

**INTERNAL INFORMATION ON FACTS AND CIRCUMSTANCES THAT TOOK  
PLACE IN THE FIRST QUARTER OF 2019  
TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.**

- 1.1. There are no changes of the persons exercising control over the Company.
- 1.2. There is no change in the Board of Directors; there are no changes in the representation, appointment or dismissal of a procurator.
- 1.3. There are no amendments and/or supplements in the Statute of the company in the first quarter of 2019.
- 1.4. Opening of procedure for liquidation and all material stages, connected with the procedure – no such procedure.
- 1.5. There are no insolvency proceedings against the company and all material stages, connected with such proceedings.
- 1.6. Acquisition, lease or disposition of assets of big value under Art. 114, Para. 1, It. 1 of the Public Offering of Securities Act (POSA) – no such.
- 1.7. There is no decision on the conclusion, termination and rescission of a contract for joint venture.
- 1.8. Changes in the auditors of the Company – no changes
- 1.9. Announcement of the profit of the company - TCHAIKAPHARMA HIGH QUALITY MEDICINES INC. ended the first quarter of 2019 with a net profit of BGN 3 153 thousand /31.12.2018 – BGN 11 199 thousand/
- 1.10. There are no significant losses and reasons for them.
- 1.11. There are no unpredictable or unforeseen circumstances of extraordinary character, due to which the company or its subsidiary has suffered damages amounting to three or more percent of the company's equity.
- 1.12. The Company has not received and published a modified audit report.
- 1.13. Decision of the General Meeting on the type and amount of the dividend and the terms and conditions for its payment – There is no General Meeting of Shareholders was convened in the first quarter.
- 1.14. Receivables arising that are material to the company and their maturity.
- 1.15. There are no liquidity problems and measures for financial support.
- 1.16. Increase or decrease of the share capital – no
- 1.17. No negotiations for acquisition of the company were held.
- 1.18. There are no essential contracts concluded or executed, which are not related to the core business of the company.
- 1.19. Opinion of the Governing Body in connection with a commercial offer – no such
- 1.20. Termination or substantial reduction of the relations with clients, who form at least 10 percent of the revenues of the company for the last three years – no.
- 1.21. Introduction of new products and solutions on the market.

In the first quarter of 2019 the preparation of one of the company's own dossiers for the medicinal product Ceftriaxon-Tchaikapharma 2 g powder for injection/infusion solution was completed, which will add to the list of injectable antibiotics of the company.

The clinical study report BE-17001 with the product INN Irbesartan/Hydrochlorothiazide and a CoAprovel reference has been completed, which will become part of the Irbesartan/Hydrochlorothiazide INN dossier. The Modules 2.4, 2.5, 2.6, 2.7, Module 4 and Module 5 of the respective dossier, which will be property of Tchaikapharma High Quality Medicines Inc., are currently being prepared.

Pharmacoeconomic analyses have been prepared for the product pricing procedure of Amarhyton (flecainide), Pizona Combi (pioglitazone/metformin) and Bilamcar (candesartan/amlodipine). The renewal procedure for Amarhyton (flecainide) has been completed; the procedure for obtaining a price for Pizona Combi (pioglitazone/metformin) is at the final stage and the Bilamcar (candesartan/amlodipine) documents are due to be submitted.

A quality system has been developed for the Bioanalytical Laboratory of Tchaikapharma High Quality Medicines Inc. An audit is about to be scheduled to verify the compliance with the principles of Good Laboratory Practice by the laboratory. The report from this audit is a prerequisite for launching a GLP compliance procedure with the Bulgarian Accreditation Service.

1.22. There were no large orders /amounting to over 10 percent of the average revenues of the company for the last three years/.

1.23. There were no developments and/or changes in the volume of orders and the use of production capacity.

1.24. There was no suspension of sales of a product, forming significant part of the company's revenues.

1.25. Suspension of use, withdrawal of authorisation to operate / license / were not received.

1.26. There was no initiation or termination of legal or arbitration proceedings related to liabilities or receivables of the Company or its subsidiary, with claims of at least 10 percent of the company's equity.

1.27. The projected results were not updated.

1.28. There was no award or change of rating made by order of the company.

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC. notifies all concerned parties that the Interim Financial Report of the Company as of the 31<sup>st</sup> of March 2019 was not certified by a registered auditor.



Biser Georgiev  
Executive Director