ELIS EMPLOYEE SHARE OFFERING COUNTRY SUPPLEMENT FOR IRELAND

Elis is implementing an offering of its shares to its group employees. You will find below a brief summary of the expected terms of the offering, local offering information and principal tax consequences.

Summary of the Offering

To be read together with the employee brochure and the subscription form

A share capital increase reserved for employees

Elis shares are expected to be offered to all eligible employees of participating Elis Group companies, pursuant to Elis' capital increase reserved for such employees.
If the number of requested shares exceeds the offered shares, the number of shares allocated may be reduced. In this event, each participant will be notified personally.

Eligibility

All current employees of Elis and the employees of its participating direct and indirect majority-owned subsidiaries, in each case subject to a minimum employment condition of three months as of the first day of the subscription period.

Subscription period

The subscription period is expected to start on 17th of September and last until 3rd of October 2024 (inclusive).

Subscription price

Under the plan, the subscription price for the Elis shares will be at a 30% discount from the "reference price". The reference price is based on an average of the opening price of Elis shares over the 20 trading days preceding the date of the decision to determine the price, expected to take place on 16th September 2024.
Payment will be requested in Euro's. During the life of your investment, the value of the Elis shares will be affected by fluctuations in the currency exchange.

Employer's contribution

Elis will contribute to your investment with one share for every ten shares subscribed through the ELIS Shareholding FCPE.

Your investment is capped

The maximum amount you can invest is 25% of your gross annual compensation (including bonuses), up to a limit of 50,000 euros. The employer matching contribution will not count toward the 25% limit. The minimum investment amount is 50 euros

Method of payment

Payment is to be made in Euro by way of SEPA bank debit. The payment will be debited from your account as from 31th October 2024.

Custody of your shares

Your shares will be subscribed and held on your behalf by a collective shareholding vehicle, known as a Fonds Commun de Placement d'Entreprise or FCPE, which is commonly used in France for the holding of shares held by employee-investors. Your investment will be held in the ELIS Shareholding FCPE. You will be issued units of the FCPE corresponding to the shares you will have acquired.

Your investment will be subject to a three-year lock-up period

In consideration of the benefits granted under this offering, your investment is subject to a lock-up period of three years (ending on November 2027), during which you will not be able to redeem your investment unless you qualify for an early exit (see "Early exit events" below).

Early exit events

You may request redemption of your investment during the above-mentioned lock-up period in the following circumstances only:

1. Death of the employee; or

2. Certain share reorganisations.

The above is a summary of the current early exit provisions permitted under Irish law. The early exit events are to be interpreted and applied in a manner consistent with Irish law. Before relying or attempting to rely on any of these early exit events, you should consult with your employer to make sure that your case meets all the requirements of Irish law.

Employees may present a request for redemption at any time. For further information, please contact your human resource office.

Dividends

Any dividends paid with respect to shares, while such shares remain in the FCPE, will be reinvested by the FCPE in additional Elis shares. The dividends will not be paid out directly to you. These reinvested dividends will result in the issue of additional units (or fractions thereof) to you.

Voting rights

As long as the shares are held by the FCPE, the voting rights pertaining to such shares will be exercised by the supervisory board of the FCPE on behalf of employees.

Redemption

Your investment will become available upon the expiry of the lock-up period of three years, or earlier, if you qualify for an early exit. Prior to the end of the lock-up period, you will be informed of the availability of your investment. At that time you may request the redemption of your investment or you may continue to hold your shares through the FCPE, after which you will be free to redeem your investments at any time.

Labor Law Disclaimer

Please note that this offering is provided to you by the French company Elis, not by your local employer. The decision to include a beneficiary in this or any future offering is taken by Elis in its sole discretion. The offering does not form part of your employment agreement and does not amend or supplement such agreement. Participation in the Elis Group Employee Share Offering does not entitle you to future benefits or payments of a similar nature or value, and does not entitle you to any compensation in the event that you lose your rights under the offering as a result of the termination of your employment. Benefits or payments that you may receive or be eligible for under the offering will not be taken into consideration in determining the amount of any future benefits, payments or other entitlements that may be due to you (including in cases of termination of employment).

Tax Information for Employees Resident in Ireland

The following summary sets forth general principles that are expected to apply to employees who are resident in Ireland for the purposes of the tax laws of Ireland, but may not apply in all specific cases. This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive.
For definitive advice, employees should consult their own tax advisors regarding the tax consequences of participating in the Elis Employee Offering.
The tax consequences listed below are described in accordance with Irish tax law and tax practices, all of which are applicable at the time of the offering. These laws and practices may change over time.

A. Taxation in France

You should not be subject to taxation or social charges in France upon subscription. Under currently applicable French law, provided your investment is held through the FCPE and it reinvests any dividends that may be distributed by Elis, you should not be subject to tax or social charges on such dividends in France. Any gains realized upon your investment should not be subject to taxation or social charges in France.

