。

21. Placements with the Exchange Fund

The Group has classified the placements of HKMCA with the Exchange Fund as financial assets at fair value through profit or loss. As at 31 December 2018, the balance of the placements with the Exchange Fund amounted to HK\$7.7 billion (2017: nil), comprising a total principal sum of HK\$7.6 billion (2017: nil) plus income earned and accrued but not yet withdrawn as at the reporting date.

The placements with the Exchange Fund are invested in the Investment Portfolio and Long-Term Growth Portfolio of the Exchange Fund, subject to a lock-up period. The rate of return on the placements with the Exchange Fund is determined annually. For Investment Portfolio, the rate of return is calculated on the basis of the average annual rate of return on the portfolio over the past six years or the average annual yield of three-year Government Bond in the previous year (subject to a minimum of zero percent), whichever is the higher. With respect to the Long-Term Growth Portfolio, the rate of return is determined based on the current year time-weighted rate of return.

22. 附属公司投资

于二零一八年十二月三十一日，本公司的附属公司详情如下：

22. Interests in subsidiaries

Details of the subsidiaries of the Company as at 31 December 2018 are as follows:

名称 Name	注册成立地点 Place of incorporation	主要业务 Principal activities	已发行及缴足股份详情 (股份类别) Particulars of issued and fully paid up share capital (Class of shares)	由公司 (或其代名人) 所持的股份 Percentage of shares held by the Company (or its nominee)	由公司的 附属公司 (或其代名人) 所持股份的 百分率 Percentage of shares held by the Company's subsidiary (or its nominee)
香港按揭管理有限公司 HKMC Mortgage Management Limited	香港 Hong Kong	购入及管理按揭贷款、为小型贷款融资、及由银行转介安老按揭贷款及有关资助房屋计划补地价贷款的贷款安排 Mortgage purchases and servicing, funding of microfinance loans, and origination of reverse mortgage loans and loans for land premium settlement in relation to subsidised sale flats referred by banks	1,000,000港元(普通股) HK\$1,000,000 (Ordinary)	100%	不适用 N/A
香港按证保险有限公司 [#] HKMC Insurance Limited [#]	香港 Hong Kong	一般保险业务 General insurance business	3,000,000,000港元(普通股) HK\$3,000,000,000 (Ordinary)	100%	不适用 N/A
香港年金有限公司 [^] HKMC Annuity Limited [^]	香港 Hong Kong	长期保险业务 Long term insurance business	5,000,000,000港元(普通股) HK\$5,000,000,000 (Ordinary)	100%	不适用 N/A
香港按揭证券融资(第一)有限公司* HKMC Funding Corporation (1) Limited*	香港 Hong Kong	于二零一八年并无商业活动 No business activity in 2018	1,000港元(普通股) HK\$1,000 (Ordinary)	不适用 N/A	不适用 N/A
Bauhinia MBS Limited*	开曼群岛 Cayman Islands	于二零一八年并无商业活动 No business activity in 2018	1,000美元(普通股) US\$1,000 (Ordinary)	不适用 N/A	不适用 N/A
香港按揭信贷保证有限公司 HKMC Credit & Guarantee Corporation Limited	香港 Hong Kong	不活动状态 Dormant	1港元(普通股) HK\$1 (Ordinary)	不适用 N/A	100%
Hong Kong Mortgage Credit & Guarantee Corporation Limited	香港 Hong Kong	不活动状态 Dormant	1港元(普通股) HK\$1 (Ordinary)	不适用 N/A	100%

* 根据香港《公司条例》附表1，这些公司被定义为附属企业。这些公司为购入按揭贷款和发行按揭证券而成立，而本公司并没有持有这些公司的股份。

于二零一八年二月，本公司注资2,999,999,900港元，以补足按证保险公司的已发行及缴足资本30亿港元，但不配发及发行新股份，而于二零一八年五月，按证保险公司获保险业监管局正式授权，可进行从本公司转移的一般保险业务。在上述转移后，本公司已撤销其于或自香港经营一般保证业务的授权。

^ 于二零一八年四月，政府透过外汇基金向本公司提供额外50亿港元的股本。同日，本公司向香港年金公司注资4,999,999,900港元，作为香港年金公司经营年金业务的股本。于二零一八年五月，香港年金公司获保险业监管局授权，可于或自香港经营长期保险业务。

* These companies are subsidiary undertakings as defined in Schedule 1 to the Hong Kong Companies Ordinance and the Company does not hold shares in these companies which are set up for mortgage purchases and mortgage-backed securities issuance.

