

SUMMARY OF THE PROSPECTUS

Part I of the Prospectus for the Secondary Public Offering of 43 500 000 ordinary dematerialized shares with voting rights of Tchaikapharma High Quality Medicines Inc.

This document has been drafted in accordance with Regulation (EC) № 809/2004 of the European Commission from the 29th of April 2004 in relation to the application of Directive 2003/71 / EC of the European Parliament and of the Council regarding the information contained in prospectuses as well as the format, the incorporation by reference and the publication of such prospectuses and the dissemination of ads, Regulation (EU) № 486/2012 EC of the European Commission from the 30th of March 2012 amending Regulation № 809/2004 regarding the form and content of the prospectus, the main prospectus, the summary and the final terms, as well as regards the requirements for notification, Regulation (EU) №862/2012 EC of the of the European Commission from the 4th of June 2012, amending Regulation (EU) № 809/2004 as regards the information on the consent to the use of the prospectus, the information on the main indexes and the requirement for a report which is to be prepared by independent accountants or auditors, the Law of the Public Offering of Securities and Decree № 2 from the 17th of September 2003 on the prospectuses for public offering and the admission to trading on the regulated securities market and disclosure of information by the public companies and the other issuers of securities.

The Financial Supervision Commission has confirmed the Prospectus for the Public Securities Offering of Tchaikapharma High Quality Medicines Inc., including this Summary, the Registration Document and the Securities Offering Document (shares) with Decision № 304 - PD from the 21st April 2015, which is not a recommendation to invest in the shares offered. The Financial Supervision Commission is not responsible for the correctness and completeness of the information contained in the Prospectus.

The members of the Board of Directors of Tchaikapharma High Quality Medicines Inc. are jointly liable for damages caused by false, misleading or incomplete data in the Summary of the Prospectus. These persons declare that having taken all reasonable care they have ensured that the case is such that the information contained in the Summary, as far as their knowledge goes, is complete and correct, and that it corresponds to the facts and contains no omission likely to affect its meaning and that the Summary complies with the requirements of the law.

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The authors of the annual financial statement of the Company are jointly liable with the persons referred to in the first sentence of Art. 81, Para. 3 of the POSA for the damages caused by false, misleading or incomplete data in the financial statements of the Company, and the registered auditor - for the damages caused by the audited by him financial statements.

The Prospectus for Public Offering of the shares of Tchaikapharma High Quality Medicines Inc. consists of a Summary, a Registration Document and a Securities Document.

The public offering can take place only after the FSC confirms the Prospectus for Public Offering of the shares of the Company after the publication of a notification regarding the public offering.

Stock exchange trading of the shares can be made after their registration for trading in Bulgarian Stock Exchange – Sofia Inc. on the date determined by the Board of Directors of the Stock Exchange.

Tchaikapharma High Quality Medicines Inc. informs potential investors that investing in the offered securities involves certain risks. Risk factors are described in detail in section II. Risk factors of the Securities Offering Document and in section IV. Risk factors of the Registration Document.

The 09th of April 2015

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Section A – Introduction and Warnings	
Element	Notification Requirement
A.1	<p>Warning to investors</p> <ul style="list-style-type: none"> - This summary should be seen as an introduction to the Prospectus for Public Offering of the shares of Tchaikapharma High Quality Medicines Inc.; - Any decision to invest in the securities should be based on consideration of the Prospectus in its entirety by the investor; - When there is a claim initiated in connection with the information contained in the Prospectus, there may arise for the claimant investor, under the respective national law of the Member State, an obligation to pay the costs of translating the Prospectus before the initiation of the proceedings; - The persons who drafted the Summary, including any translation thereof, shall bear civil liability for damages if it contains information that is misleading, inaccurate or inconsistent with other parts of the Prospectus or when read together with the other parts of the Prospectus it does not provide key information to help investors in making informed investment decision to invest in securities.
A.2	Not applicable
Section B – The issuer and any guarantor	
Element	Notification Requirement
B.1	<p>The company is the trade name of the Issuer</p> <p>The company and the trade name of the Company is Tchaikapharma High Quality Medicines Inc.</p> <p>The Company was registered in the Commercial Register as a joint stock company with a Resolution from the 14th of March 2000 under company № 1096/2000 of the Varna District Court as a stock company with the name Tchaikapharma Inc.</p> <p>Pursuant to the resolution of the General Meeting of shareholders from the 4th of July 2003, with Resolution from the 30th of July 2003 under company case № 1096/2000 of the Varna District Court, the name of the company changed and became Tchaikapharma High Quality Medicines Inc.</p>
B.2	<p>Registered office and legal form of the Issuer, the applicable law, the right to registration</p> <p>Tchaikapharma High Quality Medicines Inc. is a joint stock company registered and operating under the laws of the Republic of Bulgaria.</p> <p>The registered office and address of the management of the company is:</p> <p>Sofia 1172, District Izgrev, № 1 G.M.Dimitrov Blvd. tel.: +359 2 962 5454 e-mail: info@tchaikapharma.com web page: www.tchaikapharma.com</p>
B.3	Description of the nature of the main activity and ongoing operations of the Issuer and the related key factors

