

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

	2018	%	2017	%	2016	%
ASSETS						
Current assets						
Cash and cash equivalents	2,528,751	10.22	2,470,437	10.52	5,154,161	24.16
Short-term investments	6,477,819	26.17	5,797,889	24.69	1,523,300	7.14
Trade and other receivables	2,560,672	10.35	1,818,549	7.74	1,695,473	7.95
Inventories	391,809	1.58	307,839	1.31	310,014	1.45
Prepaid expenses	109,234	0.44	111,063	0.47	107,059	0.50
Other current assets	32,497	0.13	44,554	0.19	12,631	0.06
Total current assets	12,100,782	48.89	10,550,331	44.92	8,802,638	41.26
Non-current assets						
Investments in associates	219,841	0.89	219,859	0.94	236,280	1.11
Other long-term investments	1,700	0.01	1,700	0.01	1,700	0.01
Property, plant and equipment	11,256,013	45.48	11,784,244	50.18	11,579,033	54.28
Intangible assets	789,315	3.19	500,159	2.13	315,047	1.48
Goodwill	74,320	0.30	111,010	0.47	121,709	0.57
Deferred tax assets	289,745	1.17	291,189	1.24	252,698	1.18
Other non-current assets	17,093	0.07	25,463	0.11	23,849	0.11
Total non-current assets	12,648,027	51.11	12,933,624	55.08	12,530,316	58.74
TOTAL ASSETS	24,748,809	100.00	23,483,955	100.00	21,332,954	100.00

... Translation ...

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

Unit: Thousand Baht

	2018	%	2017	%	2016	%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Trade and other payables	964,663	3.90	856,977	3.65	875,614	4.10
Current portion of long-term loan and interest payable to a related party	168,182	0.68	187,628	0.80	-	-
Accrued physicians' fees	739,346	2.99	626,327	2.67	596,925	2.80
Current portion of long-term debenture	-	-	998,570	4.25	-	-
Accrued expenses	518,982	2.10	507,865	2.16	447,320	2.10
Income tax payable	407,472	1.65	393,549	1.68	364,574	1.71
Other current liabilities	79,490	0.32	75,975	0.32	73,663	0.35
Total current liabilities	2,878,135	11.63	3,646,891	15.53	2,358,096	11.06
Non-current liabilities						
Long-term loans from and interest payable to a related party	-	-	-	-	185,294	0.87
Long-term loans from and interest payable to an unrelated party	19,702	0.08	18,127	0.08	19,649	0.09
Long-term debentures – net of current portion	2,492,081	10.07	2,489,672	10.60	3,484,541	16.33
Deferred tax liability	47,817	0.19	48,118	0.21	4,911	0.02
Provision for long-term employee benefits	566,649	2.29	576,197	2.45	492,515	2.31
Total non-current liabilities	3,126,249	12.63	3,132,114	13.33	4,186,910	19.62
Total liabilities	6,004,384	24.26	6,779,005	28.86	6,545,006	30.68

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

	2018		2017		2016	
		%		%		%
Unit: Thousand Baht						
Shareholders' equity						
Share capital						
Registered						
921,401,820 ordinary shares of Baht 1 each (2017: 921,339,320 ordinary shares of Baht 1 each, 2016: 921,296,022 ordinary shares of Baht 1 each)	921,402		921,339		921,296	
1,300,865 preference shares of Baht 1 each (2017: 1,363,365 preference shares of Baht 1 each, 2016: 1,406,663 preference shares of Baht 1 each)	1,301		1,363		1,407	
Issued and paid-up						
728,751,357 ordinary shares of Baht 1 each (2017: 728,688,857 ordinary shares of Baht 1 each, 2016: 728,645,559 ordinary shares of Baht 1 each)	728,751	2.95	728,689	3.10	728,645	3.42
1,300,865 preference shares of Baht 1 each (2017: 1,363,365 preference shares of Baht 1 each, 2016: 1,406,663 preference shares of Baht 1 each)	1,301	0.01	1,363	0.01	1,407	0.01
Premium on ordinary shares	285,568	1.15	285,568	1.22	285,568	1.34
Convertible bonds treated as equity securities	550,000	2.22	550,000	2.34	550,000	2.58
Retained earnings						
Appropriated - statutory reserve	92,275	0.37	92,275	0.39	92,275	0.43
Unappropriated	16,789,304	67.84	14,665,125	62.45	12,657,987	59.33
Other components of shareholders' equity	7,415	0.03	79,358	0.34	157,973	0.74
Equity attributable to owners of the Company	18,454,614	74.57	16,402,378	69.85	14,473,855	67.85
Non-controlling interests of the subsidiary	289,811	1.17	302,572	1.29	314,093	1.47
Total shareholders' equity	18,744,425	75.74	16,704,950	71.14	14,787,948	69.32
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	24,748,809	100.00	23,483,955	100.00	21,332,954	100.00

