

Section 3

Financial position and performance

13. FINANCIAL POSITION AND PERFORMANCE

Summary of Financial Information

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES COMPARED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER

Unit: Thousand Baht

	2016	%	2015	%	2014	%
ASSETS						
Current assets						
Cash and cash equivalents	5,154,161	24.16	5,054,160	23.73	4,675,713	24.42
Short-term investments	1,523,300	7.14	2,305,800	10.83	1,922,000	10.04
Trade and other receivables	1,695,474	7.95	2,318,422	10.89	1,525,212	7.97
Inventories	310,014	1.45	309,074	1.45	291,881	1.52
Prepaid expenses	107,059	0.50	75,047	0.35	66,488	0.35
Other current assets	12,631	0.06	25,775	0.12	18,099	0.09
Total current assets	8,802,639	41.26	10,088,278	47.37	8,499,393	44.40
Non-current assets						
Investments in associates	236,280	1.11	234,067	1.10	233,169	1.22
Other long-term investments	1,700	0.01	1,700	0.01	1,700	0.01
Property, plant and equipment	11,579,033	54.29	10,472,112	49.17	9,948,450	51.96
Intangible assets	315,047	1.48	163,386	0.77	146,343	0.76
Goodwill	121,708	0.57	122,585	0.58	111,968	0.58
Deferred tax assets	249,607	1.17	193,005	0.91	178,730	0.93
Other non-current assets	23,849	0.11	22,385	0.11	24,943	0.13
Total non-current assets	12,527,224	58.74	11,209,240	52.63	10,645,303	55.60
TOTAL ASSETS	21,329,863	100.00	21,297,518	100.00	19,144,696	100.00

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER

Unit: Thousand Baht

	2016	%	2015	%	2014	%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Trade and other payables	875,614	4.11	830,045	3.90	860,237	4.49
Accrued physicians' fees	596,925	2.80	713,255	3.35	537,654	2.81
Current portion of long-term debenture	-	-	1,497,145	7.03	-	-
Accrued expenses	447,321	2.10	577,255	2.71	487,606	2.55
Income tax payable	364,574	1.71	372,555	1.75	369,829	1.93
Other current liabilities	73,662	0.34	66,201	0.31	66,687	0.35
Total current liabilities	2,358,096	11.06	4,056,456	19.05	2,322,013	12.13
Non-current liabilities						
Long-term loans from and interest payable to a related party	185,294	0.87	182,869	0.86	180,408	0.94
Long-term loans from and interest payable to an unrelated party	19,649	0.09	-	-	-	-
Long-term debentures – net of current portion	3,484,541	16.33	3,481,009	16.34	4,971,982	25.97
Deferred tax liability	1,819	0.01	-	-	-	-
Provision for long-term employee benefits	492,516	2.31	476,694	2.24	410,329	2.14
Total non-current liabilities	4,183,819	19.61	4,140,572	19.44	5,562,719	29.06
Total liabilities	6,541,915	30.67	8,197,028	38.49	7,884,732	41.18

