

Paris, April 24, 2024

Air Liquide continues its trajectory with another solid quarter, combining sales growth, performance improvement and investment momentum

Key Figures (in millions of euros)	Q1 2024	2024/2023 as published	2024/2023 comparable ^(a)
Group Revenue	6,650	-7.3%	+2.1%
of which Gas & Services	6,358	-7.8%	+2.0%
of which Engineering & Construction	92	+5.2%	+6.5%
of which Global Markets & Technologies	200	+3.7%	+4.7%

(a) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts, see reconciliation in appendix.

Commenting on sales in the first quarter of 2024, **François Jackow, Chief Executive Officer of the Air Liquide Group**, stated:

*"With a proven resilient business model, **Air Liquide delivers once again a solid performance in the first quarter**. The Group thus maintains its **growth trajectory** despite an uncertain environment, and continues to prepare a **sustainable future** thanks to an investment momentum supported by **numerous projects in the energy transition**. Air Liquide's teams are moreover fully mobilized on **continuous performance improvement and structural efficiency projects** undertaken as part of our **ADVANCE strategic plan**, of which **the original margin increase ambition we doubled at the beginning of the year**⁽¹⁾.*

Group sales increased by +2.1% on a comparable basis - the first quarter of last year having been particularly dynamic. Published sales were down -7.3%, due to the decline in energy prices - for which variations are contractually passed through to Large Industries customers - as well as negative currency impacts. Revenue reached **6.65 billion euros**, including 6.36 billion euros for the Gas & Services business.

The **Gas & Services** business, which represents 96% of the Group's revenue, was up +2.0% on a comparable basis. Geographically, growth was notably driven by the **dynamism of the Americas**. By business line, **Healthcare** in particular stood out, with **Industrial Merchant** and **Large Industries** also contributing to the increase in sales on a comparable basis.

In line with the **ADVANCE renewed ambition announced in February this year**, Air Liquide is pursuing the continuous improvement of its operational performance by implementing new structural actions to deliver savings in the coming quarters. Over the first three months of the year, the Group notably generated efficiencies amounting to 112 million euros, ahead of its average annual target of 400 million euros. It also continued the active management of its business portfolio and the adjustment of its prices in Industrial Merchant, leveraging its ability to create value for customers.

Still very high at **4.1 billion euros**, the Group's **backlog** is diversified and well balanced among activities and geographies. **Investment decisions** amounted to **close to 900 million euros**, up +11% compared to last year. The 12-month portfolio of **investment opportunities** remains high at **3.4 billion euros**. More than 40% of these opportunities are **related to the energy transition** with, in particular, the first decarbonization projects in the United States and Europe. This portfolio includes projects in Electronics in Asia, as well as in the United States and Europe.

In 2024, Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates⁽²⁾."

¹ Operating margin excluding energy passthrough impact.

² Operating margin excluding energy passthrough impact. Net profit recurring excluding exceptional and significant transactions that have no impact on the operating income recurring.

Highlights

- **Corporate**
 - **Project to divest** Air Liquide's businesses in **12 countries in Africa**. Annual sales in these countries represent less than 10% of the Group's revenue in Africa.
- **Electronics**
 - Announcement of an **investment of more than 50 million euros** to build a new innovative production unit in Singapore and to transform existing facilities located in Malta (New York, United States), in order to **supply ultra-pure nitrogen to GlobalFoundries**. These projects will enable GlobalFoundries to benefit from greater energy efficiency.
- **Sustainable development**
 - Announcement by **Air Liquide and Sasol** of long-term contracts (PPA) with Enel Green Power RSA for a total capacity of 110 MW of renewable electricity for the Sasol site in Secunda, South Africa.
 - Continued **expansion of Air Liquide's biomethane production capacities in the United States**, with the construction of two production units in line with a circular economy approach.
- **Hydrogen**
 - Announcement by **Air Liquide and TotalEnergies** of the launch of the **TEAL Mobility** joint venture to create the leader in hydrogen distribution with a network of 100 truck stations in Europe.
 - As the Paris 2024 Olympic and Paralympic Games approach, **reopening ceremony for the Air Liquide hydrogen refueling station on Place de l'Alma, Paris**.
- **Decarbonizing industry**
 - As part of the **renewal of a long-term agreement with Dow**, **investment of nearly 40 million euros** to increase efficiency and reduce the CO₂ emissions of the Air Liquide industrial gas production site in Stade, Germany.