... Translation ...

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

Unit: Thousand Baht

	2018	%	2017	%	2016	%
Revenues						
Revenues from hospital operations	18,264,201	98.51	18,019,776	98.62	17,621,518	98.46
Rental income	61,761	0.33	66,888	0.37	63,934	0.36
Interest income	125,396	0.68	103,251	0.56	113,304	0.63
Exchange gains	-	-	-	-	22,435	0.13
Other income	89,671	0.48	81,650	0.45	75,382	0.42
Total revenues	18,541,029	100.00	18,271,565	100.00	17,896,573	100.00
Expenses						
Cost of hospital operations	10,045,965	56.18	10,285,874	56.29	10,242,982	57.23
Selling expenses	386,074	2.08	311,654	1.71	286,374	1.60
Administrative expenses	2,902,220	15.65	2,736,223	14.98	2,776,386	15.51
Exchange losses	5,182	0.03	9,172	0.05	-	-
Total expenses	13,339,440	71.95	13,342,923	73.03	13,305,742	74.35
Profit before share of profit from investments in associates, finance cost and income tax expenses	5,201,589	28.05	4,928,643	26.97	4,590,831	25.65
Share of profit (loss) from investments in associates	(4)	(0.00)	3,547	0.02	2,212	0.01
Profit before finance cost and income tax expenses	5,201,585	28.05	4,932,190	26.99	4,593,043	25.66
Finance cost	(165,155)	(0.89)	(149,855)	(0.82)	(215,165)	(1.20)
Profit before income tax expenses	5,036,430	27.16	4,782,335	26.17	4,377,878	24.46
Income tax expenses	(880,205)	(4.75)	(840,958)	(4.60)	(773,846)	(4.32)
Profit for the year	4,156,225	22.42	3,941,377	21.57	3,604,032	20.14
Profit attributable to:						
Equity holders of the Company	4,151,886	22.39	3,943,889	21.58	3,626,174	20.26
Non-controlling interests of the subsidiary	4,339	0.03	(2,512)	(0.01)	(22,142)	(0.12)
	4,156,225	22.42	3,941,377	21.57	3,604,032	20.14

... Translation ...

