

To the shareholders  
of M+S Hydraulic Plc

## RECOMMENDATION

Pursuant to Art. 108, Para. 1, Item 6 of the IFASAA and under the terms of Art. 16 of Regulation (EU) No 537/2014 on specific requirements regarding statutory audit of public-interest entities, the Audit Committee has undertaken actions for the selection of an auditor or audit firm.

Based on Article 16, Para. 3, point (c) of the Regulation, as well as the Auditor Selection Rules adopted by the Board of Directors, the selection procedure was organized by the audited entity in compliance with the criteria specified in the Regulation.

The Audit Committee received documented assessments in accordance with the requirements of Article 6 of Regulation (EU) No. 537/2014 on specific requirements regarding statutory audit of public-interest entities from "Konstantinov & Partners" Ltd. with registration number 166, entered in the Register under Article 20 of the Independent Financial Audit Act (IFAA) at the Commission for Public Oversight of Statutory Auditors (CPOSA), represented by Deyan Konstantinov and registered auditor Mariana Gesheva, with registration number 834, entered in the Register under Article 20 of the IFAA at the CPOSA.

The Audit Committee presents for your consideration the following two candidacies for the selection of an auditor to perform the independent financial audit of the company for 2026.

First: "Konstantinov & Partners" Ltd. with registration number 166, entered in the Register under Art. 20 of the IFAA at the CPOSA, represented by Deyan Konstantinov.

or

Second: Registered Auditor Mariana Gesheva, with registration number 834, entered in the Register under Art. 20 of the IFAA at the CPOSA.

The Audit Committee has expressed a duly justified preference for the first proposal.

This recommendation is for an audit engagement and has not been influenced by any third party. No clause of the type referred to in Art. 16, Para. 6 of Regulation (EU) No 537/2014 regarding specific requirements for the statutory audit of public-interest entities has been imposed upon the Audit Committee.

Chairperson:



Vesela Pekova