In February 2018, the Company injected HK\$2,999,999,900 to make up issued and paid-up capital of HK\$3 billion of the HKMCI without allotting and issuing new shares and the HKMCI was granted formal authorisation from the Insurance Authority to carry on general insurance business which was transferred from the Company in May 2018. Subsequent to the said transfer, the Company withdrew its authorisation to carry on general insurance business in or from Hong Kong.

^ In April 2018, the Government through the Exchange Fund provided additional share capital of HK\$5 billion into the Company. HK\$4,999,999,900 was injected by the Company into the HKMCA on the same day as share capital for the latter to operate the annuity business. The HKMCA was granted authorisation by the Insurance Authority to carry on long term insurance business in or from Hong Kong in May 2018.

23. 预付款项、按金及其他资产

23. Prepayments, deposits and other assets

		2018	2017
		千港元	千港元
		HK\$'000	HK\$'000
公司会籍债券	Corporate club debentures	750	750
信贷支持附件应收款项	CSA receivable	137,483	29,315
在报告日后执行结算的债务证券的应收款项	Receivables from debt securities executed for settlement after the reporting date	488,021	–
其他应收款项	Other receivable	172,306	3,279
收回资产	Repossessed assets	–	4,324
其他资产	Other assets	30,931	29,486
		829,491	67,154

24. 固定资产

24. Fixed assets

		办公设备、 傢俬及装备 Office equipment, furniture and fixtures	电脑 Computers	汽车 Motor vehicle	总额 Total	
	租赁物业装修 Leasehold improvement	千港元 千港元 HK\$'000	千港元 千港元 HK\$'000	千港元 千港元 HK\$'000	千港元 千港元 HK\$'000	
于二零一七年一月一日	Net book amount as at 1 January 2017	5,805	669	11,848	205	18,527
添置	Additions	11,879	812	17,526	-	30,217
折旧(附注11)	Depreciation charge (Note 11)	(6,131)	(599)	(7,598)	(87)	(14,415)
于二零一七年十二月三十一日	Net book amount as at 31 December 2017	11,553	882	21,776	118	34,329
添置	Additions	7,961	4,228	26,619	-	38,808
折旧(附注11)	Depreciation charge (Note 11)	(5,579)	(1,074)	(12,630)	(88)	(19,371)
于二零一八年十二月三十一日	Net book amount as at 31 December 2018	13,935	4,036	35,765	30	53,766
于二零一八年十二月三十一日	As at 31 December 2018					
成本值	Cost	47,755	12,759	218,355	775	279,644
累计折旧	Accumulated depreciation	(33,820)	(8,723)	(182,590)	(745)	(225,878)
账面净额	Net book amount	13,935	4,036	35,765	30	53,766
于二零一七年十二月三十一日	As at 31 December 2017					
成本值	Cost	39,794	8,576	191,736	775	240,881
累计折旧	Accumulated depreciation	(28,241)	(7,694)	(169,960)	(657)	(206,552)
账面净额	Net book amount	11,553	882	21,776	118	34,329

25. 应付利息

25. Interest payable

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
以下各项的应付利息：	Interest payable from:		
— 已发行债务证券	— debt securities issued	229,577	181,799
— 利率掉期合约	— interest rate swap contracts	20,088	5,927
— 其他负债	— other liabilities	7,803	4,407
		257,468	192,133

26. 应付账项、应付开支及其他负债

26. Accounts payable, accrued expenses and other liabilities

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
应付账项及应付开支	Accounts payable and accrued expenses	248,121	374,373
其他负债	Other liabilities	4,762,799	4,945,650
其他拨备	Other provision	50,759	43,240
		5,061,679	5,363,263

其他负债是指中小企融资担保计划下的特别优惠措施所收到的担保费及拨款(已扣除申索及相关开支)370,511,000港元(二零一七年:626,271,000港元)(附注33),与及指用于二零零三年十二月及二零零四年一月自政府购买的按揭贷款信贷安排加强措施的递延代价4,392,288,000港元(二零一七年:4,319,379,000港元)。

Other liabilities represented the guarantee fee and fund received (net of claims and related expenses) of HK\$370,511,000 (2017: HK\$626,271,000) under the special concessionary measures of the SME Financing Guarantee Scheme (Note 33) and the deferred consideration of HK\$4,392,288,000 (2017: HK\$4,319,379,000) used for credit enhancement on the mortgage loans purchased from the Government in December 2003 and January 2004.