**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 shareholders' equity
	Ordinary shares	Preference shares			Appropriated	Unappropriated						
Balance as at 1 January 2017	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
Profit for the year	-	-	-	-	-	3,943,889	-	-	-	3,943,889	(2,512)	3,941,377
Other comprehensive income for the year	-	-	-	-	-	(42,784)	(35,221)	(43,393)	(78,615)	(121,398)	(9,008)	(130,407)
Total comprehensive income for the year	-	-	-	-	-	3,901,105	(35,221)	(43,393)	(78,615)	3,822,491	(11,521)	3,810,970
Preference shares converted to ordinary shares	43	(43)	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(1,861,467)	-	-	-	(1,861,467)	-	(1,861,467)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(32,500)	-	-	-	(32,500)	-	(32,500)
Balance as at 31 December 2017	728,689	1,363	285,568	550,000	92,275	14,665,125	(129,422)	208,779	79,358	16,402,378	302,572	16,704,950
Balance as at 1 January 2018	728,689	1,363	285,568	550,000	92,275	14,665,125	(129,422)	208,779	79,358	16,402,378	302,572	16,704,950
Profit for the year	-	-	-	-	-	4,151,886	-	-	-	4,151,886	4,340	4,156,225
Other comprehensive income for the year	-	-	-	-	-	48,780	(71,943)	-	(71,943)	(23,162)	(17,100)	(40,263)
Total comprehensive income for the year	-	-	-	-	-	4,200,666	(71,943)	-	(71,943)	4,128,723	(12,761)	4,115,962
Preference shares converted to ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(2,043,988)	-	-	-	(2,043,988)	-	(2,043,988)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(32,500)	-	-	-	(32,500)	-	(32,500)
Balance as at 31 December 2018	728,689	1,363	285,568	550,000	92,275	16,789,303	(201,365)	208,779	7,415	18,454,613	289,811	18,744,422

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

	Unit: Thousand Baht		
	2018	2017	2016
Cash flows from operating activities			
Profit before tax	5,036,430	4,782,335	4,377,878
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: -			
Depreciation and amortisation	1,179,529	1,205,912	1,138,686
Bad debts and allowance for doubtful accounts	78,031	80,591	140,905
Reduction of inventory to net realizable value	1,783	368	(1,261)
Loss on sales and write-off of equipment	(672)	(2,127)	1,713
Loss on write-off of computer software	-	3	-
Provision for long-term employee benefits	96,697	87,048	86,735
Allowance for loss on impairment of assets (reversal)	-	886	-
Share of profit from investments in associates	4	(3,547)	(2,213)
Interest income	(125,396)	(103,251)	(113,304)
Amortisation of debenture issuing costs to interest expense	3,839	3,701	6,387
Interest expense	161,316	146,154	208,779
Profit from operating activities before changes in operating assets and liabilities	6,431,561	6,198,073	5,844,305
Operating assets (increase) decrease			
Trade and other receivables	(841,702)	(182,120)	482,044
Prepaid expenses	1,829	(4,003)	(32,012)
Inventories	(85,696)	1,807	322
Other current assets	15,079	(227)	13,144
Other non-current assets	8,372	(1,615)	(1,464)
Operating liabilities increase (decrease)			
Trade and other payables	23,330	36,554	(5,473)
Accrued physicians' fee	113,019	29,401	(116,330)
Accrued expenses	14,017	60,508	(127,923)
Other current liabilities	3,515	2,313	7,461
Provision for long-term employee benefits	(45,461)	(56,290)	(49,850)
Cash flows from operating activities	5,637,863	6,084,401	6,014,224
Cash paid for income tax expense	(903,934)	(841,021)	(840,580)
Net cash flows from operating activities	4,733,929	5,243,380	5,173,644

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

	Unit: Thousand Baht		
	2018	2017	2016
Cash flows from investing activities			
(Increase) decrease in short-term investments	(679,930)	(4,274,589)	782,500
Acquisition of investments in an associate	-	(1,670)	-
Acquisition of property, plant and equipment and payment of construction and medical equipment payables	(508,242)	(1,411,643)	(2,223,852)
Acquisition of computer software	(385,193)	(255,810)	(229,116)
Proceeds from sales of equipment	2,852	4,059	931
Interest income	139,920	72,057	113,304
Net cash flows used in investing activities	(1,430,593)	(5,867,596)	(1,556,233)
Cash flows from financing activities			
Increase in long-term loan from an unrelated party	-	-	19,072
Repayment of long-term debenture	(1,000,000)	-	(1,500,000)
Interest paid for long-term debentures	(170,150)	(170,150)	(232,736)
Dividend paid	(2,042,690)	(1,858,665)	(1,750,021)
Interest paid for convertible bonds treated as equity securities	(32,500)	(32,500)	(32,500)
Net cash flows used in financing activities	(3,245,340)	(2,061,315)	(3,496,185)
Decrease (increase) in translation adjustment	318	1,807	(21,225)
Net increase in cash and cash equivalents	58,314	(2,683,724)	100,001
Cash and cash equivalents at beginning of year	2,470,437	5,154,161	5,054,160
Cash and cash equivalents at end of year	2,528,751	2,470,437	5,154,161