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER

	Unit: Thousand Baht					
	2016	%	2015	%	2014	%
Shareholders' equity						
Share capital						
Registered						
921,296,022 ordinary shares of Baht 1 each (2015: 921,276,022 ordinary shares of Baht 1 each, 2014: 921,251,022 ordinary shares of Baht 1 each)	921,296		921,276		921,251	
1,406,663 preference shares of Baht 1 each (2016: 1,426,663 preference shares of Baht 1 each, 2015: 1,451,663 preference shares of Baht 1 each)	1,407		1,427		1,452	
Issued and paid-up						
728,645,559 ordinary shares of Baht 1 each (2016: 728,625,559 ordinary shares of Baht 1 each, 2015: 728,600,559 ordinary shares of Baht 1 each)	728,645	3.42	728,625	3.42	728,600	3.81
1,406,663 preference shares of Baht 1 each (2016: 1,426,663 preference shares of Baht 1 each, 2015: 1,451,663 preference shares of Baht 1 each)	1,407	0.01	1,427	0.01	1,452	0.01
Premium on ordinary shares	285,568	1.34	285,568	1.34	285,568	1.49
Convertible bonds treated as equity securities	550,000	2.58	550,000	2.58	550,000	2.87
Retained earnings						
Appropriated - statutory reserve	92,275	0.43	92,275	0.43	92,275	0.48
Unappropriated	12,657,988	59.34	10,799,082	50.71	8,992,129	46.97
Other components of shareholders' equity	157,972	0.74	278,708	1.31	233,204	1.22
Equity attributable to owners of the Company	14,473,855	67.86	12,735,685	59.80	10,883,228	56.85
Non-controlling interests of the subsidiary	314,093	1.47	364,805	1.71	376,735	1.97
Total shareholders' equity	14,787,948	69.33	13,100,490	61.51	11,259,963	58.82
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	21,329,863	100.00	21,297,518	100.00	19,144,696	100.00

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

Unit: Thousand Baht

	2016	%	2015	%	2014	%
Revenues						
Revenues from hospital operations	17,850,739	98.48	17,600,266	98.16	15,571,472	97.87
Rental income	63,934	0.35	60,140	0.34	58,220	0.37
Interest income	113,304	0.63	137,949	0.77	137,785	0.87
Exchange gains	22,435	0.12	45,961	0.26	46,284	0.29
Other income	75,383	0.42	85,124	0.47	96,777	0.61
Total revenues	18,125,795	100.00	17,929,440	100.00	15,910,538	100.00
Expenses						
Cost of hospital operations	10,400,145	57.38	10,396,069	57.98	9,495,602	59.68
Administrative expenses	3,134,819	17.29	3,108,544	17.34	2,805,908	17.64
Total expenses	13,534,964	74.67	13,504,613	75.32	12,301,510	77.32
Profit before share of profit from investments in associates, finance cost and income tax expenses	4,590,831	25.33	4,424,827	24.68	3,609,028	22.68
Share of profit (loss) from investments in associates	2,212	0.01	12,515	0.07	(2,745)	(0.01)
Profit before finance cost and income tax expenses	4,593,043	25.34	4,437,342	24.75	3,606,283	22.67
Finance cost	(215,165)	(1.19)	(186,504)	(1.04)	(186,033)	(1.17)
Profit before income tax expenses	4,377,878	24.15	4,250,838	23.71	3,420,250	21.50
Income tax expenses	(773,846)	(4.27)	(823,318)	(4.59)	(685,420)	(4.31)
Profit for the year	3,604,032	19.88	3,427,520	19.12	2,734,830	17.19
Profit attributable to:						
Equity holders of the Company	3,626,174	20.00	3,435,834	19.16	2,730,296	17.16
Non-controlling interests of the subsidiary	(22,142)	(0.12)	(8,314)	(0.05)	4,534	0.03
	3,604,032	19.88	3,427,520	19.12	2,734,830	17.19

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**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER**

