

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Tchaikapharma High Quality Medicines Inc. as of 31.12.2015, including the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control, as management determines is necessary, to enable the preparation of financial statements that are free from material misstatement, whether they are due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an audit opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These standards require compliance with ethical requirements and that the audit be planned and carried out so that we can obtain reasonable assurance that the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the Financial Statements of the entity in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the internal control system of the Company. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation

We believe that our audit provides a reasonable basis for our audit opinion.

Opinion

In our opinion, the Financial Statements present fairly in all material respects the financial condition of Tchaikapharma High Quality Medicines Inc. as of December the 31st, 2015, its financial performance and its cash flows for the year then ended in accordance with International Standards financial reporting..

Report on other legal and regulatory requirements

We have examined the Annual Activity Report prepared by the management of the company on its consistency with the Annual Financial Statements for the same reporting period in accordance with the Accounting Act.

As a result of this we verify the correspondence between the Annual Activity Report and the Annual Financial Statements of Tchaikapharma High Quality Medicines Inc. as of 31.12.2015 in terms of financial information.

11.03.2016
Sofia
9 Tayanova vrata str., ap. 2

Auditor:
(Todor Krastev – Certified
Public Accountant)