



# AIR LIQUIDE CAPITAL INCREASE RESERVED FOR EMPLOYEES

## LOCAL SUPPLEMENT FOR HONG KONG

You have been invited to invest in shares of L'AIR LIQUIDE S.A. via the 2025 Air Liquide Group employee share offering ("myAL myShare 2025"). Please note that myAL myShare 2025 is an international employee share plan, subject to French laws and regulations.

You will find below a brief summary of the local offering information and the principal tax consequences related to the offering in your country. You should read this document carefully, together with the brochure, before making a decision to invest in myAL myShare 2025.

In the event of any inconsistencies between the English and Chinese versions of this local supplement, the English version shall prevail.

## Local Offering Information

### Warning

The contents of the documents relating to the employee share offering ("Offering") (including the brochure, this local supplement, the regulations of the Air Liquide International Group Share Purchase Plan, and the subscription form) (together the "Documents") have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offering. If you are in any doubt about any of the contents of the Documents, you should obtain independent professional advice.

No action has been taken in Hong Kong to permit the distribution of the Documents. In particular, the Documents have not been approved by the Securities and Futures Commission in Hong Kong. The Documents may only be distributed to eligible employees of the Air Liquide Group.

The Documents are distributed on a confidential basis and may not be reproduced in any form or transmitted to any person other than the person to whom they have been sent. No shares in L'Air Liquide S.A. will be issued to any person other than the person to whom the Documents have been sent. No person in Hong Kong other than the person to whom the Documents are addressed may treat the same as constituting an invitation to him or her to participate.

The Documents may not be reproduced in any form or transmitted to any person other than the person to whom they are addressed. The Documents were prepared and are issued in Hong Kong by L'Air Liquide S.A. L'Air Liquide S.A. has taken all reasonable care to ensure that the facts stated in the Documents are true and accurate in all material respects. L'Air Liquide S.A. accepts responsibility accordingly.

### A share capital increase reserved for employees

L'Air Liquide S.A. shares are expected to be offered to all eligible employees of participating Air Liquide Group companies, pursuant to L'Air Liquide S.A.'s capital increase reserved to such employees.

The total number of shares proposed worldwide is mentioned in the subscription form. If the number of requested shares exceeds the total number of shares proposed worldwide, the number of shares requested may be reduced. In this event, each participant will be informed.

Eligibility

You will be eligible to participate in the offering if:

- You are employed by L’Air Liquide S.A. or a direct or indirect majority-owned subsidiary of L’Air Liquide S.A. at the end of the subscription period (i.e., on November 13, 2025); and
- Your employer has adhered to the Air Liquide International Group Share Purchase Plan; and
- You meet a minimum employment condition of three months. This length of service may be accumulated under a fixed term contract, or under several contracts, not necessarily consecutive, between January 1, 2024 and November 13, 2025.

Subscription period

The subscription period is expected to start on November 3, 2025 and last until November 13, 2025 (inclusive). In order to participate in the offering, you would need to subscribe on or by November 13, 2025 at the latest (before 11:59 pm, Paris time).

Subscription Price

The L’Air Liquide S.A. shares are offered at a discount. The subscription price for each share is based on the average of the opening prices of a L’Air Liquide S.A. share on Euronext Paris (the Paris stock exchange) over the 20 trading days before the date on which the subscription price is set (this is referred to as the “reference price”). The subscription price is equal to the reference price minus a 20% discount. The subscription price is expected to be set on October 29, 2025. The subscription price is denominated in euros, the currency of the euro zone in the European Union. In Hong Kong, payment is to be made in Hong Kong dollars. The euro/Hong Kong dollar exchange rate will be set by L’Air Liquide S.A. prior to the subscription period.

**Important Note:** During the life of your investment, the value of the L’Air Liquide S.A. shares subscribed will be affected by fluctuations in the currency exchange rate between the euro and the Hong Kong dollar. As a result, if the value of the euro strengthens relative to the Hong Kong dollar, the value of the shares expressed in Hong Kong dollars will increase. On the other hand, if the value of the euro weakens relative to the Hong Kong dollar, the value of the shares expressed in Hong Kong dollars will decrease.

Maximum investment

The maximum amount you can invest in myAL myShare 2025 is 25% of your estimated annual gross compensation for 2025. In addition, if you choose to pay for your investment through 12-monthly salary deductions, each monthly salary deduction cannot exceed 10% of your monthly salary.

Methods of Payment

Payment is to be made in Hong Kong dollars. You will be required to pay for your investment using one of the two following methods:

- In full upfront, by bank transfer to the appropriate bank account as follows (please contact your employer for details as to the payment date):

Beneficiary name:	Celki International Limited
Bank name:	The Hongkong and Shanghai Banking Corporation Limited
Bank address:	Head Office 1 Queen’s Road Central Hong Kong
Bank code:	004
Bank account code (HKD S/A):	123-080350-838
SWIFT code (for overseas payment only):	HSBCHKHHHKH

OR

- Over 12 months, by way of payroll deduction beginning the month after the shares are registered in your shareholder account, whereby such payroll deduction will enable you to repay your employer for making an advance payment of wages to you for the purposes of first settling the subscription amount in respect of your subscription of the L’Air Liquide S.A. shares. Each instalment payment made by salary deduction may not exceed 10% of your net monthly salary.

