



Friday, June 10, 2011

Athens, Greece. ALAPIS SA, (hereinafter the "**Company**" or "**Alapis**"), discloses regarding the merger by absorption by its 100% subsidiary societe anonyme "**PHARMAGORA WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME**" and the distinctive title "**PHARMAGORA S.A.**" of the 100% subsidiary societe anonyme "**ALAPIS PHARMAKAPOTHIKI WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME**" and the distinctive title "**ALAPIS PHARMAKAPOTHIKI S.A.**", the abstract of the Draft Merger Agreement, as this is published in a daily financial newspaper:

ABSTRACT

Draft Merger Agreement VIA ABSORPTION

Of the societe anonyme with corporate name "ALAPIS PHARMAKAPOTHIKI WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME" and the distinctive title "ALAPIS PHARMAKAPOTHIKI S.A." by the societe anonyme with corporate name "PHARMAGORA WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME" and the distinctive title "PHARMAGORA S.A."

According to the provisions of paragraph 1, article 70 of C.L. 2190/1920, the Board of Directors of the societes anonymes, a) "**PHARMAGORA WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME**" and the distinctive title "**PHARMAGORA**
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S.A.", headquartered at the Municipal district of Thermi, in Industrial Park of Thermi, with SA Registration No.: 39053/062/B/97/0192 (hereinafter the **"THE ABSORBING SA"**) and

b) **"ALAPIS PHARMAKAPOTHIKI WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME"** and the distinctive title **"ALAPIS PHARMAKAPOTHIKI S.A."** headquartered at the Municipality of Thessalonica, at 8 Skra str. with SA Registration No.: 47587/062/B/00/0303 (hereinafter the **"THE ABSORBED SA"**)

release the following summary of their draft merger agreement as of May 25, 2011.

The merger will be conducted in accordance with the provisions of article 68 par. 2 of the C.L. 2190/20 and articles 1-5 of L. 2166/93, via the absorption of the societe anonyme with corporate name **"ALAPIS PHARMAKAPOTHIKI WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME"** and the distinctive title **"ALAPIS PHARMAKAPOTHIKI S.A."** by the societe anonyme with corporate name **"PHARMAGORA WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME"** and the distinctive title **"PHARMAGORA S.A."**, on the basis of their financial statements (balance sheets) as at 31-12-2010.

The absorbed company shall transfer its total properties (assets and liabilities) to the absorbing company on the property basis of their 31-12-2010 balance sheets and as this (property) will be formed upon the legal completion of the merger. The absorbing company will be the sole owner, tenant, holder and proprietor of every asset of the absorbed company.

The share capital of the absorbing company **"PHARMAGORA WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME"** and the distinctive title **"PHARMAGORA S.A."** that amounts to 12,681,353.60 euro, is increased due to the merger by the share capital of the absorbed company with corporate name **"ALAPIS PHARMAKAPOTHIKI WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME"** and the distinctive title **"ALAPIS PHARMAKAPOTHIKI S.A."** that amounts to 60,000.00 euro and following the merger will amount to 12,741,353.60 euro, divided into 15,926,692 bearer shares at par value 0.80 euro each.

Upon completion of the merger the new shares of the absorbing entity will be issued which will be offered in exchange for the shares of the absorbed entities' shareholders at the following share exchange ratio.

The absorbed entities' shareholders will deliver their shares to the absorbing entity's headquarters at a date to be determined by its Board of Directors and will collect in exchange the new shares.

The **existing** shares of the absorbed entities will be canceled pursuant to the special minutes of the Board of Directors of the absorbing entity for this matter.

Each shareholder of the Absorbing Entity will exchange 1 share of par value euro 0.80 **to** 1.00473136 new shares of the absorbing entity of par value euro 0.80 each, or the shareholders of the Absorbing Entity will receive a total of 15,926,692 new shares of par value euro 0.80 each.

The shareholders of the Absorbed SA, will not receive shares as the equity of the company is negative.

Any rights on share fractures emerging from the merger process will not be entitled to the to the share's fracture but will be settled, pursuant to the resolution of the pertinent General Shareholders Meeting of the absorbing entity or the Board of Directors decision of the absorbing entity by virtue of the proxy granted by the General shareholders Meeting of the absorbing entity.

As of the date of the completion of the merger the shares to be delivered to the shareholders of the absorbed entity will bear the right to participate at the earnings of the absorbing entity.

As of 1-1-2011 that is the date following the transformation balance sheet, based on which numbers the merger is being realized up until the date of the merger completion, all actions and transactions of the absorbed entity are considered to be executed on behalf of the absorbing entity for accounting purposes and the financial results of the same period will either benefit or burden exclusively the absorbing entity. The amounts of such transactions will be recorded via transfer to the accounting books of the absorbing entity.

There are not any shareholders of the absorbed companies who have special rights or privileges or hold any other titles apart from shares.

For the BoD Members and the merging companies ordinary auditors, there are no particular advantages provided by their articles of association or by resolutions of their Shareholders Meetings, nor are there provided any privileges as such by the merger agreement.

Upon completion of the merger, the absorbing company substitutes the absorbed company de jure and without further formality, according to the law, in all rights, obligations and privities in rights of the merging companies and this transfer equals to universal succession.

The Draft Merger Agreement, that was prepared pursuant to the agreement by the Merging Companies' Board of Directors, is pending the approval of the Merger by the Merging Companies General Shareholders' Meetings and the obtainment of all the, required by Law, approvals and licenses from the appropriate authorities.

The absorbing companies agree that the «new company» that will emerge by the Merger will be under the name "PHARMAGORA WAREHOUSING AND TRADING OF PHARMACEUTICAL PRODUCTS SOCIETE ANONYME" and the distinctive title "PHARMAGORA S.A."

One month prior to the commencement of the results of the Deed of Merger, all shareholders of the Merging Companies reserve the right to receive knowledge of the documents provided under article 73 par. 1 cases a, b and c of L. 2190/1920 at the headquarters of the merging companies.

All dissemination formalities pursuant to the provisions of par. 3 article 69 of L. 2190/1920 have been fulfilled.

THE BOARD OF DIRECTORS
OF THE MERGED COMPANIES

For any further clarifications, please contact our Investor Relations department

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