

2. Risk Management

Risk Assessment Policy

The Company assigned the Audit Committee to supervise the implementation of the risk assessment policy and assigned the Internal Audit to assess the risks that may be caused by a risk, corruption risks and others, as well as report the risk to the Board to find the solution. The Audit Committee has assigned the internal audit to develop an audit plan which monitors the procurement and payment system on an annual basis. These actions are taken to monitor and assess the Company's internal control to ensure the efficiency of the Company's risk management system.

In 2023, the internal audit has considered that the risk management is carried out systematically and in accordance with good Corporate Governance, adequate internal control and business suitability, as well as closely monitoring the risks, which is part of enabling the Company to achieve the objectives of implementing the specified business plan and valuing the Company to deliver sustainable delivery to its shareholders and stakeholders. The Company provided trainings to all employees and orientations for new employees every month to ensure that the employees are aware of the Company's rules, regulations, ethical requirements, anti-corruption policy, work practices, procurement procedures, welfare, and whistleblowing and complaint channels via personnel e-mail.

Risk Factors to the Business Operation and Risk Management Plan

Presently, the Company has both internal and external risk factors, directly and indirectly affecting the Company's business operation. However, the Company has a risk assessment plan and risk management plan for possible risks, other risks and uncertainty that are not mentioned here shall be considered as insignificant or unpredictable risks. The risk factors are as follows:

1. Direct Risk Factors:

1.1 Risk due to Personnel Reliance

The Company's core businesses mainly involve the development of content in the fields of business management, marketing, IT and the development of digital tools, all of which requires a competent team of personnel with keen knowledge, abilities and experiences in the fields of business, management and technology. Hence, having a competent team of personnel is therefore one of the most crucial factors in driving corporate success. However, personnel changes are inevitable because there are many factors that may affect business operations.

The Risk Management: The Company has a risk management plan for human resources by continuously supporting personnel competency development with existence of advanced knowledge, and establishing the organizational knowledge management system in various formats such as the cognitive knowledge database, the effective succession planning strategy and the corporate coaching culture in order to be the organization of learning (Learning Organization). ARIP creates a good working environment, continuously and motivate our personnel through various incentive schemes and promoting personnel engagement in driving the business growth and success of the Company as an incentive to maintain our personnel in the long run. In addition, we also set up career path for our personnel to support their career

progress and we also have a policy on promoting team building and establishing an efficient management system for business continuity.

1.2 Risk from Changes in Consumer Behavior

Presently, printed media industry continued to be affected by the changing consumer behavior as a result from technological advancements which allow wider content and information access through modern technologies such as smartphones and tablets, causing the consumption rate of printed media to continuously drop. Nevertheless, printed media is still classified as a type of media that provides a reliable source of content and information in the eyes of clients buying advertisement for corporates' image.

The Risk Management: The Company is fully aware of these changing trends and has therefore shifted its focus to producing high quality media containing constructive and reliable content in order to maintain the customer group that still prefers touchable media. However, the Company redefines its business strategy by targeting online content for digital media and focusing on special edition issues with specific contents in detail; such strategy generates more direct reader target group and longer distribution that is useful for readers and clients buying advertisement.

We have also developed e-magazines and other online media for supporting the dynamically changing consumer behavior as a result from modern technology and innovation advancements, including continuously improving content quality to capture consumer interests and conducting development in other aspects to deliver a wider range of media content and services.

In respect to IT product exhibition, the Company redefines its strategy by teaming up with business alliance in delivering creativity and excitement by introducing a new form of IT product exhibition in order to create diversity and promoting the event through various online and offline channels in order to attract visitors and access wider target group, as a result, the sale volume and a number of audiences are increased.

1.3 Risk from Changing Trend in Advertisement Media Industry

Today, advertisement media trend has significantly changed, as consumers have shifted their interest toward alternative advertisement media such as social media and online media despite the fact that many companies, which are clients of the Company, still prefer printed media, which causing the market share of original media to begin dropping.

The Risk Management: Although modern media is risky to original media of the Company, we take this opportunity to expand our services on online social media for combining original media with modern media, strengthening the Company to have more comprehensive media service and the Company plans its strategies to more expand its market of online media.

1.4 Risk from the Condition of no Barriers to Entry in the Competitive Market

Presently, with the style of modern media. Everyone can act as media by themselves, either individual or group, with the new form of modern media, to present contents that satisfy consumers, subsequently, the Company will have more competitors due to their potential popularity among readers, attracting advertisers or sponsors.

The Risk Management: The Company is aware of the easy entry into the competitive marketing of modern media because anyone can act as a media, however, consumers still concern on reliability and accuracy. Since the Company is a creditable corporate and responsible to what it presents, therefore, all contents presented by the Company shall be verified of accuracy in order to build consumers' confidence.

1.5 Risk of an Incident at the Exhibition Venue

The Company's IT exhibition, "COMMART", a large premises is required in order to facilitate the booth exhibitors, visitors, parking space and convenient transportation. Every year the Company will select the suitable event venue and make a reservation for the 3 events a year in advance. However, there may be a risk in terms of location if there is an unexpected event with the chosen venue.

The Risk Management: The Company have the plan from the unexpected incident that maybe happened in the venue; we are still looking for the new location, public relation, announcements and etc. as an alternative plan to prevent the potential risks and expand the new audience group.