Group revenue totaled **6,650 million euros** in the 1st quarter of 2024, posting a growth of **+2.1%** on a comparable basis with the 1st quarter of 2023. The Group's **published sales** were down **-7.3%** in the 1st quarter of 2024, affected by unfavorable energy (-5.5%) and currency (-3.9%) impacts. There was no significant scope impact. The favorable impact on comparable growth of proactive price increases to counter hyperinflation⁽³⁾ in Argentina is estimated at approximately +1.7%.

Gas & Services revenue reached **6,358 million euros, up by + 2.0% on a comparable basis**. As **published revenue for Gas & Services** were down **-7.8%** in the 1st quarter of 2024, penalized by unfavorable energy (-5.7%) and currency (-4.1%) impacts. There was no significant scope impact.

Comparable growth⁽⁴⁾ in the **Industrial Merchant (+1.5%)** business continued in the 1st quarter of 2024 with slightly lower volumes and a price effect (+3.7%) that eased sequentially. Americas is the region contributing the most to the price effect (+6.5%) with proactive price increase campaigns, in particular in the United States (Airgas for +3%) and Argentina to counter hyperinflation (for +3%). Revenue from **Large Industries (+0.9%)** benefited from the start-up of two new units but was impacted by customer turnarounds and the divestiture of a cogeneration unit in Europe, while activity remained broadly stable. The **Healthcare** business was the growth driver in the 1st quarter, with an increase in sales of **+8.1%**, supported by the growth of all therapies in Home Healthcare and the increase in the prices of medical gases in an inflationary environment. Lastly, revenue from the **Electronics** business was slightly down by **-2.0%** against a very high basis of comparison in the 1st quarter of 2023: the decrease in sales of materials in a context of soft demand from memory manufacturers was partially offset by the +6% growth in carrier gas sales.

³ See definition in appendix.

⁴ Unless otherwise stated, all variations in revenue outlined below are on a comparable basis, excluding currency, energy (natural gas and electricity) and significant scope impacts.

- Gas & Services revenue in the **Americas** increased by **+6.3%** and reached **2,550 million euros** in the 1st quarter of 2024. All businesses grew in the region. Large Industries (+4.8%) benefited from strengthening demand over the quarter and from the start-up of an Air Separation Unit. In Industrial Merchant, revenue increased by +4.8%, supported by a price effect that remained very solid (+6.5%) and resilient gas volumes. The strong growth in Healthcare (+20.4%) was notably driven by the dynamic development of sales of Medical Gases in the United States and Home Healthcare in Latin America. Solid growth in Electronics (+3.3%) benefited from higher sales of carrier gases, equipment and installations.
- In **Europe**, sales were down slightly by **-1.6%** in the 1st quarter of 2024 and reached **2,250 million euros**. In Large Industries, revenue (-1.1%) was impacted by the divestiture of a cogeneration unit, partially offset by slightly higher volumes of hydrogen. In Industrial Merchant (-6.4%), prices were down (due to contractual indexation on energy price for the bulk), and volumes were affected by an unfavorable working day impact. The Healthcare business posted very solid sales growth (+4.3%), supported by the increase in the number of patients in Home Healthcare and the increase in volumes and prices of medical gases in an inflationary context.
- Revenue in the **Asia-Pacific** region was flattish (**-0.9%**) in the 1st quarter of 2024 and amounted to **1,291 million euros**. In Large Industries (-1.0%), the start-up of a new unit in March partially offset weak demand and customer turnarounds. Industrial Merchant's sales were up by +0.7%, supported by higher prices and increased volumes excluding helium. Electronics revenue decreased by -1.7% against a very high basis of comparison in the 1st quarter of 2023, the growth in carrier gas sales partially offsetting lower sales of specialty materials, equipment and installations.
- Revenue in the **Middle East & Africa** region increased sharply by **+10.5%** to **267 million euros** in the 1st quarter of 2024. All business lines grew.