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
						Other components of shareholders' equity						
						Other comprehensive income						
						Exchange differences						
Issued and paid-up share capital		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		on translation of financial statements in foreign currencies	Other paid-in capital of an associate	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	
Ordinary shares	Preference shares			Appropriated	Unappropriated						shareholders' equity	equity
Balance as at 1 January 2015	728,601	1,452	285,568	550,000	92,275	8,992,129	(18,969)	252,173	233,203	10,883,228	376,735	11,259,963
Profit for the year	-	-	-	-	-	3,435,834	-	-	-	3,435,834	(8,314)	3,427,520
Other comprehensive income for the year	-	-	-	-	-	(27,155)	45,504	-	45,504	18,348	(3,617)	14,731
Total comprehensive income for the year	-	-	-	-	-	3,408,678	45,504	-	45,504	3,454,182	(11,931)	3,442,251
Preference shares converted to ordinary shares	25	(25)	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(1,569,224)	-	-	-	(1,569,224)	-	(1,569,224)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(32,500)	-	-	-	(32,500)	-	(32,500)
Balance as at 31 December 2015	728,626	1,427	285,568	550,000	92,275	10,799,083	26,535	252,173	278,707	12,735,686	364,804	13,100,490
Balance as at 1 January 2016	728,626	1,427	285,568	550,000	92,275	10,799,083	26,535	252,173	278,707	12,735,686	364,804	13,100,490
Profit for the year	-	-	-	-	-	3,626,174	-	-	-	3,626,174	(22,142)	3,604,032
Other comprehensive income for the year	-	-	-	-	-	17,094	(120,735)	-	(120,735)	(103,641)	(29,968)	(133,610)
Total comprehensive income for the year	-	-	-	-	-	3,643,268	(120,735)	-	(120,735)	3,522,533	(52,111)	3,470,422
Preference shares converted to ordinary shares	20	(20)	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(1,751,864)	-	-	-	(1,751,864)	-	(1,751,864)
Issuance of ordinary shares of a subsidiary	-	-	-	-	-	-	-	-	-	-	1,399	1,399
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(32,500)	-	-	-	(32,500)	-	(32,500)
Balance as at 31 December 2016	728,646	1,407	285,568	550,000	92,275	12,657,987	(94,200)	252,173	157,972	14,473,855	314,093	14,787,948

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CASH FLOW STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

	Unit: Thousand Baht		
	2016	2015	2014
Cash flows from operating activities			
Profit before tax	4,377,878	4,250,838	3,420,250
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: -			
Depreciation and amortisation	1,138,686	1,044,744	1,044,768
Bad debts and allowance for doubtful accounts	140,905	74,967	38,980
Reduction of inventory to net realizable value	(1,261)	993	-
Loss on sales and write-off of equipment	1,713	10,961	(209)
Provision for long-term employee benefits	86,735	76,054	67,231
Share of profit from investments in associates	(2,213)	(12,515)	2,745
Interest income	(113,304)	(137,948)	(137,785)
Amortisation of debenture issuing costs to interest expense	6,387	6,173	5,892
Interest expense	208,779	180,331	180,141
Profit from operating activities before changes in operating assets and liabilities	5,844,305	5,494,598	4,622,013
Operating assets (increase) decrease			
Trade and other receivables	482,044	(868,177)	(253,035)
Prepaid expenses	(32,012)	(8,559)	(16,548)
Inventories	322	(18,186)	27,926
Other current assets	13,144	(7,677)	15,159
Other non-current assets	(1,464)	2,558	2,515
Operating liabilities increase (decrease)			
Trade and other payables	(5,473)	(2,662)	62,716
Accrued physicians' fee	(116,330)	175,601	49,096
Accrued expenses	(127,923)	92,111	66,012
Other current liabilities	7,461	(486)	817
Provision for long-term employee benefits	(49,850)	(43,296)	(20,215)
Cash flows from operating activities	6,014,224	4,815,825	4,556,456
Cash paid for income tax expense	(840,580)	(828,416)	(666,153)
Net cash flows from operating activities	5,173,644	3,987,409	3,890,303

