

**EXPLANATORY REPORT
TO THE ANNUAL MANAGEMENT REPORT
OF THE BOARD OF DIRECTORS
OF NIREUS AQUACULTURE AE
(based on article 11a of L. 3371/2005)**

(a) The structure of the share capital, including the shares not listed for trading in an organized market in Greece or another member-state, reporting for each category of shares the rights and the obligations related to this category and the percentage of the total share capital that the shares of this category presented.

The share capital of the Company amounts to Euro 78.326.015 divided into 51.530.273 shares of par value Euro 1,52 each share and is fully paid up. All the shares of the company are ordinary, registered, with voting right, listed for trading on the Athens Exchange and have all the rights and the obligations prescribed by the Law.

(b) Restrictions in transfer of shares such as restrictions in holding of shares or the obligation in obtaining prior approval from the company or other shareholders or by a Public or Administrative Authority with the reserve of the article 4 par. 2 of L. 3371/2005.

The transfer of the company's shares is made as enacted by Law and do not exist out of its Articles of Association restrictions in their transfer.

(c) Significant direct or indirect participations as defined by articles 9 to 11 of the L. 3556/2007.

As at 31/12/2007 the individuals holding significant direct or indirect participations as defined by articles 9 to 11 of L. 3556/2007 are:

Surname	Name	Father's Name	Number of Shares	% Percentage	Type of participation
Belles *	Aristides	Stergios	7.005.401	17,323	direct & indirect
Haviaras	Nikolaos	Emmanuel	3.027.211	7,49	direct
Deutsche Bank AG			2.920.361	7,22	direct

(d) Holders of any type of share granting special control rights and description of relevant rights.

Do not exist shares of the company, which grant special control rights to their shareholders.

(e) Restrictions in voting right such as restrictions in voting rights to holders of certain percentage of the share capital or to holders of certain number of voting rights, and the time terms for exercise of voting rights.

Are not provided by the company's Articles of Association restrictions in voting right.

(f) Shareholders Agreements, which are known to the company and entail restrictions in transfer of shares or restrictions in exercise of voting rights.

It is not known to the company the existence of shareholders agreements, which entail restrictions in the transfer of its shares or in the exercise of the voting rights arising from its shares.

(g) Rules for appointment and/or replacement of members of the Board of Directors and amendment of the Articles of Association, when these differ to that provided by the c.L. 2190/1920.

The rules provided by the company Articles of Association for appointment and/or replacement of members of its Board of Directors and amendment of its articles, do not differ to that provided by the provisions of c. L. 2190/1920.

(h) Competence of the Board of Directors or certain members of the Board of Directors, for the issue of new shares or for the purchase of treasury shares according to the article 16 of c.L. 2190/1920.

The Board of Directors and its members do not have competence for the issue of new shares or for the purchase of treasury shares.

By resolution of the Extraordinary General Meeting, held on 18/2/2008, following proposal of the Board of Directors was approved the purchase of treasury shares by the company up to 1/20 of the paid-up share capital of the company (5%) at lowest acquisition price level the current par value of the share, namely Euro 1,52 and highest level Euro 6,00 per share, while the time period of the approval to be extended to twenty four (24) months. The purchases shall be made at the responsibility of the members of the Board of Directors and it will not be permitted to exceed the 1/20 of the paid-up share capital as above, nor to have as a result the equity to be reduced to an amount lower than that set in paragraph 1 article 44 of c.L. 2190/1920 as in force, while the transactions shall regard only fully redeemed shares.

(h) Significant agreements of the company that are in force, amend or expire in case of change in the company's control following public motion and the results of the agreement, except if, due to its nature, the publication of the agreement would cause serious loss in the company. The exemption of publication of the agreement is not effective when the obligation for publication arises from other provisions.

In case of change in the company's control following public proposal, there are no agreements, which are in force, amend or expire.

(i) Agreements for indemnity compensation to members of the Board of Directors or personnel, in case of retirement of dismissal without basic reason or end of term or engagement due to public motion.

There are no special agreements for indemnity compensation to members of the Board of Directors or to personnel, specifically in case of retirement or dismissal without basic reason or end of term or engagement due to public motion.

Athens, 24 March 2008

THE PRESIDENT OF THE B. OF D.

THE MEMBERS

Exact extract of the B. of D. Meetings Minutes Book

The President and CEO

Aristides St. Belles