

Corporate Governance Report

The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

Principle One

Business Model and Strategy

The Company became a Rule 15 Cash Shell on 8 March 2018 and the Company's Ordinary Shares were suspended from trading on AIM pursuant to AIM Rule 40 on 10 September 2018, as it had not made an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 on or before the date falling six months from 8 March 2018, or been re-admitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6 million). Admission to trading on AIM will be cancelled six months from the date of suspension should the reason for the suspension not have been rectified.

The Board has concluded that the highest value can be delivered to its shareholders by the sourcing and execution of a Reverse Takeover for the Company in accordance with the AIM Rules. Accordingly, the Board's efforts are concentrated on delivery of this strategy.

As announced on 10 September 2018, the Company has agreed conditional heads of terms to acquire the entire issued share capital of Digitalbox Publishing (Holdings) Ltd ("Digitalbox"), subject to certain conditions and due diligence (the "Proposed Acquisition"). The Proposed Acquisition would constitute a Reverse Takeover pursuant to AIM Rule 14, and the Company's shares will remain suspended pending the publication of the required AIM Admission Document and shareholder approval of the Acquisition. The Acquisition is subject, inter alia, to the completion of due diligence, documentation, shareholder approval and compliance with all regulatory requirements, including the AIM Rules and Takeover Code. Should the Company not complete the Acquisition or an alternative acquisition pursuant to AIM Rule 14, trading in its Ordinary Shares on AIM will, in accordance with AIM Rule 41, be cancelled six months following suspension.

Principle Two

Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders, though the nature of the business in its current form necessitates that updates will be less numerous than that of a trading company.

In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. Investors also have access to current information on the Company through its website, <http://www.polemos.co.uk>, which provides an IR contact (enquiries@polemos.co.uk) through which to send investor relations enquiries.

Principle Three

Considering wider stakeholder and social responsibilities

The Board recognises that the long term success of the Company is reliant upon the efforts of employees, contractors, regulators and other stakeholders. The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company.

Principle Four

Risk Management

The Company's Board identifies, evaluates and manages the significant risks faced by the Company. The Company currently has no employees other than the Directors.

The Board considers the principal risk facing the Company to be the consequences of failing to source and execute an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 on or before 8 March 2019, or be re-admitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6 million), failing which, the Company's Ordinary Shares would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of suspension should the reason for the suspension not have been rectified.

An internal audit function is not considered necessary or practical due to the size of the Company, its status as a Cash Shell with no operating business, investments or employees, and the close day to day control exercised by the Board. The following principal risks, and controls to mitigate them, have been identified:

Activity	Risk	Impact	Control(s)
Financial	Liquidity, market and credit risk Inappropriate controls and accounting policies	Inability to continue as going concern Reduction in asset values Incorrect reporting of assets	Robust capital management policies and procedures Appropriate authority and investment levels as set by the Board
Strategic	Failure to conclude an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14	Cancellation from trading on AIM	Active consideration by the Board of possible acquisitions

Principle Five

A Well Functioning Board of Directors

As at the date hereof the Board comprised, the Chairman Nigel Burton and Non-Executive Director John Treacy. Biographical details of the current Directors are set out within Principle Six below. The Board considers that this is appropriate given the size and current status of the business as a Cash Shell while recognising that the QCA recommends a balance between executive and non-executive Directors and recommends that there be two independent non-executives. However, on completion of an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14, the Board intends to make such further appointments to the Board at such time in accordance with the recommendations of the QCA to reflect the scale and complexity of the business.

The Directors are subject to re-election at intervals of no more than three years. The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours. All the Directors are considered to be part time but are expected to provide as much time to the Company as is required. The Board elects a Chairman to chair every meeting.

The Board is in frequent conversation; given the size of the Board it has not established separate Audit and Compliance Committees or and a Remuneration Committee. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee.

Attendance at Board and Committee Meetings

The Company shall report annually on the number of Board and committee meetings held during the year and the attendance record of individual Directors. To date in the current financial year the Directors have a 100% record of attendance at such meetings. In order to be efficient, the Directors meet formally and informally both in person and by telephone.

Principle Six

Appropriate Skills and Experience of the Directors

The Board currently consists of two Directors and, in addition, the Company has outsourced services to provide finance support. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Director's has experience in public markets.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Dr. Nigel Burton (Chairman)

Dr. Nigel Burton has over 25 years' experience in operational and financial management, debt and equity financing, acquisition and integration of businesses, disposals, IPOs and trade sales. Following over 14 years as an investment banker at leading City institutions including UBS Warburg and Deutsche Bank, including as the Managing Director responsible for the energy and utilities industries, Nigel has spent 15 years as Chief Financial Officer of a number of private and public companies, including Navig8 Product Tankers Inc, PetroSaudi Oil Services Limited, Advanced Power AG, and Granby Oil and Gas plc. Nigel is currently Chief Executive Officer of Nu-Oil and Gas plc and a Non-Executive Director of Strat Aero plc, both of which are listed on AIM and until March was a Non-Executive Director of AIM listed Management Resource Solutions plc.

Mr. John Treacy (Non-Executive Director)

Mr. Treacy is a London-based experienced small cap financier who specialises in working with growing companies. He qualified as a solicitor in the London office of a major international law firm where he specialised in Capital Markets and Mergers & Acquisitions. From there he moved to practice corporate finance in the advisory teams of several prominent UK brokerages where he acted as an adviser to a number of AIM companies and advised on numerous IPOs, acquisitions, debt restructurings and placings.

Principle Seven

Evaluation of Board Performance

Internal evaluation of the Board, the Committee and individual Directors is to be undertaken on an annual basis in the form of peer appraisal and discussions to determine the effectiveness and performance in various as well as the Directors' continued independence.

The results and recommendations that come out of the appraisals for the directors shall identify the key corporate and financial targets that are relevant to each Director and their personal targets in terms of career development and training. Progress against previous targets shall also be assessed where relevant.

Principle Eight

Corporate Culture

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. However, the Company, as currently constituted comprises of only the two directors.

The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders as practicable for a company of this size. The Board remains keen to allow shareholders to have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

Principle Nine

Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Company's activities rests with the Board.

The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board.

Audit Committee

Given the Company's status as a Rule 15 Cash Shell with a two-person Board, the Board itself is effectively the Company's Audit Committee, which the Board consider satisfactory for a Company of this size and complexity.

Remuneration Committee

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Nominations Committee

Given the Company's status as a Rule 15 Cash Shell with a two-person Board, the Board itself is effectively the Company's Nominations Committee, which the Board consider satisfactory for a Company of this size and complexity.

Non-Executive Directors

The Board comprises two Non-Executive Directors, of whom one is Chairman.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten

Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders, though the nature of the business in its current form necessitates that updates will be less numerous than that of a trading company.

In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. Investors also have access to current information on the Company through its website, <http://www.polemos.co.uk>, which provides an IR contact (enquiries@polemos.co.uk) through which to send investor relations enquiries.

The Company shall include, when relevant, in its annual report, any matters of note arising from the audit or remuneration committees.