Revenue in **Global Markets & Technologies** totaled **200 million euros** in the 1st quarter, up **+4.7%**. Order intake for Group projects and third-party customers amounted to **176 million euros**.

Consolidated revenue from **Engineering & Construction** totaled **92 million euros** in the 1st quarter of 2024, up **+6.5%** compared to the 1st quarter of 2023. Order intake for the Group and third-party customers reached **342 million euros**.

Efficiencies⁽⁵⁾ reached **112 million euros** in the 1st quarter of 2024, up **+22.2%** compared to the 1st quarter of 2023. The **price** effect in the **Industrial Merchant** business stood at **+3.7%** and came in addition to the significant price increase of +12.9% in the 1st quarter of 2023. This price effect eased sequentially. **Portfolio management** of businesses continued in the 1st quarter with **3 acquisitions** in Industrial Merchant in the United States and China, and **2 divestitures**, technological activities for the Aeronautics sector (Global Markets & Technologies) and the welding equipment rental activity in Industrial Merchant in Europe.

Cash flows from operating activities before changes in working capital amounted to **1,608 million euros**, up by +0.5% as published compared to the 1st quarter of 2023 and by **+6.1% excluding the currency impact** and two exceptional indemnity payments received in the 1st quarter of 2023 and 2024 respectively. This growth was higher than comparable sales growth (+2.1%) in the 1st quarter. This leverage effect reflects the contribution of the three drivers of **margin improvement**, namely pricing, efficiencies and portfolio management.

In the 1st quarter of 2024, **industrial and financial investment decisions** amounted to **888 million euros**, an increase of +11.4% compared to those of the 1st quarter of 2023. The **investment backlog** stood at a very high level of **4.1 billion euros**, compared to 3.5 billion euros in the 1st quarter of 2023.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **53 million euros** in the 1st quarter of 2024. Over the year, it is expected to be **between 270 and 290 million euros**.

The **portfolio of 12-month investment opportunities** remained stable at a high level of **3.4 billion euros** at the end of March.

In order to **decarbonize its production units**, the Group decided on the **electrification of a third Air Separation Unit** in China, which will reduce Scope 2 emissions by around 340,000 tonnes of CO₂ per year. Air Liquide and Sasol also announced that they had signed new long-term **renewable power purchase agreements** in South Africa, bringing the total capacity for the Secunda site to approximately 690 MW, corresponding to a reduction of more than 1.2 million

⁵ See definition in appendix.

tonnes per year of CO₂ emissions for Air Liquide. Furthermore, in order to actively contribute to the **decarbonization of mobility**, the Group decided to invest in the logistics chain downstream of the Normand'Hy electrolyzer in France and created the TEAL joint venture with TotalEnergies, which aims to roll out more than 100 hydrogen refueling stations in Europe in the next 10 years.

Analysis of 1st quarter 2024 revenue

Unless otherwise stated, all variations in revenue outlined below are on a **comparable basis**, excluding currency, energy (natural gas and electricity) and significant scope impacts.

REVENUE

Revenue (in millions of euros)	Q1 2023	Q1 2024	2024/2023 published change	2024/2023 comparable change
Gas & Services	6,893	6,358	-7.8%	+2.0%
Engineering & Construction	87	92	+5.2%	+6.5%
Global Markets & Technologies	194	200	+3.7%	+4.7%
TOTAL REVENUE	7,174	6,650	-7.3%	+2.1%

Group

Group revenue totaled **6,650 million euros** in the 1st quarter of 2024, posting a growth of **+2.1%** on a comparable basis with the 1st quarter of 2023. **Global Markets & Technologies** sales were up **+4.7%** and **Engineering & Construction** revenue from third party customers increased by **+6.5%**.