27. 保险负债及再保险资产

27. Insurance liabilities and reinsurance assets

		2018			2017		
		毛额	再保险	净额	毛额	再保险	净额
		Gross HK\$'000	Reinsurance HK\$'000	Net HK\$'000	Gross HK\$'000	Reinsurance HK\$'000	Net HK\$'000
一般保险业务：	General insurance:						
未到期保费及担保费用拨备	Provision for unearned premiums and guarantee fees	1,290,372	166,383	1,123,989	1,095,805	160,143	935,662
未决申索拨备：	Provision for outstanding claims:						
— 已申报/(已收回)申索	— claims reported/(recovery)	2,236	(1)	2,237	7,135	193	6,942
— 已产生但未申报申索	— claims incurred but not reported	30,236	5,136	25,100	27,210	4,265	22,945
		32,472	5,135	27,337	34,345	4,458	29,887
		1,322,844	171,518	1,151,326	1,130,150	164,601	965,549
人寿保险：	Life insurance:						
保单持有人负债	Policyholders' liabilities	3,284,529	-	3,284,529	-	-	-
		4,607,373	171,518	4,435,855	1,130,150	164,601	965,549

(a) 一般保险业务

- (i) 未到期保费及担保费用拨备变动分析如下

(a) General insurance

- (i) Analysis of movement in provision for unearned premiums and guarantee fees

		2018			2017		
		毛额	再保险	净额	毛额	再保险	净额
		Gross HK\$'000	Reinsurance HK\$'000	Net HK\$'000	Gross HK\$'000	Reinsurance HK\$'000	Net HK\$'000
于一月一日	As at 1 January	1,095,805	160,143	935,662	1,013,155	142,155	871,000
已收取保费(附注9)	Premiums written (Note 9)	634,757	69,018	565,739	493,459	76,383	417,076
已满期保费(附注9)	Premiums earned (Note 9)	(440,190)	(62,778)	(377,412)	(410,809)	(58,395)	(352,414)
于十二月三十一日	As at 31 December	1,290,372	166,383	1,123,989	1,095,805	160,143	935,662

(ii) 未决申索拨备变动分析如下

(ii) Analysis of movement in provision for outstanding claims

		2018			2017		
		毛额	再保险	净额	毛额	再保险	净额
		Gross	Reinsurance	Net	Gross	Reinsurance	Net
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于一月一日	As at 1 January	34,345	4,458	29,887	35,395	3,872	31,523
已付申索	Claims paid	(7,556)	-	(7,556)	(4,978)	(510)	(4,468)
已收回申索	Claims recovery	1,908	294	1,614	2,448	257	2,191
已产生/(回拨)申索 (附注9):	Claims incurred/(written back) (Note 9):						
— 已申报申索	— claims reported	749	(488)	1,237	(1,316)	211	(1,527)
— 已产生但未申报申索	— claims incurred but not reported	3,026	871	2,155	2,796	628	2,168
		3,775	383	3,392	1,480	839	641
于十二月三十一日	As at 31 December	32,472	5,135	27,337	34,345	4,458	29,887

(b) 人寿保险**(b) Life insurance**

(i) 保单持有人负债变动分析

(i) Analysis of movement in policyholders' liabilities

		2018			2017		
		毛额	再保险	净额	毛额	再保险	净额
		Gross	Reinsurance	Net	Gross	Reinsurance	Net
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
于一月一日	As at 1 January	-	-	-	-	-	-
已付申索及已付利益	Claims and benefits paid	(33,116)	-	(33,116)	-	-	-
已产生申索及保单持有人负债 变动(附注9)	Claims incurred and movement in policyholders' liabilities (Note 9)	3,317,645	-	3,317,645	-	-	-
于十二月三十一日	As at 31 December	3,284,529	-	3,284,529	-	-	-

(ii) 主要假设及负债预订的方法

对于长期保险合同，经济假设会持续检讨及更新。非经济假设亦至少每年检讨一次。

根据公认精算原则及《保险业条例》内香港《保险业(长期负债厘定)规则》的规例，就个人寿险责任采用经修订定额净保费估值法进行估值，下限为退保现金价值。

(ii) Key assumptions and reserving approach

For long term insurance contracts, economic assumptions are continually reviewed and updated. Non-economic assumptions are reviewed at least annually.

Based on generally accepted actuarial principles and in accordance with Hong Kong Insurance Companies (Determination of Long Term Liabilities) Regulation of the Insurance Ordinance, the valuation of individual life liabilities was carried out using the Modified Net Level Premium Valuation method, subject to a minimum of the surrender value.

(c) 负债充足测试

进行负债充足测试时，考虑全部合约现金流量及申索处理费用等相关现金流量的现时估计，测试显示于二零一八年十二月三十一日及二零一七年十二月三十一日，本集团的保险负债充足。

(c) Liability adequacy test

The liability adequacy test considers current estimates of all contractual cash flows, and of related cash flows such as claims handling costs, the test shows that, as at 31 December 2018 and 31 December 2017, the Group's insurance liabilities are adequate.

