



## 2. Summary of Key Events and Developments

The Company's business operations in the first quarter of 2026 continued as normal. In addition, the Company registered its fourth subsidiary, NatCap Co., Ltd., with the Department of Business Development, Ministry of Commerce, on March 13, 2026, pursuant to the resolution of the Board of Directors' Meeting No. 1/2026 held on February 26, 2026. The Company holds 99.9% of the shares in the subsidiary, with a registered capital of THB 1 million. The subsidiary was established to engage in businesses relating to the planning, promotion, exploration, development, project investment, research, technology and innovation acquisition, consultancy services, and other businesses associated with carbon dioxide, carbon compounds, greenhouse gas reduction, carbon credits, renewable energy certificates, and related trading markets. This also includes activities relating to financial derivatives associated with carbon credits, forestry, mangrove plantations, and other operations supporting carbon credit-related businesses and environmental sustainability initiatives.

The said subsidiary is categorized as the Company's seventh business unit and has not yet generated any revenue in the first quarter of 2026. Its operating results are presented under "Others" segment in the consolidated financial statements.

### 3. Summary of Business Performance

Consolidated Income Statements (MB.)	Q1/2026	Q1/2025	Increase / (Decrease)	
			MB.	%
Revenues from sales and services	336.50	303.98	32.52	10.70%
Other revenues	7.02	5.67	1.35	23.81%
<b>Total revenues</b>	<b>343.52</b>	<b>309.65</b>	<b>33.87</b>	<b>10.94%</b>
Costs of sales and services	237.84	222.03	15.81	7.12%
Distribution costs	30.92	28.78	2.14	7.44%
Administrative expenses	31.79	31.57	0.22	0.70%
Other expenses	0.01	3.30	(3.29)	(99.70%)
Finance costs	0.80	0.87	(0.07)	(8.05%)
Expected credit loss	0.84	3.54	(2.70)	(76.27%)
<b>Total cost and operating expenses</b>	<b>302.20</b>	<b>290.09</b>	<b>12.11</b>	<b>4.17%</b>
<b>Profit before income tax</b>	<b>41.32</b>	<b>19.56</b>	<b>21.76</b>	<b>111.25%</b>
Tax expense	8.56	3.88	4.68	120.62%
<b>Profit for the period</b>	<b>32.76</b>	<b>15.68</b>	<b>17.08</b>	<b>108.93%</b>
Less Non-Controlling Interests	(0.32)	(0.19)	(0.13)	68.42%
	<b>33.08</b>	<b>15.87</b>	<b>17.21</b>	<b>108.43%</b>
<b>Gross profit margin (%)</b>	<b>29.32%</b>	<b>26.96%</b>		<b>2.36%</b>
<b>Net profit margin (%)</b>	<b>9.54%</b>	<b>5.06%</b>		<b>4.48%</b>

#### Revenues from sales and services

The Group operates the following businesses: (1) Fire Protection Systems and Projects, (2) Sanitary and Air-Conditioning Systems, (3) Refrigeration Systems, (4) Digital Printing Systems, (5) IoT Solutions for Building Systems, Other business segments include medical 3D printing systems and businesses related to carbon dioxide and the reduction of carbon dioxide emissions and other greenhouse gases.

For the first quarter of 2026, the Company reported revenue from sales and services of THB 336.50 million, representing an increase of THB 32.52 million, or 10.70%, compared to the same period of the previous year, as shown in the table below.



Gross Profit Margin (%)	Q1/2026	Q1/2025	Increase / (Decrease)
1. Fire protection products and projects	27.56	25.81	1.75
2. Air-conditioning and sanitary products	22.27	22.02	0.25
3. Refrigeration systems	17.51	21.53	(4.02)
4. Digital printing systems	39.88	34.04	5.84
5. Building IoT products and solutions	31.58	41.41	(9.83)
Other	-	-	-
<b>Total</b>	<b>29.32</b>	<b>26.96</b>	<b>2.36</b>

### Distribution costs

Distribution costs increased by THB 2.14 million, or 7.44%, mainly due to higher sales commissions, sales incentives, and transportation costs in line with the increase in revenue. In addition, a portion of selling expenses consists of fixed costs, such as salaries and employee welfare expenses for sales personnel.