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY**

<i>Consolidated</i>	2018	2017	2016
<u>Liquidity Ratios</u>			
Liquidity ratio (times)	4.2	2.9	3.7
Quick ratio (times)	1.8	1.2	2.9
Cash ratio (times)	1.5	1.7	1.6
Accounts Receivables Turnover (times)	7.6	9.2	8.1
Average Collection Period (days)	47.4	39.2	44.4
Inventory Turnover (times)	26.5	30.5	30.5
Sales Period (days)	13.6	11.8	11.8
Accounts Payable Turnover (times)	12.0	12.6	12.7
Payment Period (days)	29.9	28.5	28.4
Cash Cycle (days)	31.0	22.6	27.8
<u>Profitability Ratios</u>			
Gross Margin (%)	49.2	47.7	46.4
EBITDA Margin (%)	34.0	33.2	31.6
Operation Margin (%)	27.6	26.6	25.2
Cash to operating profit (%)	93.2	108.5	115.5
EBT Margin (%)	27.2	26.2	24.5
Net Margin (%)	22.4	21.6	20.3
Return on equity (%)	23.4	25.0	26.0
<u>Efficiency Ratio</u>			
Return on assets (%)	17.2	17.6	17.0
Return on fixed assets (%)	46.3	44.1	43.2
Asset turnover (times)	0.8	0.8	0.8
<u>Financial Policy Ratio</u>			
Total Liabilities to Equity (times)	0.3	0.4	0.4
Debt to Equity (times)	0.1	0.2	0.3
Net Debt to Equity (times)	0.0	0.1	(0.1)
Interest Coverage Ratio (times)	35.9	34.2	23.4
Debt service coverage ratio (CASH BASIS) (times)	27.2	29.7	21.6

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY**

<i>Consolidated</i>	2018	2017	2016
<u>Baht per share</u>			
Par Value	1.0	1.0	1.0
Book Value Per Share	25.7	22.9	20.3
Book Value Per Share - Fully Diluted	21.6	19.3	17.1
Earnings Per Share	5.7	5.4	5.0
Earnings Per Share - Fully Diluted	4.8	4.5	4.2
Dividend per share	2.9	2.7	2.5
<u>Growth ratios</u>			
Sales from hospital operations (%)	1.4	2.3	1.2
Cost of goods sold (%)	(1.7)	(0.1)	(1.6)
Administrative expenses (%)	6.9	(1.0)	2.2
EBITDA (%)	3.7	7.4	5.3
Operating profit (%)	5.1	8.0	4.4
Net profit (%)	5.3	8.8	5.5
Total assets (%)	5.4	10.1	0.2

14. Management Discussion and Analysis

Total revenues for 2018 increased to Baht 18,541 million, or 1.5% more than Baht 18,272 million in 2017. Net profit rose 5.3% to Baht 4,152 million in 2018 from Baht 3,944 million in 2017, with Net profit margin at 22.4% in 2018 compared to 21.6% in 2017.

Details of the management discussion and analysis follow:

14.1 Income Statement

The Company reported Revenues from hospital operations of Baht 18,264 million, a 1.4% improvement year-over-year from Baht 18,020 million in 2017. This was mostly due to the increase in revenues from non-Thai patients of 2.2%, offset with a decrease in revenues from Thai patients of 2.9%. As a result, the revenue contribution from Thai patients in 2018 was 34.5% and from non-Thai patients was 65.5%, compared with 35.6% and 64.4%, respectively, in 2017.