28. 已发行债务证券

28. Debt securities issued

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
按摊销成本列账的债务证券	Debt securities carried at amortised cost		
中期债券	MTN	14,540,716	13,260,416
按摊销成本列账的债务证券总额	Total debt securities carried at amortised cost	14,540,716	13,260,416
指定为对冲项目并以公允价值对冲的债务证券	Debt securities designated as hedged items under fair value hedge		
债务工具发行计划债券	DIP notes	1,808,922	2,948,131
中期债券	MTN	20,799,258	18,490,213
指定为对冲项目并以公允价值对冲的债务证券总额	Total debt securities designated as hedged items under fair value hedge	22,608,180	21,438,344
于初始确认时指定为以公允价值变化计入损益的债务证券	Debt securities designated as at fair value through profit or loss upon initial recognition		
债务工具发行计划债券	DIP notes	143,981	141,946
于初始确认时指定为以公允价值变化计入损益的债务证券总额	Total debt securities designated as at fair value through profit or loss upon initial recognition	143,981	141,946
已发行债务证券总额	Total debt securities issued	37,292,877	34,840,706

年内没有发行(二零一七年：无)于初始确认时指定以公允价值变化计入损益的债务证券。该等债务证券之公允价值变动源于基准利率的改变。于初始确认时，指定为以公允价值变化计入损益的金融负债账面值，较本集团根据合约规定于到期时须向债券持有人支付的金额少40,019,000港元(二零一七年：42,054,000港元)。

该等指定为以公允价值列账的金融负债没有源自本集团之信贷风险变动引起任何重大盈亏。

During the year, no debt securities (2017: nil) were designated on initial recognition as at fair value through profit or loss. The fair value changes are attributable to changes in benchmark interest rates for the debt securities designated as at fair value through profit or loss. The carrying amount of the financial liabilities designated as at fair value through profit or loss upon initial recognition is HK\$40,019,000 (2017: HK\$42,054,000) lower than the amount that the Group would be contractually required to pay at maturity to the note holders.

There were no significant gains or losses attributable to changes in the credit risk of the Group for those financial liabilities designated as at fair value.

已发行债务证券的变动概述如下：

The movement in debt securities issued is summarised as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
于一月一日	As at 1 January	34,706,897	35,782,600
发行	Issuance	34,074,308	28,428,582
减：赎回	Less: Redemption	(31,289,536)	(29,509,026)
外币汇兑差额	Exchange difference	3,154	4,741
名义价值总额	Total nominal value	37,494,823	34,706,897
未摊销折让部分	Unamortised portion of discount	(92,638)	(85,832)
公平值调整	Fair value adjustment	(109,308)	219,641
于十二月三十一日	As at 31 December	37,292,877	34,840,706

本年度发行的债券：

Notes issued during the year comprise:

		中期债券 MTN 千港元 HK\$'000
已发行金额面值	Amount issued at nominal value	34,074,308
已收取款项	Consideration received	34,006,865

所有已发行的债务证券均属本集团无抵押责任，而发行该等债务证券旨在提供一般营运资金及作再融资用途。

All the debt securities issued are unsecured obligations of the Group, and are issued for the purposes of providing general working capital and refinancing.

29. 股本

29. Share capital

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
已发行及缴足： 20亿股普通股	Issued and fully paid: 2 billion ordinary shares	7,000,000	2,000,000

股本变动概述如下：

The movement in share capital is summarised as follows:

		千港元 HK\$'000
于二零一七年十二月三十一日 注资	As at 31 December 2017 Capital injection	2,000,000 5,000,000
于二零一八年十二月三十一日	As at 31 December 2018	7,000,000

30. 与有关连人士订立的重大交易

30. Material related party transactions

- (a) 本公司及其全资附属公司由财政司司长以外汇基金管理人身份所拥有。本集团于本年度内与下列有关连人士订立以下重大交易：

与政府相关机构香港金管局交易如下：

- (i) 本集团使用由香港金管局所营运的债务工具中央结算系统服务所提供托管及结算代理服务，并缴付费用总额180万港元(二零一七年：160万港元)给香港金管局，作为本年度使用该服务的费用；
- (ii) 本公司于本年度产生1,780万港元(二零一七年：1,660万港元)借调费，作为从香港金管局借调员工的费用；

- (a) The Company and its wholly-owned subsidiaries are owned by the Financial Secretary of Hong Kong as Controller of the Exchange Fund. The Group entered into the following material transactions with the following related parties during the year:

Transactions with the HKMA, a Government-related entity, are as follows:

- (i) the Group subscribed to the custodian and clearing agent services provided by the Central Money Markets Unit Service operated by the HKMA and paid a total fee amount of HK\$1.8 million (2017: HK\$1.6 million) to the HKMA for such services during the year;
- (ii) the Company incurred a secondment fee of HK\$17.8 million (2017: HK\$16.6 million) for secondees from the HKMA during the year;

