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PROXY VOTING RULES
AT THE GENERAL MEETING OF SHAREHOLDERS

General provisions

Art. 1. (1) Any shareholder may authorize any natural person or legal entity to participate in and vote at the general meeting on his behalf.

(2) A member of the board of directors may not represent a shareholder unless the shareholder has explicitly indicated the manner of voting on each of the items on the agenda.

Art. 2. These rules are adopted pursuant to Art. 115d, para. 6 of the Public Offering of Securities Act (POSA) and contain the company's requirements regarding the authorization, the submission of the proxy to the company, and the provision of voting instructions by the shareholder, if any; requirements necessary for the identification of shareholders and proxies and for ensuring the possibility to verify the content of the instructions provided in the proxy.

Requirements to the power of attorney

Art. 3. The power of attorney must:

1. be in writing;
2. explicit;
3. be designated for the particular general meeting;

Art. 4. (1) The proxy must comply with the requirements of the POSA and contain as a minimum:

1. data on the shareholder and the proxy holder;
2. number of shares to which the proxy relates;
3. agenda of the items proposed to be discussed;
4. proposals for resolutions on each of the items on the agenda;
5. manner of voting on each of the items, if applicable;
6. date and signature.

(2) In cases where the manner of voting on the individual agenda items is not specified in the proxy, it must state that the proxy holder has the discretion to decide whether and in what manner to vote.

(3) In cases under paragraph 2, the proxy holder may not be a member of the Board of Directors.

Art. 5. The sub-delegation of rights granted by proxies, as well as any proxy granted in violation of the provisions of the POSA, shall be null and void.

Submission of the Proxy

Art. 6. (1) The proxy shall be submitted in original during the registration for the general meeting.

(2) A proxy issued in language other than Bulgarian, must be accompanied by a legalized translation in Bulgarian.

(3) In case of any discrepancy between the texts, the data in the Bulgarian translation shall prevail.

Art. 7. Each shareholder who has issued a proxy for participation in the general meeting shall notify the company by the end of the business day preceding the day of the meeting. Notification shall be accepted as follows:

1. by telephone at: +359 431 65167;
2. by fax at: +359 431 64114;
3. via electronic internet address (e-mail): msh@ms-hydraulic.com;
4. in accordance with the procedure under Art. 18.

(2) The prior sending of a copy of the proxy in accordance with para. 1 does not waive the obligation under Art. 6.

Identification of Shareholders and Proxy Holders

Art. 8. Shareholders that are legal entities shall be represented by a statutory representative.

Art. 9. Proxy holders – legal entities may not be represented by anyone other than a statutory representative.

Art. 10. (1) Legal entities participating in the general meeting as shareholders or as proxies shall identify themselves by presenting an original and up-to-date certificate of commercial registration.

(2) Certificate of commercial registration issued in language other than Bulgarian must be accompanied by a legalized translation in Bulgarian.

Art. 11. Natural persons participating in the general meeting as shareholders, proxies or statutory representatives of a legal entity, shall identify themselves by presenting an identification document.

Rights and Obligations of the Proxy Holder

Art. 12. The proxy holder shall have the same rights to speak and ask questions at the general meeting as the shareholder they represent.

Art. 13. A proxy holder may represent more than one shareholder at the general meeting, in which case the proxy holder may vote in a different way under the shares held by the separate shareholders the proxy holder represents.

Art. 14. The proxy holder is obliged to exercise the right to vote in accordance with the instructions of the shareholder contained in the proxy.

Art. 15. If there is more than one proxy issued by the same shareholder presented, the proxy issued later in time shall be considered valid.

Art. 16. If the shareholder is personally present at the general meeting, the proxy issued by him for that general meeting remains valid unless the shareholder states otherwise. Regarding the agenda items on which the shareholder votes personally, the corresponding right of the proxy holder shall be cancelled.

Revocation of a Proxy

Art. 17. (1) An issued proxy may be revoked.

(2) If the company is not notified in writing by a shareholder of the revocation of a proxy by the beginning of the general meeting, the proxy shall be considered valid.

(3) The notification may also be sent in accordance with the procedure under Art. 18.

Terms and Conditions for Receiving and Revoking Proxies via Electronic Means

Art. 18. (1) The Company shall accept proxies for voting at a general meeting from shareholders via electronic means as well.

(2) The Company shall accept notifications for the revocation of issued proxies for voting at a general meeting from shareholders via electronic means as well.

(3) The document under paragraphs 1 and 2 must comply with the Company's requirements and be sent to the following electronic internet address (e-mail): msh@ms-hydraulic.com, as an electronic document under the terms and conditions of the Electronic Document and Electronic Signature Act.

These Rules were adopted by the Board of Directors of "M+S Hydraulic" Plc on April 22, 2009, and were amended and supplemented by Minutes No. 214 dated December 18, 2019.