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER

Unit: Thousand Baht

	2016	2015	2014
Cash flows from investing activities			
(Increase) decrease in short-term investments	782,500	(383,800)	795,730
Acquisition of investments in subsidiaries	-	-	(308,668)
Repayment debt of acquired subsidiary as at acquisition date	-	-	(85,705)
Cash receipt of capital increasing from non-controlling interest of the subsidiary	-	-	7,933
Cash increased from acquisitions of subsidiaries	-	-	2,591
Cash receipt from share capital reduction and liquidation of an associate	-	598	2,250
Acquisition of property, plant and equipment and payment of construction and medical equipment payables	(2,223,852)	(1,498,237)	(1,240,108)
Acquisition of computer software	(229,116)	(42,620)	(16,429)
Proceeds from sales of equipment	931	1,233	3,948
Interest income	113,304	137,949	137,785
Net cash flows used in investing activities	(1,556,233)	(1,784,877)	(700,673)
Cash flows from financing activities			
Increase in long-term loan from an unrelated party	19,072	-	-
Repayment of long-term debenture	(1,500,000)	-	-
Interest paid for long-term debentures	(232,736)	(232,100)	(232,100)
Dividend paid	(1,750,021)	(1,568,081)	(1,385,234)
Interest paid for convertible bonds treated as equity securities	(32,500)	(32,500)	(32,500)
Net cash flows used in financing activities	(3,496,185)	(1,832,681)	(1,649,834)
Decrease (increase) in translation adjustment	(21,225)	8,596	(3,564)
Net increase in cash and cash equivalents	100,001	378,447	1,536,232
Cash and cash equivalents at beginning of year	5,054,160	4,675,713	3,319,481
Cash and cash equivalents at end of year	5,154,161	5,054,160	4,675,713

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY

<i>Consolidated</i>	2016	2015	2014
<u>Liquidity Ratios</u>			
Liquidity ratio (times)	3.73	2.49	3.66
Quick ratio (times)	2.90	1.82	2.67
Cash ratio (times)	1.61	1.25	1.74
Accounts Receivables Turnover (times)	8.22	8.71	10.37
Average Collection Period (days)	43.81	41.35	34.71
Inventory Turnover (times)	31.00	32.36	29.30
Sales Period (days)	11.61	11.12	12.29
Accounts Payable Turnover (times)	12.88	12.90	12.09
Payment Period (days)	27.95	27.92	29.79
Cash Cycle (days)	27.47	24.56	17.21
<u>Profitability Ratios</u>			
Gross Margin (%)	46.2	44.7	43.9
EBITDA Margin (%)	31.2	30.0	28.6
Operation Margin (%)	24.9	24.1	22.0
Cash to operating profit (%)	115.5	93.0	112.1
EBT Margin (%)	24.1	23.7	21.5
Net Margin (%)	20.0	19.1	17.2
Return on equity (%)	26.0	28.2	26.2
<u>Efficiency Ratio</u>			
Return on assets (%)	17.0	17.0	15.0
Return on fixed assets (%)	43.2	43.9	39.6
Asset turnover (times)	0.85	0.89	0.87
<u>Financial Policy Ratio</u>			
Total Liabilities to Equity (times)	0.44	0.63	0.70
Debt to Equity (times)	0.25	0.40	0.46
Net Debt to Equity (times)	(0.10)	0.01	0.04
Interest Coverage Ratio (times)	23.43	22.10	18.75
Debt service coverage ratio (CASH BASIS) (times)	17.59	15.08	14.76

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY

<i>Consolidated</i>	2016	2015	2014
<u>Baht per share</u>			
Par Value	1.00	1.00	1.00
Book Value Per Share	20.30	17.98	15.45
Book Value Per Share - Fully Diluted	17.05	15.10	12.98
Earnings Per Share	4.98	4.72	3.75
Earnings Per Share - Fully Diluted	4.18	3.96	3.15
Dividend per share	2.50	2.35	1.95
<u>Growth ratios</u>			
Sales from hospital operations (%)	1.4	13.0	9.3
Cost of goods sold (%)	-1.3	11.3	6.4
Administrative expenses (%)	2.4	8.6	11.0
EBITDA (%)	5.3	18.1	12.4
Operating profit (%)	4.4	23.5	10.8
Net profit (%)	5.5	25.8	8.3
Total assets (%)	0.2	11.2	11.0

14. **Management Discussion and Analysis**

Total revenues for 2016 increased to Baht 18,126 million, producing a 1.1% improvement over 2015 revenues of Baht 17,929 million. Net profit rose 5.5% to Baht 3,626 million in 2016 from Baht 3,436 million in 2015, with Net profit margin at 20.0% in 2016 compared to 19.1% in 2015.

