

Connected Transactions

Related party transaction approval measure or process

The Board meeting no. 3/2014 on May 15, 2014 resolved to establish a policy and process for approving related party transactions between HARN and individuals who have or may have conflict of interest on or beneficial interest in the transaction, such as the major shareholders, directors, executives, persons with controlling power, connected persons, or related persons, etc. HARN will comply with the securities and exchange law, provisions or notifications or stipulations of the Office of the Securities and Exchange Commission, Capital Market Supervisory Board, and the Stock Exchange of Thailand regarding such matters, as well as the regulations regarding disclosure of information on related party transactions according to the Thai Accounting Standards and Thai Financial Reporting Standards set forth by the Federation of Accounting Professions under

the Royal Patronage of His Majesty the King. In this regard, persons with conflict of interest or beneficial interest in the transactions shall not be entitled to take part in consideration of or to vote on the transactions.

In case prescribed by law to seek approval of such transactions from the Boards' or the shareholders' meeting, HARN will designate the Audit Committee to attend the meeting to consider and give opinion on the necessity and reasonableness of the transactions.

Making of the related party transactions that are under general commercial conditions and transactions that are not under general commercial conditions shall be subject to the following criteria:

Related party transactions with general commercial conditions

Related party transactions with general commercial conditions done between HARN and persons that have or may have conflict of interest or beneficial interest, at present or in the future, HARN has set a scope for doing such transactions, which has been reviewed and endorsed by the Audit Committee and approved in principle by the Board. When any of such transactions is to be made, approval may be sought only from the management, subject to the conditions that such transaction shall carry commercial conditions similar to those under which a person of ordinary common sense would do with a general counterparty under the same situation, having the bargaining power without any influence from the status of being directors, executives or persons otherwise on an arm's length basis, and being commercial transaction to be done in general by HARN for business operation, or commercial transaction generally done by HARN in the same business to support its own normal business, with fair prices and conditions, and would not result

in the transfer of benefits, including the following commercial conditions:

1. Prices and conditions offered or offered by HARN to persons in general
2. Prices and conditions offered by related persons to persons in general
3. Prices and conditions proven by HARN that companies of similar nature of business would offer to persons in general

However, when there is any transaction made on an arm's length basis as stated above, the management will make decision thereon. After an approval is given, a report on such related party transaction will be prepared and reported to the Board for information. In case that the Audit Committee and the Board find out that such transaction has not been undertaken in compliance with the policy in place, they may jointly discuss to find a solution.

Related party transactions with non-general commercial conditions or other transactions

For related party transaction with non-general commercial conditions or other transactions made between HARN and the persons that have or may have conflict of interest or beneficial interest, at present or in the future, HARN shall present to the Audit Committee to weigh the necessity and reasonableness in making the transaction as well as fairness of the price and conditions by comparing with a third party or the market price, before presenting to the Board and/or the shareholders' meeting, as the case may be, for approval. In case that the Audit Committee does not have the specialized knowledge on such transaction, HARN will engage an independent expert

or HARN's auditor to provide an opinion on such related party transaction to support the consideration and decision of the meeting of the Audit Committee, the Board, and/or the shareholders' meeting, as the case may be. Those who have conflict of interest or beneficial interest in such transaction shall not be entitled to take part in consideration of or to vote on the transaction.

HARN will disclose the related party transactions in the Notes to Financial Statements audited by the auditor.

Connected Transactions between HARN and Individuals and Company with Potential Conflicts

As at 31 December 2024 accounting period, HARN conducted significant business transactions with its subsidiaries and related companies with common shareholders and/or Directors. Connected transactions with other entities which may result in conflicts of interest are based on market or contractual prices and the prices agreed in previous contracts if there are no reference market prices. Details of the relationships with these companies and conducted transactions are as follows:

Individuals / Company	Type	Relationship (As of December 31, 2024)
1. Harn Vietnam Co., Ltd. in Vietnam ("Harn Vietnam")	Distribution of printing equipment	Subsidiary, 100% owned by HARN
2. Aiyaraharn Co. Ltd., ("Aiyaraharn")	Production, purchase, sale, hiring, installation, service provider, and development of "IOT Products and Solutions"	Subsidiary, 65% owned by HARN. 2.1 HARN's shareholder: as follow; 2.1.1 Mr. Jain Charnnarong (younger brother of Mrs. Sirima lamsakulrat), holding 11.79% of HARN, and holding 0.00005% of Aiyaraharn 2.2 HARN's Director: as follow; 2.2.1 Mr. Jain Charnnarong
3. Harn Engineering Co. Ltd., ("Harn Engineering")	Assets for rent, such as office space and warehouses	HARN's shareholder: as follow; 3.1.1 Mrs. Sirima lamsakulrat, holding 14.01% of HARN, and holding 33.32% of Harn Engineering 3.1.2 Mr. Jain Charnnarong (younger brother of Mrs. Sirima lamsakulrat), holding 11.79% of HARN, and holding 33.32% of Harn Engineering 3.1.3 Miss Nopporn Charnnarong (younger sister of Mrs. Sirima lamsakulrat), holding 4.50% of HARN, and holding 33.32% of Harn Engineering 3.2 HARN's Director: as follow; 3.2.1 Mrs. Sirima lamsakulrat 3.2.2 Mr. Jain Charnnarong
4. Phraboriban Co., Ltd. ("Phraboriban")	Assets for rent, such as warehouses	4.1 HARN's shareholder: as follow; 4.1.1 Mrs. Sirima lamsakulrat, holding 14.01% of HARN, and holding 99.99% of Phraboriban 4.1.2 Mr. Jain Charnnarong (younger brother of Mrs. Sirima lamsakulrat), holding 11.79% of HARN, and holding 0.001% of Phraboriban 4.2 HARN's Director: as follow; 4.2.1 Mrs. Sirima lamsakulrat 4.2.2 Mr. Jain Charnnarong
5. Mr. Jain Charnnarong	-	Mr. Jain Charnnarong is the younger brother of Mrs. Sirima lamsakulrat, and as the Director holding 11.79% of HARN
6. Jainnopsiri Co., Ltd. ("Jainnopsiri")	Investment, development, and management of real estate and land and buildings, including trading and auction	6.1 HARN's shareholder: as follow; 6.1.1 Mrs. Sirima lamsakulrat, holding 14.01% of HARN, and holding 50% of Jainnopsiri 6.1.2 Mr. Jain Charnnarong (younger brother of Mrs. Sirima lamsakulrat), holding 11.79% of HARN, and holding 50% of Jainnopsiri 6.2 HARN's Director: as follow; 6.2.1 Mrs. Sirima lamsakulrat 6.2.2 Mr. Jain Charnnarong
7. Thawiphasura Co. Ltd. ("Thawiphasura")	Investment, development, and management of real estate and land and buildings, including trading and auction	7.1 HARN's shareholder: as follow; 7.1.1 Mrs. Sirima lamsakulrat, holding 14.01% of HARN, and holding 50% of Thawiphasura 7.1.2 Mr. Jain Charnnarong (younger brother of Mrs. Sirima lamsakulrat), holding 11.79% of HARN, and holding 40.99% of Thawiphasura 7.2 HARN's Director: as follow; 7.2.1 Mrs. Sirima lamsakulrat 7.2.2 Mr. Jain Charnnarong
8. Phumitharin Co., Ltd. ("Phumitharin")	Operate a restaurant and beverage business	8.1 Mrs. Valeeratn Chuerboonchai, holding 0.97% of HARN, and none holding of Phumitharin 8.2 HARN's Director as Mrs. Valeeratn Chuerboonchai
9. Aiyarafun Co., Ltd. ("Aiyarafun")	Service provider for software design and development, information technology, and computers	Aiyaraharn Co., Ltd., director has is Mr. Prasertsak Detchudom.

Sensibility of Connected Transactions

For years 2024, HARN and Subsidiaries engaged in key business transactions with subsidiaries with related parties. The transaction is necessary and reasonable as it is a normal business operation to support HARN's normal business. All related party transactions are based on market prices wherever available or in fair price comparable to transactions with other third parties. For transactions of employee benefit receivables, the price is referred to the employee benefit valuation by the actuary, when accepting employee transfers based on continuous years of service. The connected transactions the aforementioned, The Audit Committee considered, the opinion is needed and reasonable with fair price as well as being beneficial to HARN, as follow:

Connected transactions between HARN and Subsidiaries with individuals and Company with potential conflicts in 2024