B. Taxation in Ireland

Upon subscription: Discount

On subscription for the shares, the share price discount is treated as a benefit in kind and will be taxable at your marginal income tax rate of 20% or 40% for 2024. The taxable amount on subscription is also subject to the Universal Social Charge ("USC"). The USC is currently 0.5%, 2%, 4% or 8% depending on your level of income for the tax year in question. Employee Pay Related Social Insurance ("PRSI") will also apply at a rate of 4%. There is no charge to Employer PRSI in respect of share-based remuneration where the shares acquired are in the employing entity or an entity controlling the employing entity.

The taxable amount is calculated based on the difference between the market value of the shares at the date of subscription and the subscription price (which is calculated by reference to an average trading price minus a discount).

[For income tax purposes, the taxable sum may be abated by 30% where the shares are locked up for a minimum of three years. In order for the abatement to apply, early termination must be limited to the death of the employee and/or certain share reorganisations. Where the shares are not locked up for the full three year period, regardless of the reason for early exit, some or all of the income tax, USC and employee PRSI relief obtained at acquisition will be repayable.

Employer PAYE withholdings are required for taxable benefits in kind arising from share awards to employees and directors. USC and Employee PRSI must also be collected at source by the employer as part of the normal payroll withholding tax system.

Upon subscription: Matching contribution

In relation to the employer's matching contribution, you will be subject to income tax at your marginal income tax rate of 20% or 40% on an amount equal to the fair market value of the shares at the date on which you become beneficially entitled to the shares (normally upon delivery). The taxable amount is also subject to the Universal Social Charge ("USC"). The USC is currently 0.5%, 2%, 4% or 8% depending on your level of income for the tax year in question. Employee Pay Related Social Insurance ("PRSI") will also apply at a rate of 4%. There is no charge to Employer PRSI in respect of share-based remuneration where the shares acquired are in the employing entity or an entity controlling the employing entity.

[For income tax purposes, the taxable sum may be abated by 30% where the shares are locked up for a minimum of three years. In order for the abatement to apply, early termination must be limited to the death of the employee and/or certain share reorganisations.]

Employer PAYE withholdings are required for taxable benefits arising from share awards to employees and directors. USC and Employee PRSI must also be collected at source by the employer as part of the normal payroll withholding tax system.

Dividends

You will be subject to tax on the value of the units in the FCPE in lieu of dividends. In that case, a charge to income tax (at your marginal rate), the USC and employee PRSI (depending on your personal circumstances) would arise on an amount equal to the net dividend foregone (and received in units in the FCPE). You are responsible for reporting the dividend income on your personal tax return and remitting any income tax/USC/PRSI liability arising to Revenue.

Upon redemption

When you redeem your investment in the FCPE, you will be liable to capital gains tax on the disposal of your FCPE units at 33% on any gain realised to the extent the gain realised exceeds your annual exemption (currently €1,270) assuming you have not utilised the annual exemption elsewhere.

The gain on redemption will be calculated as the difference between the cash amount received on redemption of the units and:

1. The subscription price paid by you for the FCPE units,

2. The amount subject to income tax in respect of the discount and matching contribution on subscription for the FCPE units, and

3. The amount subject to income tax on the reinvestment of the dividend in the FCPE units.

In the event that you are tax resident in Ireland, but not Irish domiciled, you will only be liable to pay Capital Gains Tax on the gain realized on the redemption of the FCPE units to the extent that the proceeds of the redemption are remitted to Ireland.

There is no social security (PRSI) charge on redemption.

Where you hold more than one shareholding of shares in the same company at the date of disposal you should seek further advice in relation to share identification rules.

As part of the tax return for the tax year in which the redemption of the FCPE units occurs you will be required to disclose details of the disposal under the Capital Gains section.

Where you are considered a chargeable person, as defined, and so part of the self-assessment system you are required to file a Form 11 tax return for the tax year in which the redemption occurs which is due for filing by 31 October of the following tax year.

Where you are not considered a chargeable person, as defined, you are required to file a Form CG1 for the tax year in which the redemption occurs which is due for filing by 31 October of the following tax year.

Where the redemption occurs, and a CGT liability arises between:

- 1 January and 30 November: CGT is payable by 15 December of that tax year.

- 1 December and 31 December: CGT is payable by 31 January in the following tax year.

C. Others

Reporting obligations

Where the discount received and the matching contribution on subscription has been taxed through the payroll system you are not required to separately notify the Revenue Commissioners in your annual tax return of the taxable discount, or the matching contribution received on the acquisition of your ELIS shares/ FCPE units. If, however, you are considered a chargeable person, as defined, and so part of the self-assessment system you are required to file a Form 11 tax return for the tax year in which the subscription which is due for filing by 31 October of the following tax year. As part of the tax return for the tax year in which the FCPE units are subscribed for, you will be required to disclose:

- Employment income details which will include the taxable benefit in kind as a result of the FCPE units which are subscribed for at a discount and the free matching contribution including the income tax/USC withheld at source via the PAYE system.
- The FCPE units as chargeable assets acquired.

You are required (irrespective of whether you are considered a chargeable person or not) to report gains within the charge to capital gains tax on your annual tax return as outlined under the Upon redemption section.