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	<p>The company was established in 2000 with a business profile: Purchase of substances and medicinal formulations for the production and sale of pharmaceuticals in a treated or processed form /post-authorisation/, the primary and secondary packaging of medicines /post-authorization /, the import, export, re-export and merchandising with items in their original, treated or processed form, barter and commission transactions, commercial representation of foreign and domestic individuals and legal entities at home and abroad, industrial and commercial management, consulting, marketing, brokerage, leasing , licensing, entrepreneurship, trade, shipping, research and development activities.</p> <p>Its existence and activities are not limited by terminating conditions or duration.</p> <p>The main area of activity of the company is the manufacture and sale of pharmaceuticals, industrial and commercial management, research and development activities.</p> <p>Tchaikapharma High Quality Medicines Inc. is a company with leading positions on the Bulgarian pharmaceutical market.</p> <p>There are no exceptional factors that could affect the operations of the Issuer unless the relevant risks and all force majeure events that could affect all economic subjects.</p>
B.4a	<p>Description of the main current trends affecting the issuer and the sectors where he operates</p> <p>The company's profit for the period 2012 - 2014 shows a stable growth trend by an average of about 13%. The steady growth of the company is the result of:</p> <ul style="list-style-type: none"> • the pursuit of the management team of continuous improvement in the work processes - cost optimization and maximum utilization of production capacity, • the constant market share of the company, • the continuous introduction of new medicine forms tailored to the needs of the market, • the successful marketing strategies • the improvement of the macroeconomic framework in the country, the annual increase of the budget of the National Health Insurance Fund
B.5	<p>If the issuer is part of a group - a brief description of the group and the issuer's position in it</p> <p>Tchaikapharma High Quality Medicines Inc. is not part of an economic group within the meaning of § 1, item 7 of the additional provisions of Decree № 2 from the 17th of September 2003, according to which the group consists of a parent company and its subsidiaries.</p>
B.6	<p>Persons with direct or indirect interest in the capital of the Issuer. Various voting rights. The exercise of control.</p> <p>Tihomir Dimitrov Kamenov is a shareholder in Tchaikapharma High Quality Medicines Inc., and owns directly 41 760 000 dematerialized shares, representing 96% of the capital and votes in the General Meeting. Prof. Tony Jonkov Vekov owns 1 740 000 dematerialized shares representing 4% of the total shares issued by the company.</p>

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All shares of High Quality Medicines Tchaikapharma Inc. have the same rights. The aforementioned majority shareholder does not have different rights from the other shareholders of the Company.

Tihomir Dimitrov Kamenov exercises control over Tchaikapharma High Quality Medicines Inc. within the meaning of §1, item 14 of the Additional Provisions of the Public Offering of Securities Act, as he directly owns 41 760 000 ordinary shares, representing 96% of the capital and votes in the General Meeting and can appoint more than half the members of the management body as well as exercise influence on the decision-making in connection with the activities of the Issuer.