The Group's **published sales** were down **-7.3%** in the 1st quarter of 2024, affected by unfavorable energy (-5.5%) and currency (-3.9%) impacts. There was no significant scope impact. The favorable impact on comparable growth of proactive price increases to counter hyperinflation⁽⁶⁾ in Argentina is estimated at approximately +1.7%.

Gas & Services

Gas & Services revenue reached **6,358 million euros, up by + 2.0% on a comparable basis**.

Growth in the **Industrial Merchant (+1.5%)** business continued in the 1st quarter of 2024 with slightly lower volumes and a price effect (+3.7%) that eased sequentially. Americas is the region contributing the most to the price effect (+6.5%) with proactive price increase campaigns, in particular in the United States (Airgas for +3%) and Argentina to counter hyperinflation (for +3%). Revenue from **Large Industries (+0.9%)** benefited from the start-up of two new units but was impacted by customer turnarounds and the divestiture of a cogeneration unit in Europe, while activity remained broadly stable. The **Healthcare** business was the growth driver in the 1st quarter, with an increase in sales of **+8.1%**, supported by the growth of all therapies in Home Healthcare and the increase in the prices of medical gases in an inflationary environment. Lastly, revenue from the **Electronics** business was slightly down by **-2.0%** against a very high basis of comparison in the 1st quarter of 2023: the decrease in sales of materials in a context of soft demand from memory manufacturers was partially offset by the +6% growth in carrier gas sales.

As published revenue for **Gas & Services** were down **-7.8%** in the 1st quarter of 2024, penalized by unfavorable energy (-5.7%) and currency (-4.1%) impacts. There was no significant scope impact.

⁶ See definition in appendix.

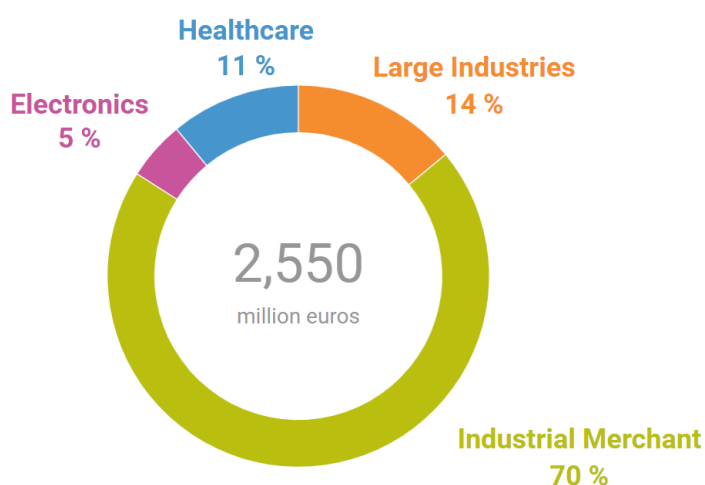
Revenue by geography and business line (in millions of euros)	Q1 2023	Q1 2024	2024/2023 published change	2024/2023 comparable change
Americas	2,629	2,550	-3.0%	+6.3%
Europe	2,639	2,250	-14.7%	-1.6%
Asia Pacific	1,385	1,291	-6.8%	-0.9%
Middle East & Africa	240	267	+11.3%	+10.5%
GAS & SERVICES REVENUE	6,893	6,358	-7.8%	+2.0%
Large Industries	2,202	1,736	-21.1%	+0.9%
Industrial Merchant	3,038	2,975	-2.1%	+1.5%
Healthcare	1,016	1,051	+3.5%	+8.1%
Electronics	637	596	-6.5%	-2.0%

Americas

Gas & Services revenue in the Americas increased by **+6.3%** and reached **2,550 million euros** in the 1st quarter of 2024. All businesses grew in the region and are benefiting in particular from proactive price increases, particularly in the United States, and in Argentina to counter hyperinflation. Large Industries (+4.8%) benefited from strengthening demand over the quarter and from the start-up of an Air Separation Unit. In Industrial Merchant, revenue increased by +4.8%, supported by a price effect that remained very solid (+6.5%) and resilient gas volumes. The strong growth in Healthcare (+20.4%) was notably driven by the dynamic development of sales of Medical Gases in the United States and Home Healthcare in Latin America. Solid growth in Electronics (+3.3%) benefited from higher sales of carrier gases, equipment and installations.