- | | |
|--|---|
| <p>(iii) 本公司于本年度缴付60万港元(二零一七年:60万港元)予香港金管局,作为后备场所的服务费;</p> | <p>(iii) the Company paid a back-up site service fee of HK\$0.6 million (2017: HK\$0.6 million) to the HKMA during the year;</p> |
| <p>(iv) 金融管理专员透过外汇基金向本公司提供300亿港元的循环信贷,于二零一八年十二月三十一日并无未偿还余额(二零一七年:无);及</p> | <p>(iv) the Monetary Authority through the Exchange Fund has provided the Company with a HK\$30 billion Revolving Credit Facility and there was no outstanding balance as at 31 December 2018 (2017: nil); and</p> |
| <p>(v) 金融管理专员透过外汇基金承诺向本公司注入额外资金高达200亿港元作为股本,以资助本公司向香港年金公司的额外注资,而本公司已承诺向香港年金公司注入相应额外资金作为其股本,以保持香港年金公司的偿债能力超过一定水平。</p> | <p>(v) the Monetary Authority through the Exchange Fund has committed to inject additional funds up to HK\$20 billion into the Company as equity for the purpose of financing the Company's additional capital injection into the HKMCA, and the Company has committed to inject such additional funds into the HKMCA as equity to maintain the HKMCA's margin of solvency above a certain level.</p> |

与政府的交易如下:

Transactions with the Government are as follows:

- | | |
|---|--|
| <p>(i) 本公司于本年度向财政司司长法团购买2.81亿港元(二零一七年:2.93亿港元)按揭贷款;及</p> | <p>(i) the Company purchased mortgage loans of HK\$281 million (2017: HK\$293 million) from The Financial Secretary Incorporated during the year; and</p> |
| <p>(ii) 本集团就现有的中小企融资担保计划,提供以优惠的担保费水平及由政府支付的总贷款保证承担额为1,000亿港元的八成担保保障的贷款担保产品,详情载列于附注33。</p> | <p>(ii) the Group provided a loan guarantee product with 80% guarantee coverage under the existing SME Financing Guarantee Scheme (SFGS) at a concessionary guarantee fee rate and up to a total loan guarantee commitment of HK\$100 billion reimbursable by the Government with details set out in Note 33.</p> |

与香港按揭管理有限公司(本公司的全资附属公司)的交易包括下列各项：

- (i) 本公司为取得及批出本公司不同项目及计划下附有一般保险保障的贷款提供资金。自二零一八年五月一日起，一般保险业务由本公司转移至按证保险公司后，按证保险公司为香港按揭管理有限公司在正常业务过程中根据按揭保险计划及安老按揭计划下的安老按揭贷款及补价易贷款保险计划下的补地价贷款所购买的按揭贷款提供保险保障；及
- (ii) 本公司(作为计划营运者)、香港按揭管理有限公司及各参与银行(作为贷款人)订立小型贷款计划项下的贷款参与协议，据此香港按揭管理有限公司将为全部或部分小型贷款提供资金。

与香港年金公司或按证保险公司(均为本公司的全资附属公司)的交易如下：

- (i) 本公司提供最高达100亿港元的信贷以协助香港年金公司为其年金业务提供资金，于二零一八年十二月三十一日的结余为3,510万港元(二零一七年：无)；
- (ii) 本公司提供最高达20亿港元的信贷以协助按证保险公司为其业务提供资金，于二零一八年十二月三十一日并无结余(二零一七年：无)；

Transactions with HKMC Mortgage Management Limited (**HMML**), a wholly-owned subsidiary of the Company, included the following:

- (i) the Company provided funding for acquisition and origination of loans with general insurance cover under different programmes and schemes of the Company. Following the transfer of general insurance business from the Company to the HKMCI effective from 1 May 2018, the HKMCI provided insurance cover for mortgage loans purchased by the HMML under the MIP, and reverse mortgage loans under the Reverse Mortgage Programme (**RMP**) and loans for premium settlement under the Premium Loan Insurance Scheme originated by the HMML in the course of the ordinary business; and
- (ii) the Company as scheme operator, the HMML and various participating banks as loan originators entered into loan participation agreements under the Microfinance Scheme pursuant to which the HMML would fund all or part of the microfinance loans.