B.7

Selected key financial information on the issuer for previous periods

Main indicators of Tchaikapharma High Quality Medicines Inc. for the last three years:

Indicator	2012	2013	2014
Operating income, '000 BGN	28 232	25 907	28 989
Operating expenses, '000 BGN	21 528	18 438	20 780
Profit/loss from operations, '000 BGN	6 040	6 860	7 637
Net profit/loss from operations, '000 BGN	5 407	6 157	6 816
Total assets, '000 BGN	64 343	71 163	72 629
Total liabilities, '000 BGN	20 574	21 232	16 923
Owned capital, '000 BGN	43 769	49 931	55 706
Fixed capital, '000 BGN	32 000	32 000	43 500
Number of shares	32 000 000	32 000 000	43 500 000
Earnings per share (BGN)	0.17	0.19	0.16

For the period 2012 to 2014, the Company capitalized part of the profit and in 2014 the share capital was increased to BGN 43 500 000, the difference was distributed as a dividend. In the period there was a lasting trend towards increasing the profit of the Company

The profit changes in most part were due to the introduction of tablet forms own production and the supply and deployment of more and more new products. The Company relies on the turnover and the faster turnover of assets /an optimal availability of raw materials and finished goods is maintained/. The new products also influence the growth in profits - they are consistent with the market conditions to the highest extent /as prices, demand, market niches / and the enterprise opportunities.

The company's profit shows a steady increase (14%) in 2013, and the results for the last financial year (2014), compared to those of 2013 marked 11% growth. The positive trend is due to the successful establishment of the products and the production of new ones.

The Company continues the trend as well as to expand the market share occupied, and to increase the product list of the drugs offered.

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B.8	<p>Selected key proforma financial information, referred to as such.</p> <p>As of the date this Summary was drafted there was no significant financial overall change that would require information in the form and manner specified in Art. 5 of the Regulation, due to which the Issuer has not resolved to provide proforma financial information.</p>
B.9	<p>Profit forecast or estimated profits for the Issuer.</p> <p>The Issuer does not present prospective financial information.</p>
B.10	<p>Description of the nature of all the audit report qualifications of the financial information for the previous periods.</p> <p>The audit reports of the registered auditors who have conducted an independent audit of the annual financial statements of the Issuer for the period of the provided financial information do not contain a qualified audit opinion.</p>
B.11	<p>Information whether the circulating capital is sufficient for meeting the current requirements of the Issuer.</p> <p>The circulating capital of Tchaikapharma High Quality Medicines Inc. is sufficient for the current needs of the Company.</p>
Section C – Securities	
Element	Notification Requirement
C.1	<p>Type and class of securities being offered and/or admitted to trading, including their each identification number.</p> <p>There are 43 500 000 (forty-three million five hundred thousand) ordinary registered shares, which give equal rights to the shareholders, each ordinary share entitles to one vote in the General Meeting, as well as the right to dividend and liquidation share in proportion to the nominal value of the share.</p> <p>ISIN code of the issue BG 1100008074</p>
C.2	<p>Currency of the securities issue.</p> <p>The nominal value and issue price of the current issue of shares is determined in Bulgarian lev (BGN).</p>
C.3	<p>Number of shares issued and paid in full and issued but not paid in full.</p> <p>As of the drafting date of this summary, the share capital of Tchaikapharma High Quality Medicines Inc. amounted to BGN 43 500 000 (forty-three million five hundred thousand) distributed in 43 500 000 (forty-three million five hundred thousand) ordinary registered shares, with voting rights, dividend and liquidation share with a nominal value of BGN 1 (one) each. The issued capital of the Company is fully registered and paid-in.</p>
C.4	<p>Description of the rights associated with the securities.</p> <p>All issued by the Company 43 500 000 ordinary registered shares are with a nominal value of BGN 1 (one) each and are of the same class. The shares give equal rights to the shareholders, namely</p> <ol style="list-style-type: none"> 1. Voting right 2. The right to dividend and liquidation share in proportion to the nominal value