- Revenue from **Large Industries** grew by **+4.8%** and demand strengthened over the quarter. In North America, the start-up and ramp-up of Air Separation Units (ASU) offset the impact of customer turnarounds, particularly in Refining. In Latin America, hydrogen volumes were down due to the nationalization of a production unit in Mexico at the end of 2023.
- In the **Industrial Merchant** business, sales increased by **+4.8%**, supported by a very solid price effect at +6.5%. Gas volumes (excluding hardgoods) remained resilient. In the United States, gas volumes are increasing mainly in the Industrial Construction and Aeronautics sectors.
- In the **Healthcare** business, sales were up sharply (**+20.4%**). The rise in prices in Proximity Care in the United States and the dynamism of Home Healthcare in Latin America were the main contributors.
- The **Electronics** business showed solid revenue growth (**+3.3%**). Carrier gas sales increased, supported by the ramp-up of new units and the increase in helium volumes. High sales of equipment and installations also contributed to the growth, while sales of materials remained low.

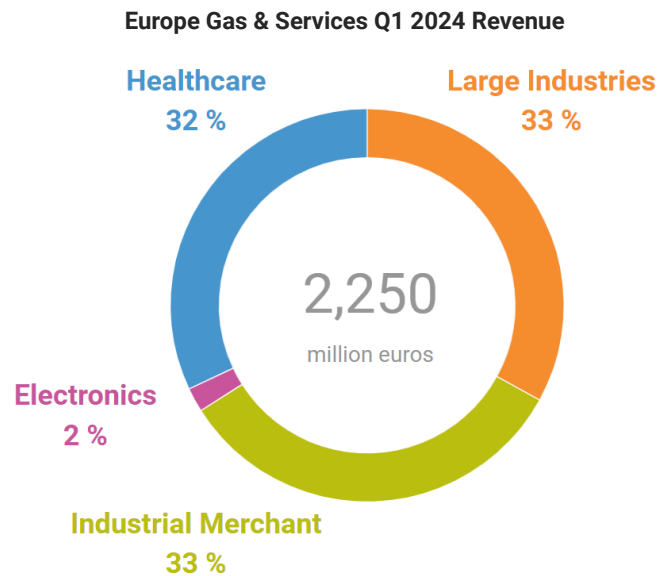
Americas Gas & Services Q1 2024 Revenue



Europe

In Europe, sales were down slightly by **-1.6%** in the 1st quarter of 2024 and reached **2,250 million euros**. In Large Industries, revenue (-1.1%) was impacted by the divestiture of a cogeneration unit, partially offset by slightly higher volumes of hydrogen. In Industrial Merchant (-6.4%), prices were down and volumes were affected by an unfavorable working day impact. The Healthcare business posted very solid sales growth (+4.3%), supported by the increase in the number of patients in Home Healthcare and the increase in volumes and prices of medical gases in an inflationary context.

- In the 1st quarter 2024, revenue for **Large Industries** decreased slightly by **-1.1%**. Hydrogen volumes increased in Chemicals compared to a low level in the 1st quarter of 2023 and were broadly stable in Refining. Demand for air gases from customers in the Chemicals and Steel industries also remained stable. Furthermore, sales were impacted by the divestiture of a cogeneration unit.
- Sales in the Industrial Merchant business were down by **-6.4%**, the price effect stood at **-1.9%**. The decrease in the price of bulk (indexed to energy prices) was partly offset by the proactive increase in the price of packaged gases, with a specific focus on the creation of value through innovation and on the quality of service to customers. Volumes were affected by an unfavorable working day effect of **-1%**. They declined in the Metallurgy, Glass and, to a lesser extent, Food markets, but increased in the Manufacturing, Research and Aeronautics sectors.
- In the **Healthcare** business, sales increased by **+4.3%**. Home Healthcare continued its dynamic growth, with a sharp increase in the number of patients cared for, particularly for diabetes and sleep apnea. Growth in sales of medical gases remained solid, supported by a balanced contribution from volumes and prices in an inflationary context.



