

# CONTENTS

	PAGE
<b>Financial Highlights</b>	1
<b>Chairman's Statement</b>	2
<b>Chief Executive's Report</b>	4
<b>Management's Discussion and Analysis</b>	10
<b>Condensed Consolidated Income Statement</b>	44
<b>Condensed Consolidated Statement of Comprehensive Income</b>	45
<b>Condensed Consolidated Balance Sheet</b>	46
<b>Condensed Consolidated Statement of Changes in Equity</b>	47
<b>Condensed Consolidated Cash Flow Statement</b>	48
<b>Notes to the Interim Financial Information</b>	
1. Basis of preparation and accounting policies	49
2. Critical accounting estimates and judgements in applying accounting policies	51
3. Financial risk management	52
4. Net interest income	80
5. Net fee and commission income	81
6. Net trading (loss)/gain	82
7. Net gain on investment in securities	82
8. Net insurance premium income	82
9. Other operating income	83
10. Net insurance benefits and claims	83
11. Net reversal/(charge) of impairment allowances	84
12. Operating expenses	85
13. Net gain from disposal of/fair value adjustments on investment properties	85
14. Net loss from disposal/revaluation of properties, plant and equipment	85
15. Taxation	86
16. Dividends	87
17. Earnings per share for profit attributable to the equity holders of the Company	87
18. Retirement benefit costs	87
19. Share option schemes	88
20. Cash and balances with banks and other financial institutions	90
21. Financial assets at fair value through profit or loss	90
22. Derivative financial instruments	91
23. Advances and other accounts	96
24. Investment in securities	97
25. Investment properties	99
26. Properties, plant and equipment	99
27. Other assets	101
28. Financial liabilities at fair value through profit or loss	101
29. Deposits from customers	102
30. Other accounts and provisions	102
31. Assets pledged as security	102
32. Deferred taxation	103
33. Insurance contract liabilities	105
34. Subordinated liabilities	106

## CONTENTS

	PAGE
35. Share capital	106
36. Reserves	106
37. Notes to condensed consolidated cash flow statement	107
38. Contingent liabilities and commitments	108
39. Capital commitments	108
40. Operating lease commitments	109
41. Segmental reporting	110
42. Significant related party transactions	113
43. Currency concentrations	115
44. Cross-border claims	116
45. Non-bank Mainland China exposures	117
46. Compliance with HKAS 34	118
47. Statutory accounts	118
 <b>Additional Information</b>	
1. Corporate information	119
2. Dividend and closure of register of members	120
3. Substantial interests in share capital	120
4. Directors' rights to acquire shares	121
5. Directors' and Chief Executive's interests in shares, underlying shares and debentures	121
6. Changes to information in respect of Directors	122
7. Purchase, sale or redemption of the Company's shares	123
8. Audit Committee	123
9. Compliance with "Code on Corporate Governance Practices"	123
10. Directors' securities transactions	124
11. Compliance with the Banking (Disclosure) Rules and the Listing Rules	124
12. Interim Report	124
13. Reconciliation between HKFRSs vs IFRS/CAS	124
 <b>Independent Review Report</b>	 127
 <b>Appendix</b>	
Subsidiaries of the Company	128
 <b>Definitions</b>	 132