Labor Law Disclaimer

Please note that this Offering is provided to you by the French company, L’Air Liquide S.A., not by your local employer. The Offering does not form part of your employment agreement and does not amend or supplement such agreement. Further, your participation does not entitle you to future benefits or payments of a similar nature or value and does not confer you any right to participate in similar offerings in the future. Benefits that you may receive or be eligible for under this Offering will not be taken into consideration in determining the future benefits, payments or other entitlements, if any, that may be due to you (including in cases of termination of employment).

Custody of your shares

Shares subscribed will be held directly by the employees in registered form with L’Air Liquide S.A.’s own shareholder services department.

## Lock-up period and Early Exit Events

In consideration for the benefits granted under this offering, the shares subscribed are subject to a lock-up period of five years (ending on December 9, 2030), subject to certain early exit exceptions currently provided for under French law. The exemptions are expected to be:

1. Marriage of the employee;
2. Where a child is born or a child arrives at the home in view of being adopted, provided the employee's household is already financially responsible for at least two children;
3. In the event of divorce or separation, when this event is accompanied by a court decision specifying that the sole or shared ordinary place of residence of at least one child is at the domicile of the employee concerned;
4. Where the employee, his or her spouse or children, suffers from a disability as defined by French law;
5. Death of the employee or his or her spouse;
6. Termination of the employment contract;
7. Where the employee, his or her children, or spouse, allocates the amounts saved to create certain businesses as provided for by French law;
8. Where the employee allocates the amounts saved to the acquisition or enlargement of his or her principal residence; and
9. Domestic violence committed against the employee by his/her spouse or partner, or his/her former spouse or partner.

These early exit events are defined by French law and must be interpreted and applied in a manner consistent with French law. You should not conclude that an early exit event is available unless you have described your specific case to your employer and your employer has confirmed that it applies to your situation, upon you providing the requisite supporting documentation.

Employees must present a request for early sale within a period of six months after the occurrence of an early exit event, except in the event of death of the spouse, disability, domestic violence or termination of the employment contract (in which case, the request may be made at any time). For further information, please contact your human resource office.

## Dividends

Any dividends paid with respect to the L'Air Liquide S.A. shares will be paid directly to the employees, net of applicable French withholding tax, either directly to the employee's bank account in Euros or in local currency via the employer paycheck, depending on the country. This choice is not up to the employees, and is the same for all employees of a given country. Shares that have been held for more than two full years will be eligible for a 10% increase of the dividend amount (referred to as a "loyalty bonus" but legally a dividend payment).

## Voting rights

The voting rights pertaining to such shares will be exercisable directly by the employees.

## Sale of the shares

In the event that the employee is eligible for an early exit, it is the responsibility of the employee to inform the local subsidiary that the employee wishes to sell his/her shares. The employee is required to provide appropriate justification of the occurrence of the early exit event.

Subject to the above, at the end of the five-year lock-up period, the employees may either decide to keep their shares or decide to sell their investment at any time.

# Tax Information for Hong Kong Employees

**This summary sets forth certain general principles of law in force at the time of this offering, which are expected to apply to employees who are chargeable to salaries tax in Hong Kong for the purposes of the tax laws of Hong Kong and resident in Hong Kong for the purposes of the tax treaty concluded between France and Hong Kong for the avoidance of double taxation dated 21 October 2010 (the “Treaty”). The tax consequences listed below are described in accordance with the tax laws and practice of Hong Kong and certain French tax laws and practices, in each case as in force and applicable at the time of the offering. Such laws and practice may change over time.**

**This summary is given for informational purposes only and does not constitute legal advice, nor should it be regarded as a definitive or conclusive tax analysis. Employees should consult their own tax advisors regarding the tax consequences of subscribing for, holding and redeeming L’Air Liquide S.A. shares in Hong Kong and in any other jurisdiction which they may be subject to tax.**

## **Will I be required to pay any tax and/or social security charges at the time of subscription of L’Air Liquide S.A. shares?**

### **Will the discount be subject to tax and/or social security charges?**

You will be charged to salaries tax on the share price discount – in other words, the positive difference (if any) between the open market value of the L’Air Liquide S.A. shares for which you subscribe and the subscription price (i.e., the price you pay to acquire such L’Air Liquide S.A. shares).

For tax purposes, the open market value of the L’Air Liquide S.A. shares will be the market price of the shares on the Euronext Paris Stock Exchange on which the shares are traded as at the date of their issue to you. That market value for tax purposes, however, is subject to a reduction if the shares are locked up (i.e., subject to transfer restrictions). The amount of discount depends on the duration of the lock-up period. The Hong Kong Inland Revenue Department (“IRD”) as a matter of practice generally accepts a 5% discount for each full year of lock-up and 1/12 of 5% for each full month of lock-up. The lock up period for this scheme is 5 full years. This means that we would expect the deemed market value discount by virtue of the lock-up period to be 25%. It follows that the deemed market value of the L’Air Liquide S.A. shares you acquire under this scheme should be 75% of their actual open market value. The positive difference (if any) between this deemed market value and the subscription price you pay will be the amount in respect of which you will be charged to salaries tax.