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	<ol style="list-style-type: none"> 3. The right of every shareholder in a capital increase to acquire shares corresponding to his/her share in the capital before the increase 4. The right of each shareholder to participate in the management of the company, to elect and be elected in the management bodies 5. The right to information, including the right to get acquainted with the materials on the announced agenda of the General Meeting of the shareholders (GMS) and to obtain them on demand 6. The right to seek judicial revision of the decisions of the General Meeting of the shareholders when they do not comply with the law and the regulations
C.5	<p>Description of any restrictions on the free transferability of the securities.</p> <p>The shares of this issue can be transferred freely, without restrictions, according to the will of the holder and in the manner provided in the Market of Financial Instruments Act, Ordinance № 38, the Bulgarian Stock Exchange - Sofia Rules and the Rules of the Central Depository.</p>
C.6	<p>Information on whether the securities, which are the subject matter of the offering, are or will be the subject matter of an application for the admission to trading on the regulated market and on all regulated markets where the securities have been or will be traded.</p> <p>After eventual approval of the Prospectus by the FSC an application will be filed for the admission of the issue of shares to trading on the regulated market - Bulgarian Stock Exchange - Sofia. The issue of shares subject to public offering will be traded on the regulated market only in the Republic of Bulgaria.</p>
C.7	<p>Policy on dividends.</p> <p>The Company may distribute dividends pursuant to the decision of the General Meeting, after the adoption of the annual financial statement in compliance with the requirements of Art. 247a of the Commercial Code and other terms and conditions provided for in the Commercial Law. The advance distribution of the dividends is not permitted before the adoption of the annual financial statement.</p> <p>After the company becomes public, the distribution of dividends will be made in accordance with the POSA. The right to receive dividend will be given to the persons registered with the Central Depository as shareholders on the 14th day after the date of the General Meeting which approved the annual financial statement and adopted a decision on the allocation of profits.</p> <p>The Company is obliged to ensure the payment of the voted by the General Meeting dividend within three months after the meeting is held. The shareholders who are entitled to receive dividends may exercise this right within the overall 5-year limitation period, after which the right lapses and unclaimed dividends accrue to the Company.</p>
Section D – Risks	
Element	Notification Requirement
D.1	<p>Key information about the key risks, specific and inherent to the issuer or his industry.</p> <p>The business of each company is exposed to certain risks affecting its performance. The activity of Tchaikapharma High Quality Medicines Inc. is exposed to the following risks set out in sequence according to their importance to the issuer:</p>

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	<ul style="list-style-type: none"> • Systematic risks - which depend on the general fluctuations in the macroeconomic, political and business circumstances, such as currency risk, credit risk, political risk, force majeure circumstances, interest rate risk, inflation risk, legal risk, tax risk, macroeconomic risk, the impact of the global financial and economic crisis. • Unsystematic risks - which are specific to the Company and the specific industry, such as: liquidity risk; sectoral risk; company risk; financial risk and operational risks, risk of unethical / illegal behavior of persons in a contractual relationship with the company, credit risk, the risk of transactions with related parties on terms differing from the market ones, environmental risk, withdrawal or early termination of a license risk, the risk of changes in the interests of the majority shareholder <p>The risk factors above are detailed in the Registration Document, section IV. Risk Factors</p>
D.3	<p>Key information on the key risks specific to securities:</p> <p>The main risk factors specific to the shares - matter of a secondary public offering are:</p> <ul style="list-style-type: none"> • Price risk • Liquidity risk • Inflation risk • Risk of share value dilution • Currency risk • Lack of annual dividends payment guarantee <p>The risk factors above that are specific to the shares - matter of the public offering are detailed in the Securities Offering Document, section II. Risk Factors</p>
Section E – Offering	
Element	Notification Requirement
E.1	<p>Total net proceeds and an estimate of the total cost of an issue / offer, including the estimated expenses charged to the investor by the issuer or the person offering the securities.</p> <p>The following are the basic expenses directly related to the secondary public offering of shares. The table does not include the costs that relate to the overall business of the Company, for example the service of the Shareholders Book of the Company by the Central Depository. All of the following costs are borne by the Company.</p> <ol style="list-style-type: none"> 1. The fee of FSC for issuing confirmation of the Prospectus for Secondary Public OfferingBGN 5000.00 2. The issue of certificates by the Central Depository for free market registration Bulgarian Stock Exchange - Sofia.....BGN 50.00 3. Charge of Bulgarian Stock Exchange - Sofia to maintain the registration of the share issue.....BGN 500.00 <p><i>Total expenses.....BGN 5550.00</i></p>