### Administrative expenses

Administrative expenses increased by THB 0.22 million, or 0.70%, mainly due to land management expenses and legal professional fees.

### Expected Credit Losses

For the three-month periods ended March 31, 2026 and 2025, the company recorded expected credit losses as follows:

Expected Credit Losses (Unit : MB.)	Q1/2026	Q1/2025	Increase (decrease)
Parent Company	0.84	3.50	(2.66)
Subsidiaries			
Harn Vietnam Co., Ltd.	-	-	-
Aiyaraharn Co., Ltd.	-	0.04	(0.04)
Mollisa Co., Ltd.	-	-	-
<b>Total Expected Credit Losses</b>	<b>0.84</b>	<b>3.54</b>	<b>(2.70)</b>

The Company recognized a decrease in expected credit losses of THB 2.70 million compared to the same quarter of the previous year. This was attributable to the Company's adjustment of its credit policies to better align with economic conditions and the risk profiles of each customer segment, as well as stricter and continuous monitoring and assessment of credit risk, particularly among construction

contractor customers, which represent the Company's major customer group and accounted for 63.23% of sales and service income.

#### Net profit attributable to the shareholders of the parent company

Net profit attributable to owners of the parent amounted to THB 33.08 million, representing an increase of THB 17.21 million, or 108.43%, compared to the same quarter of the previous year. The improvement was mainly driven by higher revenue, an improved gross profit margin, and lower expected credit losses.

#### 4. Summary of Financial Position

Balance sheet (Unit : MB.)	As at March 31, 2026	As at December 31, 2025	Increase / (Decrease)	
			MB.	%
Total Assets	1,826.43	1,799.81	26.62	1.48%
Total Liabilities	404.70	411.02	(6.32)	(1.54%)
Equity attributable to the parent company shareholders	1,424.23	1,390.97	33.26	2.39%

#### Assets

As of March 31, 2026, the Company's total assets amounted to THB 1,826.43 million, representing an increase of THB 26.62 million, or 1.48%, compared to the end of 2025. Total liabilities decreased by THB 6.32 million, or 1.54%, while equity attributable to owners of the parent increased by THB 33.26 million, or 2.39%, mainly driven by the operating results for the first quarter of 2026. As a result, trade and other receivables increased by THB 36.08 million, while inventories decreased by THB 25.07 million.

In addition, the Company maintained effective working capital and liquidity management through investments in other securities, as reflected in other current financial assets in the consolidated financial statements, amounting to THB 81.08 million as of March 31, 2026.

#### Liabilities

As of 31 March 2026, the Company's total liabilities amounted to THB 404.70 million, representing a decrease of THB 6.32 million, or 1.54%, compared to 31 December 2025. The decrease was mainly attributable to annual employee retirement benefit payments and a net decrease in additional provisions amounting to THB 9.91 million, partially offset by an increase in corporate income tax payable of THB 5.45 million.

### Equity attributable to the parent company shareholders

As of March 31, 2026, equity attributable to owners of the parent amounted to THB 1,424.23 million, representing an increase of THB 33.26 million, or 2.39%, compared to the balance as of December 31, 2025, mainly attributable to the operating results generated during the first quarter.

### Cash Flow Analysis

Description (MB.)	Q1		
	2026	2025	Increase / (Decrease)
Net Cash Flow from Operating Activities	8.60	48.43	(39.83)
Net Cash Flow from (Used in) Investing Activities	15.13	(10.11)	25.24
Net Cash Flow from (Used in) Financing Activities	(2.84)	(3.09)	0.25
Effect of translation adjustment on foreign currency financial statements	0.17	(0.06)	0.23
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>21.06</b>	<b>35.17</b>	<b>(14.11)</b>
<b>Cash and Cash Equivalents - B/F</b>	<b>439.84</b>	<b>293.47</b>	<b>146.37</b>
<b>Cash and Cash Equivalents - C/F</b>	<b>460.90</b>	<b>328.64</b>	<b>132.26</b>

Net cash provided by operating activities for the first quarter of 2026 amounted to THB 8.60 million, representing a decrease of THB 39.83 million compared to the same period of the previous year. The main factors were an increase in profit before income tax of THB 21.76 million, an increase in trade and other current receivables of THB 37.89 million, a decrease in inventories of THB 23.57 million, an increase in contract assets of THB 14.24 million, and annual employee retirement benefit payments of THB 10.68 million.