Potential Conflicts	Type	Year 2024 (Unit : Baht)	Needed and Sensibility of Connected Transactions
1. Harn Vietnam Co., Ltd., ("Subsidiary")	1.1 Salse products	567,340	List of products related to printing equipment and the sales price set according to the sales policy
	1.2 Connected Loantransactions		<u>Loans</u>
	- Long-term loans to related parties	6,765,920	On March 12, 2020, HARN entered into a short-term loan agreement with Harn Vietnam in the amount of USD 200,000, and interest is charged at the rate of 6.15% per annum, with a one-year repayment. Later, on March 11, 2021, at the expiration of the agreement, HARN changed the condition of the loan term to the subsidiary for a period of 5 years. The agreement expires on March 11, 2026, with an interest rate of 5.85% per annum.
	- Accrued interest income	319,898	
	- Interest income	410,450	
2. Aiyaraharn Co. Ltd., ("Subsidiary")	2.1 Purchases products		HARN purchases goods from Aiyaraharn with an initial advance payment of 40%, while the remaining amount is recorded as trade payables pending payment. The transaction price is determined based on sales policy. This item appears in the consolidated financial statements.
	- Purchases products	788,425	
	- Deposit paid	161,504	
	- Trade payables	84,386	
	2.2 Connected Loan transactions		<u>Loans</u>
	- Short-term to related parties	3,550,000	As of December 31, 2024, HARN provided Aiyarahan with a 6-month promissory note short-term loan at an interest rate of 6.8676% - 7.1175% (based on MLR rates of four major commercial banks)
	- Accrued interest income	59,883	
	- Interest income	169,191	
	2.3 HARN for renting an office		<u>Office Building Rental and Service Contract</u>
	- Lease office income	190,320	HARN agreed to rent the space on the 2nd floor, Room 211 of the office building no. 559 Soi Soonvijai 4, Rama 9 Road, Bangkapi Subdistrict, Huaykwang District, Bangkok, with a total area of 52 square meters, at the rental rate of Baht 15,600 and a service fee of Baht 10,400 per month. The rental period is from November 22, 2020, to October 31, 2022. On the contract date, the lessee paid the security deposits for the rental and service contract in the amounts of Baht 46,800 and Baht 31,200, and the contract be renewed for 2 years from November 1, 2022 to October 31, 2024, the rate same as the original agreement.
	- Office service income	126,880	When the contract ends were renewed for another 3 years from November 1, 2024 to October 31, 2027. The rental rate has been adjusted to Baht 17,160, and the service fee is set at 11,440. Additionally, the contract security deposit and service agreement fee have been increased by Baht 4,680 and Baht 3,120, respectively.
	- Utilities income	48,600	
	- Rental security deposit	51,480	
	- Service security deposit	34,320	
	- Accrued utilities income	3,401	
3. Phraboriban Co., Ltd. ("Phraboriban")	2.4 HARN provides HR and accounting services in accordance with financial reporting standards		<u>Service Contract</u>
	- Service income	300,000	HARN agreed to provide staffing services, preparing salary and employee welfare, submitting documents according to the regulations of the Social Security Office, contacting government agencies related to personnel work, and preparing accounting records and financial statements in accordance with the financial reporting standards and the relevant provisions of the Revenue Code, including filing tax returns, VAT, withholding tax, and corporate income tax. These services are charged at 25,000 baht per month.
	HARN rented a warehouse form Phraboriban		<u>Warehouse Building Lease Agreement</u>
	- Security deposit for building rental	150,000	HARN agreed to pay the rent for the warehouse space for use as a place for goods storage, assembly, and maintenance of printers and equipment. The total area is 356.38 square meters with the rental rate of Baht 64,080 per month, for the period from November 1, 2020 to October 31, 2023. The security deposit
	- Interest expense	3,400,751	

Potential Conflicts	Type	Year 2024 (Unit : Baht)	Needed and Sensibility of Connected Transactions
	- Accrued building-related expenses	9,372	under the contract was placed of Baht 150,000. Later, the lease agreement was extended from November 1, 2023 to April 30, 2024, the returned some of the space, remaining an area equal to 305.55 square meters, rent is Baht 60,895. And renewed for another 3 years from May 1, 2024 to April 30, 2027, and the lessee the right to renew for an additional 3 years HARN is responsible for property insurance. <u>Pricing:</u> The market price by the rental rate is comparable to the rental price of nearby areas. <u>Trend of Future Transaction:</u> It is the transaction to be continued and in line with the office building lease agreement. <u>The Audit Committee's Opinion:</u> Such transaction is the rental of warehouse building space, which is necessary for HARN's business, and the rental rate is reasonable as the rental is comparable to the rental price of nearby areas.
4. Jainnopsiri Co., Ltd. ("Jainnopsiri")	4.1 Jainnopsiri assigns Aiyaraharn to implement the building office cooling control system. 4.2 HARN rented an office from Jainnopsiri - Rental deposit - Lease liabilities - Building-related expenses	231,066 2,000,000 104,479,786 684,743	Aiyaraharn generates revenue from the installation of the building office cooling control system. This related transaction is reflected in the consolidated financial statements. <u>Office Building Rental Contract</u> HARN agreed to lease and pay the rent for the office building no. 559 Soi Soonvijai 4, Rama 9 Road, Bangkapi Subdistrict, Huaykwang District, Bangkok, with a total Net Leasable Area of 6,579.43 square meters at the rental rate of Baht 195.93 per square meter per month or equal to 857,220 baht per month. The rent term under the lease contract started from January 1, 2021 to December 31, 2023 (3 years), and renew the short-term lease agreement with a monthly rent of Baht 942,942 until April 30, 2024. And renewed for another 3 years from May 1, 2024 to April 30, 2027 and the Lessor promise the right to renew the lease agreement for another 7- year The said price is the rental rate close to the market price of renting office spaces with similar nature in nearby areas, which have a rental price of about Baht 500-550 per square meter per month. The security deposit for renting the building under this contract was placed of Baht 2,000,000. HARN is responsible for paying land and building taxes and maintaining buildings. and get property insurance. <u>Pricing:</u> The market price by the rental rate is comparable to the rental prices of nearby areas. <u>Trend of Future Transaction:</u> It is the transaction to be continued and in line with the building lease contract. <u>The Audit Committee's Opinion:</u> Such transaction is the space rental of the office building. The transaction is necessary to operate HARN's business and to serve as the location of HARN's office. The rental rate is also reasonable and comparable to the rental prices of the space in nearby areas.
	4.3 HARN office space for lease - Office service income	89,100	<u>Office Space Lease Agreement</u> HARN has rented the office space at the office building no. 559 Soi Soonvijai 4, Rama 9 Road, Bangkapi Subdistrict, Huaykwang District, Bangkok, with a total area of 13.5 square meters at the rental rate of Baht 550 per square meter per month or equal to Baht 6,750 per month. The lease term starts from May 1, 2021, onwards. The said price is the rental rate close to the market price of the rental of office space of similar office buildings in nearby areas.
5. Thawiphasura Co, Ltd. ("Thawiphasura")	5.1 Accrued utilities income 5.2 Electricity revenue 5.3 Water revenue	3,998 35,888 13,800	HARN charges Thawiphasura for electricity and water usage in warehouse areas owned of Thawiphasura at a rate is Baht 7.5 per unit and Baht 20 per unit respectively (excluding value-added tax), which may increase based on increase future electricity costs.
6. Phumitharin Co., Ltd.	6.1 Revenue from sale	2,800	HARN sale products of Fire suppression and projects system business.

