

NEOCHIMIKI L.V. LAVRENTIADIS S.A.

The current explanatory report of the Board of Directors addressed to the Ordinary General Meeting of Shareholders contains information regarding the clauses of paragraph 1 of article 11a of Law 3371/2005.

1. Structure of the Company's share capital.

The Company's share capital amounts to 10,800,000 Euros divided into 36,000,000 common registered shares of a par value of 0.30 Euros each. The Company's shares are listed for trading in the Securities Market of the Athens Stock Exchange, under the "Large Cap." classification.

The Company's shares are common registered with voting rights.

2. Restrictions on the transfer of the Company's shares.

The transfer of the Company's shares is affected in accordance with the Law and there are no restrictions on their transfer pursuant from the Company's Articles of association.

3. Significant direct or indirect participations in the sense of P.D. 51/1992.

Mr. Lavrentis Lavrentiadis holds 20% of the Company's share capital as of 21/03/2007. The company SANTANDER INVESTMENT S.A., holds 10.42% of the Company's share capital as of 21/03/2007. The company FORTIS GLOBAL CUSTODY SERVICES N.V., holds 7.31% of the Company's share capital as of 21/03/2007. The company COMMERZBANK AG FRANKFURT A/C COMINVEST, holds 6.25% of the Company's share capital as of 21/03/2007. No other physical or legal entity holds percentage larger than 5% of the share capital.

4. Holders of any type of a share that provide special rights of audit.

There are no shares of the Company that provide to their holders special rights of audit.

5. Restrictions on voting rights.

No restrictions on the voting rights deriving from the Company's shares are provided in its Articles.

6. Company's Shareholders' agreements.

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of the Company's shares or on the exercise of the voting rights conferred by its shares.

7. Rules of appointment and replacement of Board of Directors members and amendment of Articles of association.

The rules provided in the Company's Articles regarding the appointment and replacement of its Board of Directors members as well as the amendment of its Articles do not differ from those provided for in codified law 2190/1920.

8. Competency of the Board of Directors or some of its members to issue new shares or purchase owned shares.

According to the provisions of the article 5 of the Articles of the Company, and the decision of the General Meeting, which is subject to the publication requirements of article 7b of codified law 2190/1920 as is active, the Board of Directors of the Company is entitled to increase the share capital of the Company through the partly or totally issuance of new shares, by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total number of its members. In such case, the share capital may be increased only up to the amount of the capital which is paid-up on the date of adoption of the decision by the General Meeting.

According to the provisions of paragraphs 5 to 13 of article 16 of codified law 2190/1920, companies listed in the Athens Stock Exchange may acquire owned shares through the Stock Exchange of Athens, upon decision of the General Meeting of their shareholders, up to 10% of the entirety of their shares, for the purpose of supporting their trading value, pursuant to the specific terms and procedures of the aforementioned paragraphs of article 16 of codified law 2190/1920. There is no opposite regulation in the Company's Articles of association.

9. Important agreements contracted by the Company, which will enter into effect, will be amended or will expire in case of change in the Company's control following a public offer and the results of this agreement.

There is no such an existing agreement.

10. Agreements that the Company has contracted with the members of the Board of Directors or with its personnel, which provide for the payment of compensation in case of resignation or release without substantiated reason or in case of termination of their term or employment due to public offer.

There are no agreements of the Company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of resignation or release without substantiated reason or in case of termination of their term or employment due to a public offer.