

TO
THE SHAREHOLDERS
OF
TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.
SOFIA
UIC No. 103524525

DECLARATION

pursuant to Art. 100(n), para 4 pt. 3 of the Public Offering of Securities Act.

The undersigned:

Todor Krastev Stoyanov in my capacity as a registered auditor (Reg. No.0155 on the register at the ICPA pursuant to Art. 20 of the Independent Financial Audit Act) **declare** that I was engaged to carry out statutory audit of the financial statements of Tchaikapharma High Quality Medicines Inc. for 2016, prepared in accordance with International Financial Reporting Standards as adopted by the EU, the common name of the accounting basis, as defined in it. 8 of the Additional Provisions of the Accounting Act under the name “International accounting standards” **and that**

I am responsible for the audit engagement on my behalf/on behalf of the company Stolichna Oditorsks Firma EOOD.

As a result of the audit carried out by myself I published an audit report dated 17.03.2017.

I hereby CERTIFY that as reported in the issued by me audit report on the annual financial statements of Tchaikapharma High Quality Medicines Inc. for 2016, prepared on 2.13.2017 year:

- 1. Art 100n, para 4 pt. 3, letter “a” Audit opinion:*** In my opinion, the attached financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) (*page 1 of the Auditor’s report*);
- 2. Art 100n, para 4 pt. 3, letter “b” Information concerning Tchaikapharma High Quality Medicines Inc. transactions with related parties.*** Information on related party transactions is disclosed in Appendix No.23 to the financial statements. On the basis of our audit procedures on related party transactions, as part of our audit of the financial statements as a whole, we have not become aware of facts, circumstances or other information on the basis on which to conclude that the transactions with related parties were not disclosed in the accompanying financial statements for the year ended December 31, 2016, in all material respects, in accordance with IAS 24 *Related Party Disclosures*. The results of our audit procedures on related party transactions were reviewed by us in the context of the formation of our opinion on the financial statements as a whole and not to express

a separate opinion on transactions with related parties (*page 6 of the Auditor's report*);

3. **Art 100n, para 4 pt. 3, letter "c" Information concerning significant transactions.** My responsibilities for the audit of the financial statements as a whole, described in the section of my report "The responsibilities of the Auditor for the audit of the Financial Statements" include assessing whether financial statements present the significant transactions and events in a manner that achieves fair presentation. On the basis of tests carried out our audit procedures on essential transactions underlying the financial statements for the year ended December 31, 2016, we have not become aware of facts, circumstances or other information on the basis on which to conclude that there are cases of significant corrupt presentation and disclosure in accordance with the requirements of IFRS as adopted by the European Union. The results of our audit procedures on the essential to the financial statements transactions and events of the Company are considered by us in the context of the formation of our opinion on the financial statements as a whole and not to express a separate opinion on these significant transactions (*page 7 of the Auditor's report*).

Verifications made with this declaration should be considered only in the context of my audit report issued on 17.03.2017 as a result of the conducted independent audit of the annual financial statements of Tchaikapharma High Quality Medicines Inc for the reporting period ending 31.12.2016, dated 13.02.2017. This declaration is intended solely for the above addressee and is made solely to meet the requirements pursuant to Art. 100n, para 4 pt. 3 of the Public Offering of Securities Act (POSA) and should not be considered as a substitute for my conclusions contained in my audit report issued on 17.03.2017 in relation to matters covered by Art. 100n, pt. 3 of the POSA.

Auditor:

(Todor Krastev – Certified Public Accountant, responsible for the audit)

Sofia, 9 Tayanova vrata str., ap. 2

17.03.2017