Potential Conflicts	Type	Year 2024 (Unit : Baht)	Needed and Sensibility of Connected Transactions
7. Aiyarafun Co., Ltd. ("Aiyarafun")	7.1 Interest expenses	7,521	Aiyaraharn Company Limited (a subsidiary of HARN) has taken on a short-term loan in the form of promissory notes from Aiyarafun Co., Ltd., valid for 3 months, of Baht 250,000, with interest at the rate of 3% (referring to the interest rate of commercial banks, MRR-3% per annum). The loan is an unsecured loan. <u>These items related to short-term loans are reflected in the consolidated financial statements.</u>
	7.2 Accrued interest	11,610	
	7.3 Short-term loans	250,000	
8. Mr. Sathit Wanitchaikit	8.1 Interest expenses	6,859	Aiyarahan (subsidiary of HARN) borrowed short-term a loan from Mr. Satit Wanichaikij in the form of a promissory note, with a term of 1 year Baht 200,000 is charged interest at a rate of 2%, and in 2024 borrowed a loan more Baht 170,000 is charged interest at a rate of 2%. The loans are unsecured loans. <u>These items related to short-term loans are reflected in the consolidated financial statements.</u>
	8.2 Accrued interest	7,396	
	8.3 Short-term loans	370,000	

Opinion of Independent Director

The Independent Directors agreed with the Board of Directors.

Policy Relating to Future Connected Transactions

Future connected transactions between HARN and connected companies will be conducted as part of the normal course of business as before i.e., rent of office building space and warehouse building, including the right of employee benefit receivables benefit as before, no special favors and no transfer of benefits between HARN and subsidiaries. For the pricing policy between HARN and connected companies, the price of products or feedstock purchased will be set in agreement and or linked to market prices. The Audit Committee shall review and give opinions on the related party transactions with general commercial conditions or in support of the normal business on a quarterly basis.

To enter into connected transactions in future, the Board shall comply with the securities and exchange law, provisions or notifications or stipulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand, and abide by the regulations regarding disclosure of related party transaction information of HARN or subsidiaries in accordance with the Thai Accounting Standards and Thai Financial Reporting Standards by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.

Appraisal Price for Connected Transactions

The criteria used for the determination of the lease agreement above are market comparable and cost methods, respectively, reference the asset appraisal report no.1 the appraised value of the warehouse building lease rent is Baht 200 per square meters and the office building lease rent is Baht 500 per square meters, was done by CPM Capital Company Limited on January 23, 2024, No. A66GEN2662, and the asset appraisal report no.2 the appraised value of the warehouse building lease rent is Baht 200 per square meters and the office building lease rent

is Baht 550 per square meters, was done by Bangkok Property Appraisal Company Limited on February 2, 2024 No. BKK-B-67-002, and January 30, 2024 no. BKK-B-67-003, both of these companies that assesses the value of assets in the capital market and has been approved by the Securities and Exchange Commission, according to the Notification of the Securities and Exchange Commission No. SorChor. 24/2555 regarding approval of asset valuation companies and major appraiser for capital market transactions.