Europe

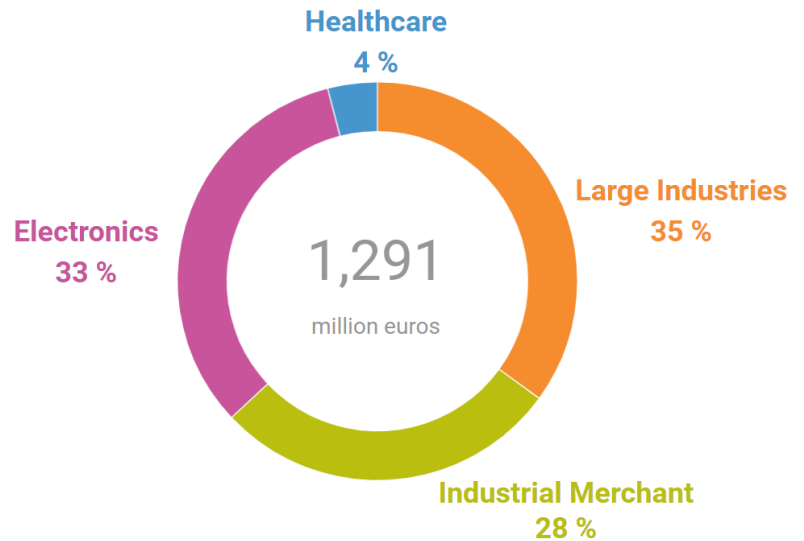
- Air Liquide is continuing its development with the **acquisition of two Homecare entities** in **Belgium** and the **Netherlands**. With this operation, the Group broadens its presence and offer in these countries. The acquired entities support **10,000 patients** living with respiratory insufficiency, sleep apnea syndrome or requiring infusion. With a turnover of more than 10 million euros in 2023, they are supported by around fifty employees.

Asia-Pacific

Revenue in the Asia-Pacific region was flattish (-0.9%) in the 1st quarter of 2024 and amounted to **1,291 million euros**. In Large Industries (-1.0%), the start-up of a new unit in March partially offset weak demand and customer turnarounds. Industrial Merchant's sales were up by +0.7%, supported by higher prices and increased volumes excluding helium. Electronics revenue decreased by -1.7% against a very high basis of comparison in the 1st quarter of 2023, the growth in carrier gas sales partially offsetting lower sales of specialty materials, equipment and installations.

- **Large Industries** revenue was down slightly by **-1.0%**. In China, several customer turnarounds were offset by the contribution of the start-up of a new hydrogen production unit in March. In Japan, oxygen volumes for steel production were down, while hydrogen volumes for Refining increased in Singapore.
- In **Industrial Merchant**, sales increased by **+0.7%**. The price effect (+1.3%) eased sequentially, in particular due to the marked decrease in helium prices. In China, the dynamism of the Automotive, Food and Secondary Electronics sectors supported the strong growth in volumes excluding helium, which reached +4%.
- Sales in **Electronics** were down **-1.7%** in the 1st quarter of 2024 compared to a very high basis of comparison in the 1st quarter of 2023. Sales of specialty materials were impacted by the low activity of memory manufacturers and sales of equipment and installations were down. However, sales of carrier gases continued to be up sharply (+5%), driven by the start-up of two new units in the 1st quarter, and sales of advanced materials returned to growth.