Transactions with the HKMCA or the HKMCI, both being wholly-owned subsidiaries of the Company, are as follows:

- (i) the Company provided a facility up to HK\$10 billion to assist the HKMCA in funding its operations in relation to the annuity business and there was an outstanding balance of HK\$35.1 million as at 31 December 2018 (2017: nil);
- (ii) the Company provided a facility up to HK\$2 billion to assist the HKMCI in funding its operations and there was no outstanding balance as at 31 December 2018 (2017: nil);

- | | |
|--|--|
| <p>(iii) 本公司与按证保险公司订立现金存款安排，以管理按证保险公司初始资本及正常业务营运过程中所产生的盈余资金。年内的利息开支为1,360万港元，而于二零一八年十二月三十一日，按证保险公司的现金存款并无结余；</p> | <p>(iii) the Company entered into a cash placement arrangement with the HKMCI for managing the initial capital and surplus funds generated in the normal course of business operations of the HKMCI. The interest expense thereon was HK\$13.6 million during the year and there was no outstanding balance for the cash placement from the HKMCI as at 31 December 2018;</p> |
| <p>(iv) 本公司与香港年金公司订立现金存款安排，以管理在香港年金公司初始资本及正常业务营运过程中所产生的盈余资金。年内的利息开支为210万港元，而于二零一八年十二月三十一日，香港年金公司的现金存款结余为4,400万港元；</p> | <p>(iv) the Company entered into a cash placement arrangement with the HKMCA for managing the initial capital and surplus funds generated in the normal course of business operations of the HKMCA. The interest expense thereon was HK\$2.1 million during the year and there was an outstanding balance of HK\$44 million for the cash placement from the HKMCA as at 31 December 2018;</p> |
| <p>(v) 本公司的一般保险业务自二零一八年五月一日起转移至按证保险公司。于转移后，本公司已撤销其于或自香港经营一般保证业务的授权。本公司就按证保险公司妥善履行其现有一般保险业务及计划所产生的责任向参与贷款人发出母公司担保保证；及</p> | <p>(v) the Company's general insurance business was transferred to the HKMCI with effect from 1 May 2018. Subsequent to the transfer, the Company withdrew its authorisation to carry on general insurance business in or from Hong Kong. The Company issued a parental guarantee in favour of the participating lenders for the HKMCI's due performance of its obligations arising from its existing general insurance business programmes and schemes; and</p> |
| <p>(vi) 本公司与香港年金公司就向香港年金公司更替650万港元的年金系统订立约务更替协议。</p> | <p>(vi) the Company entered into a novation agreement with the HKMCA regarding the novation of an annuity system of HK\$6.5 million to the HKMCA.</p> |

本公司向其附属公司提供总部企业支援服务及资金筹措安排。该等交易的费用按公平基准厘定。

There were arrangements whereby the Company provided headoffice corporate support services and funding arrangements to its subsidiaries. Fees on these transactions are determined on an arm's length basis.

于十二月三十一日应付相关人士的应收/付结余如下：

The balances of the amounts due from/to the relevant related parties as at 31 December are as follows:

		外汇基金		政府	
		2018 千港元 HK\$'000	2017 千港元 HK\$'000	2018 千港元 HK\$'000	2017 千港元 HK\$'000
外汇基金存款(附注21)	Placements with the Exchange Fund (Note 21)	7,734,934	-	-	-
其他负债(附注26及33)	Other liabilities (Notes 26 and 33)	-	-	4,762,799	4,945,650

(b) 主要管理层人员

主要管理层人员为直接或间接有权力及负责策划、指挥及控制本集团业务的人士，包括董事及高级管理人员。

本年度主要管理层人员的薪酬如下：

(b) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior officers.

Key management personnel's compensation for the year is as follows:

		2018	2017
		千港元 HK\$'000	千港元 HK\$'000
薪金及其他短期雇员福利	Salaries and other short-term employee benefits	23,270	21,426
离职后福利	Post-employment benefits	2,274	2,088
		25,544	23,514

31. 承担

31. Commitments

(a) 资本

(a) Capital

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
已批准及订约	Authorised and contracted for	803	4,176
已批准但未订约	Authorised but not contracted for	42,269	41,784
		43,072	45,960

(b) 经营租约

(b) Operating lease

于呈报期末，根据不可注销的经营租约而须作出的未来最低租金付款总额分析如下：

Total future minimum lease payments under non-cancellable operating lease at the end of the reporting period are analysed as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
办公室物业：	Office premises:		
— 不多于一年	— not later than one year	53,197	49,179
— 多于一年至不多于五年	— later than one year and not later than five years	50,313	94,993
		103,510	144,172

32. 按揭保险计划及安老按揭计划

32. Mortgage Insurance Programme and Reverse Mortgage Programme

于二零一八年十二月三十一日，本集团按揭保险计划的风险投保总额约为237亿港元（二零一七年：211亿港元），其中40亿港元（二零一七年：35亿港元）已向核准再保险公司购买再保险，而本集团则自行承担余下197亿港元（二零一七年：176亿港元）的风险。

As at 31 December 2018, the total risk-in-force of the Group under the MIP is approximately HK\$23.7 billion (2017: HK\$21.1 billion) of which HK\$4 billion (2017: HK\$3.5 billion) was ceded to the approved reinsurers and the balance of HK\$19.7 billion (2017: HK\$17.6 billion) was retained by the Group.