Details of the management discussion and analysis are as follows.

14.1 **Income Statement**

Revenues from hospital operations were Baht 17,851 million for 2016, a 1.4% improvement year-over-year from Baht 17,600 million in 2015. This was mostly due to the 4.7% and 0.2% increase in revenues from Thai patients and non-Thai patients, respectively. As a result, the revenue contribution from Thai patients in 2016 was 35.8% and from non-Thai patients was 64.2%, compared with 34.8% and 65.2%, respectively, for 2015.

The Company reported Cost of hospital operations (including Depreciation and amortization) of Baht 10,400 million for 2016, or 0.8% less year-over-year from Baht 10,484 million in 2015. This represents a favorable change when compared to the 1.4% growth in Revenues from hospital operations, and contributed to a reduction in the percentage of cost to Revenues from hospital operations to 58.3% in 2016 from 59.6% in 2015. Administrative expenses (including Depreciation and amortization) were Baht 3,135 million in 2016, increasing 3.8% from Baht 3,020 million in 2015. The increase was mostly due to increased Depreciation and amortization, IT-related purchased services, and additional repair and maintenance expense. EBITDA grew 5.3% year-over-year to Baht 5,616 million in 2016 from Baht 5,332 million in 2015, with the EBITDA margin of 31.2% in 2016 compared with 30.0% in 2015.

Ongoing capital spending and accelerated depreciation associated with the campus expansion contributed to higher 2016 Depreciation and amortization of Baht 1,139 million from Baht 1,045 million in 2015.

Corporate income tax of Baht 774 million in 2016 was less than Baht 823 million in 2015. The variance is mostly due to certain tax benefits, somewhat offset by higher taxable operating profit in 2016 compared with 2015.

Basic EPS for 2016 of Baht 4.98 was 5.5% higher than Baht 4.72 in 2015, while 2016 Diluted EPS increased at the same rate to Baht 4.18 from Baht 3.96 in 2015.

Income statements Unit: Million Baht	2016	2015	Change
Revenues from Hospital Operations	17,851	17,600	1.4%
Total Revenues	18,126	17,929	1.1%
EBITDA	5,616	5,332	5.3%
Net Profit	3,626	3,436	5.5%
<i>EBITDA Margin</i>	<i>31.2%</i>	<i>30.0%</i>	
<i>Net Profit Margin</i>	<i>20.0%</i>	<i>19.1%</i>	
EPS Unit: Baht	2016	2015	Change
EPS – Basic	4.98	4.72	5.5%
EPS – Fully Diluted	4.18	3.96	5.5%

14.2 Statement of Financial Position

As at 31 December 2016, the Company reported Total current assets of Baht 8,803 million, a decrease from Baht 10,088 million as at 31 December 2015. The variance is mostly due to a decrease of Baht 682 million in Cash, Cash equivalents, and Short-term investments, due to Baht 2,452 million capital spending in 2016, Baht 1,750 million dividend payment, Baht 1,500 million repayment of the Series 1 debentures, offset with Baht 5,174 million increase in cash from operations. Trade receivables were reduced by Baht 627 million, or 27.2%, to Baht 1,682 million as at 31 December 2016 from Baht 2,309 million as at 31 December 2015. The collection period was 43.8 days as at 31 December 2016, compared to 41.3 days as at 31 December 2015, due largely to timing differences associated with collections on certain insurance accounts.

Total non-current assets increased to Baht 12,527 million as at 31 December 2016 from Baht 11,209 million as at 31 December 2015, mostly due to an increase in Property, plant and equipment.

Total current liabilities were Baht 2,358 million as at 31 December 2016, a decrease from Baht 4,056 million as at 31 December 2015. The variance was mostly due to the decrease of Baht 1,497 million Current portion of long-term debentures due December 2016, associated with the Baht 1,500 million repayment of the Series 1 debentures.

