

Business Overview

Import and distribution of products, fire suppression system, air-conditioning and sanitary system, refrigeration system, digital printing system, provide development IoT Products and Solutions, including consulting, designing services and inclusive engineering solutions.

Financial Statement

	3M23	3M22	2022	2021
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Income Statement (MB)

Revenues	314.77	297.18	1,242.29	1,046.13
Expenses	284.78	275.73	1,128.24	953.78
Net Profit (Loss)	23.61	16.09	88.78	72.27

Balance Sheet (MB)

Assets	1,778.45	1,743.30	1,783.10	1,685.72
Liabilities	406.61	408.06	434.48	367.19
Shareholders' Equity	1,371.29	1,334.61	1,347.99	1,317.97

Cash Flow (MB)

Operating	7.14	19.09	91.98	68.25
Investing	-5.24	-8.73	-62.25	-45.69
Financing	-2.85	-2.83	-69.81	-86.76

Financial Ratio

EPS (Baht)	0.04	0.03	0.15	0.12
GP Margin (%)	29.05	26.61	28.40	30.44
NP Margin (%)	7.47	5.43	7.15	6.90
D/E Ratio (x)	0.30	0.31	0.32	0.28
ROE (%)	7.12	4.88	6.66	5.49
ROA (%)	6.96	4.88	6.58	5.52

Business Plan

- In the year 2023 the Company has adjust business plan to constantly thrive. For example, to expand to the new group of customers in petrochemicals industry, to emphasis on design, inspect and installation of fire protection system, centralized the customer list acquired from the EBT, constantly increase the authorized dealer for new products, study investing plan in the engineering solutions provider in related.

- Providing the quality and valuable products and services by cooperating with high technology manufacturers who are the leaders in the industry. Such competencies we provide will generate customer satisfaction and choose us as a strategic partner and differentiate us from the other competitors and raise the business sustainability. Additionally, we emphasis in research and development in the following sectors.

Fire Protection and Safety Business Unit initiates new products which could reduce installation cost and environmental friendly.

Refrigeration Business Unit focuses on strategic energy saving by advance technology products to combat global warming.

Digital Printing Business Unit emphasizes on bringing most current innovations modernization and expands 3D printing solutions in the area of 3D medical.

Building-IoT Solutions Unit develops IT Products and Solutions system focusing in rendering Smart Building services.

Business Highlight

- The company has backlog order as of March 31, 2023, amounting 474.19 million baht.
- The company has new products and innovations such as
 - 1.Fire Protection and Safety Business Unit** Launching Quick Installation Products for reducing installation time and solving skilled labor shortage issue.
 - 2.Refrigeration Business Unit** Developing Telechill Smart Solution (S2) Project with Aiyaraharn subsidiary, which is the development of IoT Platform and Sensor Gateway to help monitor quality and track energy use of the cooling system, which will reduce the risk of product damage of customers.
 - 3.Digital Printing Business Unit** Joining the 2D Barcode for Consumer safety project with the International Code Institute (GS1 Thailand), which is printing the expiration date with a new generation of two-dimensional bar codes which can check the expiration date of consumer products at the place of sale in convenience stores for the safety of consumers.

Performance and Analysis
Business Performance Summary

Total revenues of 314.77 MB. in Q1/2023 increased by 17.59 MB. or 5.92% compared to the Q1/2022 from gradually delivering outstanding backlog orders as of 2022. Expenses increased by 9.05 MB. or 3.28% , the increase in cost of sales and services was less than the increase in sales and service income in proportion. As a result, the gross profit margin increased by 2.44% from selling price adjustment to match with higher costs and Baht appreciation tendency. Distribution costs increased 2.05 MB. or 7.53% from sales bonus and incentive and proportionately consistent with sales and service growth. Administrative expenses increased by 1.24 MB. or 3.47% from salary and employee benefits, including revised expected credit losses allowance appropriate to the current economic situation.

Key Milestones

- 2021** Open showroom "Digital Centre of Excellence".
- 2022** Show intention to join the energy conservation network "Energy Beyond Standard" from Department of Alternative Energy Development and Efficiency.

Risk Management Policy

Foreign Currency Exposure: The Company has more than 620 MB financial facilities with banks and FCD Accounts and will consider buying foreign currency in advance according to the risk exposure and also continuously monitor the trend in the change of the currency for the purpose of evaluation and managing risks. In addition, if foreign exchange rates change to the level that leads to sharp increase in its cost, the Company will revise its selling prices based on market conditions with prior notice thereof to our customers.

Goodwill Impairment test: Goodwill derived from the purchase and entire business transfer considered an intangible asset in compliance with financial reporting standard. The annual impairment test is required. However, the management and sales team of the acquiree has joined the company and taken care of the customers. Moreover, sharing all customer list could generate more sales wide across all business units. As a result the management has confident to induce sufficient free cash flow to overcome the impairment test criteria.

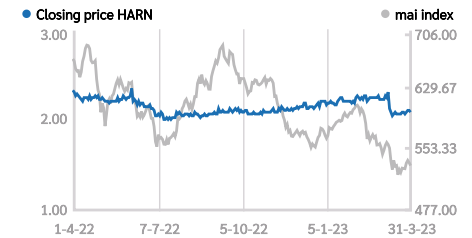
Recent Awards and Recognitions

2021 HARN has been recertified as a member of Anti Corruption Organization of Thailand (CAC) in 2021Q2 announced on September 30, 2021.

2022 HARN' s new building accredited by DGNB GmbH the "Gold Certificate" for Energy Conservation Building organized by the German-Thai Chamber of Commerce and DGNB GmbH.

Revenue Structure

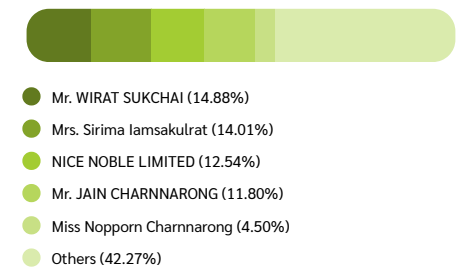
Fire Protection System	48.12%
Air-Conditioning and Sanitary	4.9%
Refrigeration	18.08%
Digital Printing	26.49%
Building-IoT Solutions	0.27%
Others	2.14%

Stock Information
mai / SERVICE


as of 31/03/23	HARN	SERVICE	mai
P/E (X)	13.96	50.41	66.21
P/BV (X)	0.92	3.28	2.85
Dividend yield (%)	6.13	1.48	1.26

	31/03/23	30/12/22	30/12/21
Market Cap (MB)	1,239.14	1,309.28	1,391.11
Price (B/Share)	2.12	2.24	2.38
P/E (X)	13.96	14.92	19.00
P/BV (X)	0.92	0.99	1.08

CG Report:


Major Shareholders
as of 13/03/2023

Company Information and Contact

- 🌐 <http://www.harn.co.th>
- ✉ IR : wirat.s@harnco.th, CFO : wisit.w@harnco.th
- ☎ 0-2318-9744
- 🏠 559 Soi Soonvijai 4, Rama 9 Road, Bangkok, Huaykwang Bangkok 10310
- 📠 Other Trading Info. : https://www.settrade.com/C04_01_stock_quote_p1.jsp?txtSymbol=HARN