于二零一八年十二月三十一日，由本集团承担的安老按揭计划风险投保总额约为96亿港元（二零一七年：69亿港元）。

As at 31 December 2018, the total risk-in-force of the Group under the RMP borne by the Group was approximately HK\$9.6 billion (2017: HK\$6.9 billion).

33. 中小企业融资担保计划下的特别优惠措施

本集团就现有的中小企业融资担保计划，提供以优惠的担保费水平及由政府支付总贷款保证承担额为1,000亿港元的八成担保保障的贷款担保产品。由此项特别信贷担保产品所收取的担保费，将首先全数用于支付相关的坏账偿付及相关开支，如有余款则将拨归予政府。如所收取的担保费不足以应付相关款额及费用，政府将会承担余额。本集团负责此产品的营运并承担日常营运开支。

有关这个特别的贷款担保产品，对本集团的综合收益表就有关担保费用的收入、违约索偿或其他直接相关开支并没有影响。基于本集团只是代表政府营运该产品，本集团认为有关此产品的风险和利益均属于政府。因此，该产品的风险承担并没有列于本集团的资产负债表外风险。

34. 报告期后发生事项

于二零一九年，本集团透过其全资附属公司按证保险公司与外汇基金订立资本金存款协议，据此，于二零一九年四月三十日，按证保险公司将30亿港元存入外汇基金，而该笔存款投资于外汇基金的投资组合，回报率乃根据投资组合过去六年的年均回报率或上年度三年期政府债券的年均收益率（下限为0%）计算，以较高者为准。

33. Special concessionary measures under the SME Financing Guarantee Scheme

The Group provides a loan guarantee product with 80% guarantee coverage under the existing SFGS at a concessionary guarantee fee rate and up to a total loan guarantee commitment of HK\$100 billion reimbursable by the Government. All guarantee fees collected under this special loan guarantee product are set aside to meet the relevant default claims and related out-of-pocket expenses. The remaining balance of the guarantee fees, if any, will be returned to, and any shortfall will be borne by, the Government. The Group is responsible for the operation of the product and the applicable day-to-day operating costs.

Regarding this special loan guarantee product, there was no impact on the consolidated income statement of the Group in respect of guarantee fee revenue, default claims or any direct expenses involved. Given that the Group only operates this product for the Government, the Group considers the risk and rewards associated with this product rest with the Government. Hence, the risk-in-force for this product is not included as the Group's off-balance sheet exposures.

34. Events occurring after the reporting period

The Group through its wholly-owned subsidiary, the HKMCI, entered into a capital placement agreement with the Exchange Fund in 2019, pursuant to which, on 30 April 2019, the HKMCI placed HK\$3 billion with the Exchange Fund, and such placements were invested in the Investment Portfolio of the Exchange Fund with a rate of return calculated on the basis of the average annual rate of return on the portfolio over the past six years or the average annual yield of three-year Government Bond in the previous year (subject to a minimum of zero percent), whichever is the higher.

35. 本公司的财务状况表及储备变动 35. Statement of financial position and reserve movement of the Company

35.1 本公司于二零一八年十二月三十一日的财务状况表

35.1 Statement of financial position of the Company as at 31 December 2018

	附注 Note	2018 千港元 HK\$'000	2017 千港元 HK\$'000
资产	ASSETS		
现金及短期资金	Cash and short-term funds	27,251,724	25,273,955
应收利息及汇款	Interest and remittance receivables	392,545	337,353
衍生金融工具	Derivative financial instruments	161,047	333,727
贷款组合净额	Loan portfolio, net	4,219,189	5,110,754
证券投资：	Investment securities:		
— 以公允价值变化计入其他全面收益	— at fair value through other comprehensive income	5,091,664	—
— 以公允价值变化计入损益	— at fair value through profit or loss	543,612	—
— 按摊销成本列账	— at amortised cost	8,938,368	—
— 可供出售	— available-for-sale	—	7,138,662
— 持有至到期	— held-to-maturity	—	10,347,834
附属公司投资	Interests in subsidiaries	10,211,083	2,533,099
预付款项、按金及其他资产	Prepayments, deposits and other assets	648,467	67,224
固定资产	Fixed assets	30,935	34,329
递延税项资产	Deferred tax assets	—	319
再保险资产	Reinsurance assets	—	164,616
资产总额	Total assets	57,488,634	51,341,872
负债	LIABILITIES		
应付利息	Interest payable	257,499	192,133
附属公司存款	Placements by subsidiary	44,000	—
应付账款、应付开支及其他负债	Accounts payable, accrued expenses and other liabilities	4,604,471	5,362,257
衍生金融工具	Derivative financial instruments	264,386	119,064
当期税项负债	Current tax liabilities	87,226	116,288
递延税项负债	Deferred tax liabilities	3,528	—
保险负债	Insurance liabilities	—	1,130,309
已发行债务证券	Debt securities issued	37,292,877	34,840,706
负债总额	Total liabilities	42,553,987	41,760,757
权益	EQUITY		
权益持有人应占股本及储备：	Capital and reserves attributable to the equity holders:		
股本	Share capital	7,000,000	2,000,000
保留溢利	Retained profits	7,937,098	5,693,762
风险储备	Contingency reserve	—	1,679,837
公允价值储备	Fair value reserve	(2,451)	207,516
权益总额	Total equity	14,934,647	9,581,115
负债及权益总额	Total liabilities and equity	57,488,634	51,341,872