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E.2a	<p>Reasons for the offer, the use of proceeds, and their expected net amount.</p> <p>This issue of 43 500 000 (forty-three million five hundred thousand) shares is offered pursuant to the Decision of the Board of Directors of Tchaikapharma High Quality Medicines Inc. from the 10th of September 2014.</p> <p>The Board of Directors of Tchaikapharma High Quality Medicines Inc. wishes the Company to become public in order to increase its popularity among the potential customers and society as a whole. The public status of the Company will help strengthen its competitive position and image, and could be an important element of the planned marketing campaign to promote the name Tchaikapharma High Quality Medicines Inc. in the consciousness of the broad range of potential users of the offered by the Company products and services.</p> <p>Secondly, the public status of the Company and the registration of its shares for trading on the BSE will create conditions for achieving liquidity and the formation of the market price of its stock shares.</p>
E.3	<p>Description of the conditions of the offer.</p> <p>The issue price of the new shares: the issue price, at which the shares will be offered, is BGN 3.59 (three lev and fifty-nine cents).</p> <p>The start of the public offering shall be the date determined in accordance with the decision of the Board of Directors of BSE-Sofia, after the approval of the Prospectus and following an application submitted by the Issuer (Art. 31, Para. 8, ch. II "Rules for admitting to trade" of the Bulgarian Stock Exchange - Sofia Procedure Rules).</p> <p>The investors and shareholders interested to buy and sell shares of Tchaikapharma High Quality Medicines Inc. can turn to a licensed investment intermediary - member of the BSE.</p> <p>None of the shareholders of Tchaikapharma High Quality Medicines Inc. have accepted a commitment or announced their intention to sell or offer for sale a certain number of shares of the Company on the stock exchange at a certain point. The exact number of shares that will be offered at the exchange, and the timing of the offering of shares for sale will depend on the will of the shareholders. The Company cannot indicate when and how many of its shares will be offered for sale on the stock exchange by the current shareholders. In addition, the Company can not guarantee that there will be sufficient demand for its shares and that they will have an active and liquid stock market.</p> <p>Under current laws, while Tchaikapharma High Quality Medicines Inc. is a public company, its shares will be registered for trading on the stock exchange. This does not mean that shares will be offered on the stock exchange on a permanent basis; on the contrary, it is likely that there will be more or less long periods of time in which there will exist no proposals for the sale of shares of the Company on the stock exchange.</p>
E.4	<p>Description of any relevant to the issue / offering interest, including conflict of interests.</p> <p>Insofar as the Company is aware, there is no relevant to the issue or the offering interest, including there is no conflict of interests.</p>

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E.5	<p>Name of the natural or legal person offering to sell the security. Blocking agreements: the parties involved, information on the period of blockage.</p> <p>The Company is not aware of agreements to block the capital, according to which shareholders of the Comapny have agreed not to sell within a certain period the shares held by them.</p>
E.6	<p>Amount and percentage of the immediate dilution as a result of the offering. In offering through subscription by existing shareholders, the amount and percentage of the immediate dilution should be indicated, if they do not subscribe new shares.</p> <p>The issuer is performing a secondary public offering and in this sense there cannot be a dilution as a consequence of the offering.</p>
E.7	<p>Estimated costs, charged to the investor by the issuer or the person offering the securities.</p> <p>The investors take upon themselves the expenses on the fees of the payment institutions, BSE - Sofia, Central Depository, which are linked to the purchase of the shares of the Issuer. Expenses charged to the investor are not foreseen.</p>

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INVESTORS CAN GET ACQUAINTED WITH THE ORIGINAL PROSPECTUS AND THE SUPPLEMENT TO THE PROSPECTUS AND WITH THE DOCUMENTS, TO WHICH THEY REFER, AS WELL AS TO OBTAIN FURTHER INFORMATION ON THE PROSPECTUS AND THE SUPPLEMENT TO THE PROSPECTUS IN THE OFFICE OF TCHAIKAPHARMA HIGH QUALITY MEDICINES INC:

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The Resume was drafted by:

Biser Georgiev [signature]

Dimitar Stoyanov [signature]

Biser Ivanov [signature]

The undersigned, as a person representing the Company, with his signature declares that the Resume meets the requirements of the law.

Biser Georgiev
CEO
of Tchaikapharma High Quality Medicines Inc.