Broadly speaking, salaries tax is charged either at progressive rates from 2% to 17% or at the standard flat rate of 15%, whichever produces the lower amount of tax. From the year of assessment 2024/25, for taxpayers being charged at the flat rate, while the first HK\$5 million of their net income will continue to be subject to the said rate of 15%, the portion of their net income exceeding HK\$5 million will be subject to the flat rate of 16%.

You will be taxed in the year of assessment in which L’Air Liquide S.A. shares are allotted to you under this scheme. In Hong Kong, the tax year of assessment runs from 1 April in a given calendar year to 31 March in the following calendar year.

The discount on account of the lock-up period is a non-binding matter of IRD practice rather than law and you accordingly have no binding entitlement to such discount. That said, the IRD is expected to continue to abide by this formula. You should therefore, and unless otherwise instructed, report any benefits under this scheme (namely, the share price discount, if any) in your individual tax return for the year of assessment 2025/26 and state that such shares are subject to a lock-up period of 5 years and seek to claim a 5% discount for each full year and 1/12 of 5% for each full month of lock-up, for an aggregate discount of 25%. Because the taxable share price discount is 20% and the expected discount on account of the lock-up period is 25%, you should in practice and in the ordinary course pay little or no salaries tax in connection with L’Air Liquide S.A. shares you acquire.

There are no applicable social security charges.

## **Will the interest-free installment payment be subject to tax and/or social security charges?**

No – this is a non-taxable benefit in kind.

## **Will I be required to pay any tax or social security charges on dividends, in the event of distribution?**

Tax will be withheld at source in France, for which see further below, though note that you will not in the ordinary course be required to file a French tax return.

### **Taxation in France**

The dividends paid by L’Air Liquide S.A. to you will be subject to a French withholding tax of 12.8%, unless they are paid to a bank account opened in a Non Cooperative State or Territory (NCST) which would trigger a 75% withholding tax in France.

However, under the Treaty and subject to the completion of certain formalities further described hereafter, this rate may be reduced to 10%. The withholding tax will be levied at the reduced rate of 10% if the employee provides the paying agent with a certificate of residency (French treasury form 5000) before the date of payment of the dividends. In the event where the certificate of tax residency is not provided to the paying agent before the date of payment of dividends, the withholding tax will be levied at the standard domestic rate of 12.8% or 75%. The employee may obtain the repayment of the withholding tax paid in excess of the 10% Treaty rate by filing the French treasury forms 5000 (certificate of residency) and 5001 (repayment request) with the French paying agent before December 31 of the second year following the year of payment.

<sup>1</sup> The list of NCSTs can be modified each year. The states and territories qualifying as NCSTs are currently the following: Anguilla, Antigua and Barbuda, Turks and Caicos Islands and Vanuatu.

## **Taxation in Hong Kong**

Dividends arising to individuals are generally not taxable in Hong Kong. There are no applicable social security charges.

### **Will I be required to pay any tax and/or social security charges at the end of the lock-up period (or in the event of an authorized early exit event) even if I do not sell the L'Air Liquide S.A. shares?**

Redemption at the end of the lock-up period should not have any tax consequences. There should be no applicable social security charges.

Please note that if you redeem L'Air Liquide S.A. shares under this scheme prior to the expiry of the lock-up period due to an early exit event or otherwise, the taxable benefit you enjoyed in respect of those shares will likely need to be recalculated to take into account the actual duration of the lock-up period using the formula summarised above. This means that the discount to the adjusted open market value of the shares in question on account of the lock-up period will be adjusted to correspond to the actual duration of the lock-up period – generally, this will have the effect of increasing the deemed open market value of the shares at the time you acquired them, thereby likely increasing your liability to salaries tax in respect of those shares.

### **Will I be required to pay any tax and/or social security charges at sale of the L'Air Liquide S.A. shares?**

Capital gains arising to individuals are generally not taxable in Hong Kong. There are no applicable social security charges.

### **Will I have any reporting obligations with respect to the subscription, holding and sale of shares, as well as with respect to the receipt of dividends, if any?**

You will be responsible for reporting the total amount of taxable benefit you receive in respect of this scheme in your individual tax return for the year of assessment in which the shares are allotted to you as income from employment for that year of assessment.

Please note that your employer will report any such taxable benefit arising to you in the employer's return it is required to file with the IRD.

If for any reason you redeem L'Air Liquide S.A. shares prior to the expiry of the lock-up period, you should report that early redemption to the IRD upon your early exit, and account for any additional salaries tax due as a result of the reduced effective duration of the lock-up period. Your employer will likewise report the same to the IRD. Otherwise, you are not required to report to the IRD the redemption after the expiry of the lock-up period or any subsequent sale or disposal of the L'Air Liquide S.A. shares you thereby acquire, or any dividends declared with respect to such shares.