

**To the statutory Auditors:**

Treucontrol Ltd  
Gewerbstrasse 12

8132 Egg

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We are providing this representation letter in connection with your limited statutory examination of the financial statements (balance sheet, income statement and notes) of CP Pharma (Switzerland) Ltd for the financial year 2017/18 ended on March 31, 2018. The objective of your limited statutory examination is to form a conclusion whether anything has come to your attention that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation in all material aspects. We acknowledge the responsibility of the Board of Directors for these financial statements. The Board of Directors has approved these financial statements for disclosure to the General Meeting of Shareholders. We confirm that the requirements for a limited statutory examination are met.

We hereby confirm, to the best of our knowledge and belief, the following:

- The financial statements comply with Swiss law and the company's articles of incorporation and within this context are free from material misstatements (which may include erroneous recording, valuation, presentation or disclosure as well as omissions).
- We have made available to you all information, accounting records, supporting documents and business correspondence as well as the minutes of all General Meetings of Shareholders and meetings of the Board of Directors. We have also granted you unrestricted access to all individuals who you considered necessary to interview in the process of your audit.
- Information about the accounting and valuation principles applied to the financial statements, has been properly disclosed in the notes. To the extent the accounting policies are not prescribed by law, the description of the accounting policies applied in the preparation of the financial statements in the notes is accurate.
- CP Pharma (Switzerland) Ltd has complied with all contractual agreements and legal provisions (e.g. with regard to direct taxes, VAT, social insurances and environmental protection) for which non-compliance could have a material impact on the financial statements.
- The information provided to you in connection with the identification of related parties is complete and the disclosure of assets and liabilities due from / owed to related parties (article 959a para. 4 CO) is complete and accurate.
- We do not have any plans or intentions, nor are we aware of any events, that could raise significant doubt as to the ability of CP Pharma (Switzerland) Ltd to continue as a going concern.
- We have provided you with the details of the creation, release and amount of hidden reserves (article. 959c para. 1 CO).
- We do not have any plans or intentions that could materially change the accounting, valuation or presentation of assets or liabilities in the financial statements.
- CP Pharma (Switzerland) Ltd has satisfactory title to all assets. There are no liens or encumbrances on the company's assets other than those disclosed in the financial statements (note...in the notes).
- We have properly recorded all current liabilities and disclosed all contingent liabilities (guarantees, indemnities and comparable declarations we have given to third parties) in the financial statements.

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- All material events after the balance sheet date have been recorded and/or disclosed in the financial statements. We will inform you immediately of any events of which we become aware by the date of the General Meeting of Shareholders that could have a material impact on the financial statements.
  - Claims from lawsuits or other disputes that are significant to the assessment of the company's financial statements do not exist.
  - We have disclosed to you all credit arrangements. The respective conditions were met at the balance sheet date and at the date of this letter of representation.
  - The amount and purpose of restricted components of equity (e.g. reserves pursuant to article 671 et seq. CO) are properly recorded and disclosed in the financial statements.
  - We are responsible for complying with legal and other provisions in connection with VAT. In particular, we ensure that VAT is properly declared in Switzerland and abroad and that ambiguities in relation to VAT are clarified in a timely manner. We have appropriately tracked amendments to laws, court rulings and changes in the practices of the tax authorities that impact our company. Based on our analyses there are no major risks in connection with VAT or any such known risks have been adequately accounted for in the financial statements.

CP Pharma (Switzerland) Ltd



Zug, June 7, 2018

Place and date

Legal signature

Annexe:

- Legally signed financial statements

Balance Sheet as per March 31,	2018	2017
	CHF	CHF
<b>Assets</b>		
Cash and cash equivalents	171'162	182'117
VAT	207	299
Current Assets	<u>171'370</u>	<u>182'416</u>
<b>Total Assets</b>	<u>171'370</u>	<u>182'416</u>
<b>Liabilities</b>		
Accrued expenses	<u>5'000</u>	<u>5'000</u>
<b>Total liabilities</b>	<u>5'000</u>	<u>5'000</u>
<b>Shareholder's equity</b>		
Share capital	250'000	250'000
Loss carried forward	-72'584	-53'467
Loss of the year	-11'046	-19'117
Accumulated loss	<u>-83'630</u>	<u>-72'584</u>
<b>Total shareholder's equity</b>	<u>166'370</u>	<u>177'416</u>
<b>Total liabilities and shareholder's equity</b>	<u>171'370</u>	<u>182'416</u>

Zug, June 7, 2018

CP Pharma (Switzerland) Ltd

Income statement for the year	2017/18	2016/17
	CHF	CHF
<b>Revenues</b>		
Sales	0	1'335
Cost of sales	<u>0</u>	<u>-242</u>
<b>Total income</b>	<u>0</u>	<u>1'094</u>
<b>Operating expenses</b>		
External Consulting	2'183	4'360
Other expenses	8'551	11'194
Taxes	187	4'515
<b>Total operating expenses</b>	<u>10'921</u>	<u>20'069</u>
<b>Net loss from operations</b>	<u>-10'921</u>	<u>-18'975</u>
<b>Financial Income/Expenses</b>		
Interest and bank charges	<u>-125</u>	<u>-142</u>
<b>Loss of the year</b>	<u>-11'046</u>	<u>-19'117</u>

Zug, June 7, 2018

CP Pharma (Switzerland) Ltd

Notes to the financial statements as of March 31, 2018

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**1 General aspects**

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations).

The accounting requires estimates and assessments by the Board of Directors which could affect the value of the reported assets and liabilities, as well as contingent liabilities at the time of preparing the accounts, but which may also have an effect on expenses and earnings for the reporting period. The Board of Directors is free to decide at its discretion the extent to which statutory freedoms will be used for accounting and valuation purposes. Within the scope permitted by the principle of caution, amortisation, value adjustments and provisions may be formed above and beyond the extent required for financial and accounting purposes, if this serves the wellbeing of the company.

**2 Full-time equivalents**

The annual average number of full-time equivalents for the reporting year, as well as the previous year, did not exceed 10.

Zug, June 7, 2018

CP Pharma (Switzerland) Ltd  
