

To
Board of Directors
of "Sopharma" AD

RECOMMENDATION

of the Audit Committee of Sopharma AD

for the appointment of a registered auditor to perform a mandatory sustainability assurance engagement on the consolidated sustainability report of Sopharma AD for 2026.

On the basis of Art. 108, para. 1, item 6 of the Law on Independent Financial Audit and Sustainability Assurance (LIFASA) and in accordance with Art. 65, para. 16 in conjunction with para. 1 of the LIFASA in conjunction with Art. 16, para. 2 and para. 3 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (Regulation (EU) No. 537/2014), the Audit Committee of Sopharma AD presents this recommendation for the appointment of a registered auditor to carry out a statutory sustainability assurance engagement on the consolidated sustainability report of Sopharma AD for 2026.

In accordance with the requirements of Art. 65, para. 16 in conjunction with para. 1 of the LIFASA in conjunction with Art. 16, para. 3 of Regulation (EU) No. 537/2014, this recommendation has been prepared following a selection procedure organized by Sopharma AD ("Company/s") in compliance with the criteria provided for in Art. 16, para. 3 of Regulation (EU) No. 537/2014.

The report on the conclusions of the selection procedure was approved by the Audit Committee after a detailed review of the assessment of the submitted proposals, carried out in accordance with the selection criteria previously defined in the tender documentation, taking into account all findings and conclusions in each verification report on the candidates, referred to in Art. 26, par. 8 of Regulation (EU) No. 537/2014 and published by the Commission for Public Oversight of Registered Auditors in accordance with Art. 28, b. "d" of Regulation (EU) No. 537/2014. Based on the assessment, the audit firm "BAKER TILLY KLITOU & PARTNERS" EOOD, Sofia, 5 Stara Planina Street, 5th floor, with UIC 131349346, included in the Register of Registered Auditors under Art. 20 of the LIFASA with registration number 129, and in second place – auditing company "BDO BULGARIA" OOD, Sofia, 38 Oborishte Street, with UIC 030278596, included in the Register of Registered Auditors under Art. 20 of the LIFASA with registration number 015.

In view of the above, **the Audit Committee recommends that a registered auditor to perform a mandatory sustainability assurance engagement on the consolidated sustainability report of Sopharma AD for 2026 be appointed:**

- **auditing firm "BAKER TILLY KLITOU & PARTNERS" EOOD, Sofia, 5 Stara Planina Str., 5th floor, with UIC 131349346, included in the Register of Registered Auditors under Art. 20 of the Law on Auditing and Financial Reporting with registration number 129;**

OR

- **auditing company "BDO BULGARIA" OOD, Sofia, 38 Oborishte Street, with UIC 030278596, included in the Register of Registered Auditors under Article 20 of the LIFASA with registration number 015;**

and from the options for selecting the audit engagement thus indicated, **the Audit Committee expresses its preference for the auditing company "BAKER TILLY KLITOU & PARTNERS" EOOD, Sofia, 5 Stara Planina Str., 5th floor, with UIC 131349346, included in the Register of Registered Auditors under Art. 20 of the Law on Auditing and Auditing with registration number 129.**

The Audit Committee is confident in the good reputation of both audit firms, including regarding ethics, and based on the proposals received from them, believes that they have qualified and competent teams and the necessary resources to perform the audit engagement to the highest standards.

The Audit Committee's preference is based both on the ranking of the proposals for participation in the selection procedure carried out, in accordance with the selection criteria set out in the tender documentation, and on recital 61 of Directive (EU) 2022/2464 *of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, with regard to sustainability reporting by undertakings*, which states that the expression of assurance on sustainability reporting by statutory auditors who audit the financial statements and the management report "will help to ensure coherence and consistency between financial information and sustainability information, which is particularly important for users of sustainability information", insofar as the audit firm "BAKER TILLY KLITOU AND PARTNERS" EOOD has been selected, in accordance with the recommendation of the Audit Committee by the General Meeting of Shareholders of "Sopharma" AD, as a registered auditor to perform a mandatory independent financial audit of the annual financial statements of "Sopharma" AD for 2026. In addition, in its capacity as a mandatory financial auditor of "Sopharma" AD for the last 9 years, the audit firm "BAKER TILLY KLITOU AND PARTNERS" EOOD has up-to-date direct observations of the Company's activities and an in-depth understanding of its business, which contributes to the preparation for performing an effective and efficient audit engagement to express assurance on sustainability.

In accordance with Art. 37a of the Accountancy Act in conjunction with § 30, para. 1, item 1 of the PZR to the Act on Amendments and Supplements to the Accountancy Act (SG, issue 72 of 2024, in force from 6.07.2024, amended, issue 17 of 2025, in force from 28.02.2025, issue 115 of 2025, in force from 01.01.2026), the reporting year 2026 is the first year for which a mandatory commitment to express sustainability assurance will be fulfilled for Sopharma AD. Given the fact that the reporting year 2025 was the ninth year during which the mandatory engagement for an independent financial audit of the Company's financial statements was assigned to the auditing firm "BAKER TILLY KLITOU & PARTNERS" EOOD, the preference expressed by the Audit Committee in this recommendation is in line with the requirements of Art. 65 of the LIFASA regarding the maximum permissible duration of audit engagements.

This recommendation of the Audit Committee is not influenced by a third party. The Audit Committee is not subject to a clause of the type referred to in Article 16, paragraph 6 of Regulation (EU) No 537/2014.

This recommendation and the preference expressed by the Audit Committee are presented to the attention of the Board of Directors of Sopharma AD on the basis of Art. 16, para. 16 in conjunction with para. 1 of the LIFASA in conjunction with Art. 16, para. 2, para. 1 of Regulation (EU) No. 537/2014 and should be included in the proposal to the General Meeting of Shareholders of the Company for the appointment of a registered auditor to perform a mandatory sustainability assurance engagement on the consolidated sustainability report of Sopharma AD for 2026, in accordance with the requirements of Art. 16, para. 16 in conjunction with para. 1 of the LIFASA in conjunction with Art. 16, para. 5, para. 1 of Regulation (EU) No. 537/2014.

Sofia, 30.07.2026

Chairman of the Audit Committee of Sopharma AD:

/Signature/
/Vasil Naydenov/

Members of the Audit Committee of Sopharma AD:

/Signature/
/Tsvetanka Zlateva/

/Signature/
/Kristina Atanasova-Elliott/