1.6 Risk of Pandemic Incident and Disease Epidemics

The impact of the pandemic incident and pathogens have the effect to the Company's operations and its impact on the Company's Exhibition and trade shows. Due to the need for epidemic surveillance, social distance is required more space between the visitors, that effects to the scale of exhibition space been reducing, and the limitation number of visitors at a time affects its business performance and the Company's operations.

The Risk Management: According to the Company's operation, in which risk management strategy, has implement Work from Home Policy, grouping them by their risks, to manage time-lapse of the employees' working schedule to reduce traffic congestion. As a result, the Company is able to perform its duties normally. The COMMART event is in compliance with government regulation and has set various guidelines, formats and requirements, using technology to help and build confidence in consumers regarding hygiene including modifying the exhibition layout plan suitable for the circumstances in which they occur. In order to reduce the walking time of visitors in the event, we have arranged the exhibitor's product display area on the surrounding to allow customers browsing the product information and the products details before entering the exhibition hall.

In addition, the Company has developed a platform that can support online displays and distribution to control the risk of disease epidemics spreading among both distributors and visitors. It is also possible to expand the platform, been developed, to provide services to other exhibitors and vendors.

1.7 Risk from using an uncontrolled Social Platform

The increasing popularity of modern social media creates a new channel of communication to the target audience of corporate buying advertisement; however, such channel is a platform that not belonged by the Company, then it is impossible to set or control policies and any possible policy change can affect the media management costs of corporates buying advertisement.

The Risk Management: The Company is aware of such risk, a team of experts was formed to study the changes that occur to platforms which are not owned by the Company all the time under the objectives to adjust the content format in accordance with the changes, to minimize the impact on media management costs as much as possible, to offer a variety of media to corporate buying advertisement as well as to serve the demands and to diversify the risk to not rely on any media.

1.8 Risk from the Personal Data Protection Act.

The Personal Data Protection Act. will effective in 2022, which affects many services of the Company, such as data service on the website, and e-mail delivery (EDM) which offers data or invitations to seminars. The Company must inform the data owners of the recorded data and to obtain their consent.

Risk Management Plan: The Company has carefully studied the Personal Data Protection Act. and identified the potential impact. In this regard, we have also set the action plan in response to the said bill to ensure the continuity of business.

1.9 Risk from cyber-Attack for Organization

While the use of the internet is widespread, It give an opportunity to those malicious individuals to exploits the vulnerabilities to accessing the companies' data through internet connections. causing information to be leaked or disable the company's computer system, which is a risk that can occur at any time. Especially, when there is no protection from the usage of company employees. and insecurity of computer systems.

The Risk Management: The company prioritizing the risk from cybersecurity by determining the plan to prevent risks that may occur, such as using software to help maintain internet security systems, Educating the employees in using of computers, Restricting the employees from using personal backup devices on office computers, including regular software updates to ensure information security. Provide the training for employees, Executives, and directors continuously from internal and external of the company to prevent risks that may occur.

2. Indirect Risk Factors

2.1 Risk from Lawsuits

Since the Company's businesses mostly involve producing content for printed, digital including radio and television media and most of which originated from books and articles written by either the Company's editorial team, or independent writers and even translated from foreign articles, there is a possibility that the Company may be at risk of being filed against lawsuit in relation to copyrights violation or even damaging the reputation of others.

The Risk Management: To handle this issue, the Company therefore developed Journalist Code of Professional and Ethical Conduct to be adopted among its employees as guidance of practice and organized trainings hosted by specialists in order to educate the Company's editorial regarding relevant risk factors and share some cases in relation to copyrights violation or defamation in order to prevent such risk from occurring. As for preventive measures concerning independent writers, the Company requires all independent writers to state in the provided employment contract that their written work is not in violation of any copyrights. In the event that copyrights violation has been observed, that independent writer shall solely be responsible for the damages. Fortunately, such a problem is rarely found. The Company also purchased professional indemnity insurance in order to reduce the damages in case of lawsuit.

2.2 Risk from Major Shareholders having Significant Shareholding

As per the Company's shareholders registration list as of December 28, 2023, major shareholder of the Company is Mr. Min Intanate with total shareholding equaled to 54.33% and Advanced Research Group Co., Ltd., which is a juristic person. at Mr. Min Intanate has complete control. (Held no less than 90 percent) holding 10%. This grants Mr. Min Intanate the power to influence the shareholders' meeting resolution within the scope specified by laws or Articles of Association of the Company which requires the votes of at least three-fourths of the number of the shareholders attending the meeting and having voting rights. Since the Company's major shareholder is entitled to over 25% votes in objecting the meeting's resolutions on various matters, no shareholders can counterbalance the votes of such major shareholder.

The Risk Management: The Company has appointed Independent Directors perform the duties as part of the Audit Committee which include auditing, considering and scrutinizing to prevent any transactions that may potentially lead to conflict of interest and assign the Chairman of the board, Executive chairman and Chief executive officer not to be the same person to ensure transparency throughout the Company's business operations.

2.3 Risk from Uprising and Natural Disasters

Uprising and natural disasters are unexpected events that can directly and indirectly impact the Company's business operations. Nevertheless, having established measures and action plans in advance for handling such situations can help to minimize the severity of damage and losses.

The Risk Management: The Company developed short-term and long-term emergency plans for tackling these emergency cases. Its short-term plan involves providing a backup facility for continuing the Company's business operations in the event that the current workplace is inaccessible. The Company's long-term plan, on the other hand, aims at investing in IT system to be used as data backup to ensure business continuity in case of the current workplace in inaccessible and the Company must be promptly transferred to other places or work from home automatically.