Cash and cash equivalent balances continued to exceed outstanding debt balances, resulting in a net cash versus net debt position as at 31 December 2016. The Company's Interest coverage ratio improved to 23.4x in 2016 compared to 22.1x in 2015, due to higher EBITDA in 2016 compared to 2015. Interest expense has been reduced by Baht 25 million and Baht 54 million in 2016 and 2015, respectively, for capitalized interest associated with the campus expansion project.

Total shareholders' equity grew to Baht 14,788 million as at 31 December 2016 from Baht 13,100 million as at 31 December 2015. This increase resulted from the Company's 2016 Net profit of Baht 3,626 million, offset with a dividend payment of Baht 1,752 million. Average return on assets (ROA) was 17.0% for both 2016 and 2015. Average return on equity (ROE) was 26.0% in 2016 compared with 28.2% in 2015.

Unit: Million Baht	31-Dec-16	31-Dec-15	Change
Total Assets	21,330	21,297	0.2%
Total Liabilities	6,542	8,197	-20.2%
Total Shareholders' Equity	14,788	13,100	12.9%
	2016	2015	
Interest Coverage Ratio (x)	23.4*	22.1*	
Average Collection Period (days)	43.8	41.3	
Average Inventory Period (days)	11.6	11.2	
Average Payables Period (days)	28.0	28.2	
Net Debt to Equity (x)	(0.1)	0.0	
Average Return on Assets (%)	17.0%	17.0%	
Average Return on Equity (%)	26.0%	28.2%	

* After adding back the 2016 and 2015 capitalized interest expense related to the campus expansion.

14.3 Liquidity

The Company's Net cash flows from operating activities in 2016 were Baht 5,174 million, compared to Baht 3,987 million in 2015. This increase was mainly due to Baht 849 million more in working capital, mostly related to Baht 1,350 million reduction in Trade and other receivables. Net cash flows used in investment activities were Baht 1,556 million in 2016, compared with Baht 1,785 million in 2015. This variance was mainly due to Baht 1,166 million decrease in Short-term investments, offset with Baht 912 million more ongoing capital spending in 2016. The Company reported Net cash flows used in financing activities of Baht 3,496 million in 2016 versus Baht 1,833 million in 2015, mostly as a result of the Baht 1,500 million repayment of the Series 1 debentures. As a result of the above, Cash and cash equivalents increased to Baht 5,154 million as at 31 December 2016, compared to Baht 5,054 million as at 31 December 2015.

The Company's Liquidity ratio as at 31 December 2016 improved to 3.7x from 2.5x as at 31 December 2015. Similarly, the Quick ratio improved to 2.9x as at 31 December 2016 from 1.8x as at 31 December 2015.

Unit: Million Baht	2016	2015
Cash Flow from Operating Activities	5,174	3,987
Cash Flow used in Investing Activities	(1,556)	(1,785)
Cash Flow used in Financing Activities	(3,496)	(1,833)
Net increase in cash and cash equivalents	100	378
Cash and cash Equivalents at end of year	5,154	5,054
	31-Dec-16	31-Dec-15
Liquidity Ratio (x)	3.7	2.5
Quick Ratio (x)	2.9	1.8

14.4 Contractual Obligations

(Unit: Million Baht)

	As at 31 December 2016						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Long-term loan from and interest payable to a related party	-	176	-	-	9	185	1.38
Long-term loan from and interest payable to an unrelated party	-	19	-	-	-	19	1.38
Long-term debentures	-	3,485	-	-	-	3,485	4.59 and 4.97
	-	3,680	-	-	9	3,689	

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios which include:

- maintenance of a net debt to equity ratio not exceeding 1.75:1
- maintenance of a net debt to EBITDA ratio not exceeding 3.25:1

14.5 Audit Fees

For the year 2016, the Company and subsidiaries have paid audit fees in the amount of Baht 3.44 million. The Company's 2016 audit fees have been approved by the shareholders' meeting.