董事局已于二零一九年四月三十日批准及授权刊行。

Approved and authorised for issue by the Board of Directors on 30 April 2019.

陈德霖
副主席兼执行董事
Norman T. L. Chan
Deputy Chairman and Executive Director

李令翔
执行董事兼总裁
Raymond L. C. Li
Executive Director and Chief Executive Officer

35.2 本公司的储备

35.2 Reserves of the Company

		保留溢利 Retained profits 千港元 HK\$'000	风险储备 Contingency reserve 千港元 HK\$'000	公平值储备 Fair value reserve 千港元 HK\$'000	总额 Total 千港元 HK\$'000
于二零一七年一月一日	As at 1 January 2017	4,822,686	1,739,389	82,320	6,644,395
本年度溢利	Profit for the year	811,524	—	—	811,524
其他全面收益：	Other comprehensive income:				
可供出售证券的公平值变动	Change in fair value of available-for-sale securities				
— 未变现收益净额	— net unrealised gains	—	—	191,162	191,162
— 出售时变现	— realisation on disposal	—	—	(83,161)	(83,161)
— 税项	— tax effect	—	—	17,195	17,195
本年度全面收益总额	Total comprehensive income for the year	811,524	—	125,196	936,720
由保留溢利转拨已满期 风险保费净额的50%或75% 至风险储备	Transfer of 50% or 75% of net risk premium earned from retained profits to contingency reserve	(200,730)	200,730	—	—
由风险储备拨回至保留溢利	Release of contingency reserve to retained profits	260,282	(260,282)	—	—
于二零一七年十二月三十一日 采纳香港财务报告准则第9号 的变动	As at 31 December 2017 Changes on adoption of HKFRS 9	5,693,762	1,679,837	207,516	7,581,115
		200,511	—	(202,799)	(2,288)
于二零一八年一月一日 经重列结余	Restated balance as at 1 January 2018	5,894,273	1,679,837	4,717	7,578,827
本年度溢利	Profit for the year	362,988	—	—	362,988
其他全面收益：	Other comprehensive income:				
以公平值变化计入其他全面收益 的债务证券公平值变动	Change in the fair value of debt securities at FVOCI	—	—	(7,182)	(7,182)
以公平值变化计入其他全面收益 的债务证券亏损拨备变动	Change in the loss allowance of debt securities at FVOCI	—	—	14	14
本年度全面收益总额	Total comprehensive income for the year	362,988	—	(7,168)	355,820
由保留溢利转拨已满期 风险保费净额的50%或75% 至风险储备	Transfer of 50% or 75% of net risk premium earned from retained profits to contingency reserve	(63,784)	63,784	—	—
转移风险储备	Transfer of contingency reserve	1,743,621	(1,743,621)	—	—
于二零一八年十二月三十一日	As at 31 December 2018	7,937,098	—	(2,451)	7,934,647

36. 董事于交易、安排和合约中的重大利害关系

截至二零一八年十二月三十一日止年度内，不存在亦不曾订立本集团任何成员作为一方，对本公司业务属重要的，且年内曾为本公司董事的人士或其有关连实体（根据《公司条例》定义）在当中有直接或间接重大利害关系的任何交易、安排和合约。

37. 通过财务报表

董事局于二零一九年四月三十日通过本财务报表。

36. Directors' material interests in transactions, arrangements and contracts

At no time during the year ended 31 December 2018, 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 during the year or a connected entity (as defined in the Companies Ordinance) of any such person had, directly or indirectly, a material interest.

37. Approval of financial statements

The financial statements were approved by the Board of Directors on 30 April 2019.