The Company reported Cost of hospital operations (including Depreciation and amortization) of Baht 10,046 million in 2018, or 2.3% less year-over-year from Baht 10,286 million in 2017. 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 55.0% in 2018 compared with 57.1% in 2017. Selling expenses (including Depreciation and amortization) were Baht 386 million in 2018, or 23.9% more than Baht 312 million in 2017. The variance was mostly due to Baht 53 million more marketing expense. Administrative expenses (including Depreciation and amortization) were Baht 2,902 million in 2018, or 6.1% more than Baht 2,736 million in 2017. The variance was mostly due to Baht 62 million more software support and maintenance, mostly due to additional IBM Watson software support and maintenance and new IT support service; Baht 55 million more depreciation and amortization, mostly due to new HIS software and BI Tower building renovation; and Baht 31 million more personnel cost associated with the annual merit increase. EBITDA increased by 3.7% year-over-year to Baht 6,256 million in 2018 from Baht 6,031 million in 2017, with an EBITDA margin of 34.0% in 2018, improving from 33.2% in 2017.

2018 Depreciation and amortization was Baht 1,180 million, a decrease from Baht 1,206 million in 2017, mostly due to a decrease of accelerated depreciation related to wireless network replacement.

Corporate income tax of Baht 880 million in 2018 was higher than Baht 841 million in 2017. The variance is mostly due to the increase in taxable operating profit, offset with the increase in tax benefit related to training expenses.

Basic EPS for 2018 of Baht 5.70 was 5.3% more than Baht 5.41 in 2017, while 2018 Diluted EPS increased at the same rate to Baht 4.79 from Baht 4.55 in 2017.

Income statements Unit: Million Baht	2018	2017	Change
Revenues from Hospital Operations	18,264	18,020	1.4%
Total Revenues	18,541	18,272	1.5%
EBITDA	6,256	6,031	3.7%
Net Profit	4,152	3,944	5.3%
<i>EBITDA Margin</i>	<i>34.0%</i>	<i>33.2%</i>	
<i>Net Profit Margin</i>	<i>22.4%</i>	<i>21.6%</i>	
EPS Unit: Baht	2018	2017	Change
EPS – Basic	5.70	5.41	5.3%
EPS – Fully Diluted	4.79	4.55	5.3%

14.2 Statement of Financial Position

As at 31 December 2018, the Company reported Total current assets of Baht 12,101 million, an increase from Baht 10,550 million as at 31 December 2017. The variance is mostly due to a net increase of Baht 738 million in Cash, Cash equivalents, and Short-term investments, mostly due to Baht 4,734 million increase in cash from operating activities, offset with Baht 2,043 million dividend payment, Baht 1,000 million repayment of the Series 2 debentures, and Baht 893 million capital spending in 2018. Trade receivables were Baht 2,541 million as at 31 December 2018 versus Baht 1,787 million as at 31 December 2017. The collection period was 47.4 days as at 31 December 2018 compared to 39.2 days as at 31 December 2017, mostly due to revenues and the collection periods associated with certain Middle East accounts.

Total non-current assets decreased to Baht 12,648 million as at 31 December 2018 from Baht 12,934 million as at 31 December 2017, mostly due to Baht 528 million decrease in Property, plant and equipment as a result of Depreciation and amortization exceeding CAPEX addition in 2018, offset with Baht 289 million increase in Intangible assets associated with new various software.

Total current liabilities were Baht 2,878 million as at 31 December 2018, a decrease from Baht 3,647 million as at 31 December 2017. The variance was mostly due to the decrease of Baht 999 million Current portion of long-term debentures paid in December 2018, associated with the Baht 1,000 million repayment of the Series 2 debentures; offset with Baht 113 million increased Accrued physician fee.

Non-current liabilities were Baht 3,126 million as at 31 December 2018, a decrease from Baht 3,132 million as at 31 December 2017.

The Company's Interest coverage ratio improved to 35.9x in 2018 from 34.2x in 2017, due to higher EBITDA in 2018 compared to 2017. Interest expense decreased by Baht 9 million and Baht 27 million in 2018 and 2017, respectively, for capitalized interest associated with the campus expansion project.