Cash flows provided by investing activities amounted to THB 15.13 million, primarily due to cash proceeds of THB 17.06 million received from the maturity of government bonds.

Net cash used in financing activities amounted to THB 2.84 million, mainly due to lease payments for office buildings and warehouses under finance lease agreements.

### Key Financial Ratios

Key Financial Ratio	Unit	As at March 31, 2026	As at December 31, 2025
Current ratio	Times	4.31	4.30
Debt to equity (D/E ratio)	Times	0.28	0.30
Return on asset (ROA)	%	7.06	5.93
Return on equity (ROE)	%	7.17	6.06

In the first quarter of 2026, the Company maintained a solid financial position and healthy liquidity. The current ratio stood at 4.31 times, slightly increasing from 4.30 times at the end of 2025, reflecting the Company's effective liquidity management and its ability to adequately meet short-term obligations.

Meanwhile, the debt-to-equity ratio (D/E Ratio) was 0.28 times, decreasing from 0.30 times at the end of 2025, demonstrating effective capital structure and debt management.

In terms of profitability, return on assets (ROA) and return on equity (ROE) improved to 7.06% and 7.17%, respectively, from 5.93% and 6.06% at the end of 2025. This reflects the Company's improved operating efficiency and its enhanced ability to continuously generate returns for shareholders.

## 5. Factors That Could Impact Future Operations or Growth

The global trend and risks associated with climate change are key issues that may impact the company's operations and future growth. Therefore, the company has incorporated these factors into its strategic direction and risk management framework. These climate-related issues have been integrated into the organization's strategic planning and risk assessment processes since 2024, in alignment with the company's new vision and mission. This commitment is reflected in the company's continuous efforts to drive sustainability strategies in the environmental dimension, under the "Go Green" initiative, aligned with the BCG (Bio-Circular-Green) economic model. The focus is on developing the business towards a low-carbon society while maintaining environmentally friendly operations. The company has set a target to achieve carbon neutrality by 2040 and to reach net zero greenhouse gas emissions by 2050.

## 6. Sustainability Developments

The company is committed to operating and fostering sustainable business growth across four dimensions: economic, environmental, social, and governance. This supports its vision: "We strive to be a leading provider of integrated sustainable engineering services that meet customer needs while enhancing quality of life, society, and the environment." This commitment is embedded in every aspect of the company's operations, guided by principles of good governance and business ethics, with consideration for stakeholder impacts and the entire value chain. To this end, the company has established a sustainable development policy aligned with its core business strategy, focusing on two key areas: Business (B) and Sustainability (S), or B+S. This approach drives sustainability efforts in each dimension, aligns with long-term operational goals, and prepares the organization to respond effectively to potential future crises. The company also emphasizes developing employee skills and capabilities, and leveraging technology to improve work processes—enhancing competitiveness and enabling long-term sustainable growth. Further details are available on the company's website: [www.harn.co.th](http://www.harn.co.th).

Furthermore, the company has been rated at the highest level, “Excellent” (5 stars), for corporate governance for seven consecutive years. In 2025, it also received an “A” rating in the SET ESG Ratings for sustainability performance.

By integrating environmental consciousness into its products, the company promotes operational sustainability and contributes to addressing global environmental issues. This reflects its commitment to good corporate governance and sustainable growth, benefiting shareholders, society, and the environment as a whole.

Please be informed accordingly.

Sincerely Yours,

- Signed -

(Mr. Thammanoon Tripetchr)  
Chief Executive Officer