Total shareholders' equity grew to Baht 18,744 million as at 31 December 2018 from Baht 16,705 million as at 31 December 2017. This increase resulted mostly from the Company's 2018 Net profit of Baht 4,152 million, offset with Baht 2,044 million dividend payment. Average return on assets (ROA) was 17.2% in 2018, compared to 17.6% in 2017. Average return on equity (ROE) was 23.4% in 2018, compared to 25.0% in 2017.

Unit: Million Baht	31-Dec-18	31-Dec-17	Change
Total Assets	24,749	23,484	5.4%
Total Liabilities	6,005	6,779	-11.4%
Total Shareholders' Equity	18,744	16,705	12.2%
	2018	2017	
Interest Coverage Ratio (x)	35.9*	34.2*	
Average Collection Period (days)	47.4	39.2	
Average Inventory Period (days)	13.6	11.8	
Average Payables Period (days)	29.9	28.5	
Net Debt to Equity (x)	0.0	0.1	
Average Return on Assets (%)	17.2%	17.6%	
Average Return on Equity (%)	23.4%	25.0%	

* After adding back the 2018 and 2017 capitalized interest expense related to the campus expansion.

14.3 Liquidity

The Company's Net cash flows from operating activities in 2018 were Baht 4,734 million, compared to Baht 5,243 million in 2017. This decrease was mainly due to Baht 660 million more in Trade and other receivables. Net cash flows used in investment activities were Baht 1,431 million in 2018 compared to Baht 5,868 million in 2017. This variance was mainly due to Baht 3,595 million change between Short-term investments and Cash and cash equivalents. The Company reported Net cash flows used in financing activities of Baht 3,245 million in 2018 compared to Baht 2,061 million in 2017, mostly as a result of the Baht 1,000 million repayment of the Series 2 debentures. As a result of the above, Cash and cash equivalents was Baht 2,529 million as at 31 December 2018, compared to Baht 2,470 million as at 31 December 2017.

The Company's Liquidity ratio as at 31 December 2018 improved to 4.2x from 2.9x as at 31 December 2017, due to the decrease of Baht 999 million Current portion of long-term debentures paid in December 2018. Similarly, the Quick ratio as at 31 December 2018 improved to 1.8x from 1.2 x as 31 December 2017.

Unit: Million Baht	2018	2017
Cash Flow from Operating Activities	4,734	5,243
Cash Flow used in Investing Activities	(1,431)	(5,868)
Cash Flow used in Financing Activities	(3,245)	(2,061)
Net increase (decrease) in cash and cash equivalents	58	(2,684)
Cash and cash Equivalents at end of year	2,529	2,470
	31-Dec-18	31-Dec-17
Liquidity Ratio (x)	4.2	2.9
Quick Ratio (x)	1.8	1.2

14.4 Other Matter

On October 3, 2018, TRIS Rating affirmed the Company rating and the senior unsecured debenture ratings at “A+”. The ratings reflect the Company’s leading position in the premium segment of Thailand’s private healthcare market, its well-accepted brand among local and international patients, and its strong financial profile supported by its high profitability and very low leverage. However, these strengths are partially offset by intense competition in the local and international healthcare markets, the risk from single premise limitation, and the slowdown in the growth of patient number, especially patients from the Middle East countries.

14.5 Contractual Obligations

(Unit: Million Baht)

	As at 31 December 2018						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Long-term loan from and interest payable to a related party	166	-	-	-	2	168	1.25
Long-term loan from and interest payable to an unrelated party	-	19	-	-	1	20	1.25
Long-term debentures	-	2,492	-	-	-	2,492	4.97
	166	2,511	-	-	3	2,680	

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

14.6 Audit Fees

For the year 2018, the Company and subsidiaries have paid audit fees in the amount of Baht 4.8 million. The Company’s 2018 audit fees have been approved by the shareholders’ meeting.