Asia-Pacific Gas & Services Q1 2024 Revenue



Middle East and Africa

Revenue in the Middle East & Africa region increased sharply by **+10.5%** to **267 million euros** in the 1st quarter of 2024. All business lines grew. In Large Industries, hydrogen volumes in Saudi Arabia were high. The strong performance of Industrial Merchant reflects a high price effect and the increase in volumes. In Healthcare, the rise in medical gas volumes in South Africa and the development of diabetes treatment in Saudi Arabia were the main contributors to revenue growth.



Middle East and Africa

- Air Liquide and Sasol have announced new **renewable Power Purchase Agreements (PPAs)** with **Enel Green Power RSA** for the **long term** supply of an additional capacity of **110 MW** to **Sasol's Secunda site in South Africa**. This is the fourth set of PPAs signed by Air Liquide and Sasol after those announced in 2023. Together, these PPAs represent a **total renewable power capacity of around 690 MW**. For Air Liquide, these contracts will enable an **annual reduction of approximately 1.2 million tonnes in its CO₂ emissions** and will largely contribute to the objective to reduce the local emissions of its air separation units by 30% to 40% by 2031.

Global Markets & Technologies

Revenue in Global Markets & Technologies totaled **200 million euros** in the 1st quarter, up **+4.7%**. The increase in sales of technological equipment (Turbo-Braytons, biogas equipment, hydrogen refueling stations, etc.) and the sharp increase in hydrogen volumes for mobility in the United States offset the divestiture of the aerospace technology activities at the end of February and the decrease in biogas prices.

Order intake for Group projects and third-party customers amounted to **176 million euros**, below the very high level of 240 million euros in the 1st quarter of 2023. This includes more than 10 Turbo-Brayton LNG reliquefactors, special systems for the Electronics industry and equipment for the transportation and distribution of hydrogen and air gases.

Engineering & Construction

Consolidated revenue from Engineering & Construction totaled **92 million euros** in the 1st quarter of 2024, up **+6.5%** compared to the 1st quarter of 2023.

Order intake for the Group and third-party customers reached **342 million euros**. They include in particular a hydrogen refueling center, Air Separation Units (ASU) and gas purification and liquefaction equipment. The share of orders for the Group increased and represents a large majority of new projects.

Investment cycle

INVESTMENT DECISIONS AND INVESTMENT BACKLOG

In the 1st quarter of 2024, **industrial and financial investment decisions** amounted to **888 million euros**, an increase of +11.4% compared to those of the 1st quarter of 2023.

The **industrial investment decisions** for the 1st quarter of 2024 amounted to **864 million euros**. In **Large Industries** they concern in particular the electrification of an existing Air Separation Unit (ASU) in China which currently consumes steam produced by the customer from coal. It is the third ASU of this type to be electrified in China and will contribute to the reduction of CO₂ emissions accounted for under Scope 2. In the **Industrial Merchant** business line, the decisions include on-site units, in particular two units to supply oxygen to a customer in the Pharmaceuticals sector in Europe, as well as investments in the production and distribution of argon in Europe and the United States. The construction of a new advanced materials production unit in the United States is the main investment decided in **Electronics** in the 1st quarter. Lastly, in the **Global Markets and Technologies** business, investments in the logistics chain, downstream of the Normand'Hy electrolyzer in France, were decided to develop hydrogen mobility.

Financial investment decisions totaled **24 million euros** in the 1st quarter of 2024. They include several small acquisitions in China and the United States in **Industrial Merchant** and a capital contribution to the joint venture created with TotalEnergies, which will deploy a network of refueling stations for hydrogen mobility of heavy-duty vehicles in Europe.

The **investment backlog** stood at a very high level of **4.1 billion euros**, compared to 3.5 billion euros in the 1st quarter of 2023. The geographical footprint is well balanced. Large Industries represents around 45% of the total and includes major projects at the heart of the energy transition. The share of Electronics stands at around 36%, mainly with investments in carrier gas production units. In Industrial Merchant (12% of the total), the projects currently being implemented are predominantly on-site gas generators. Finally, the Global Markets & Technologies activity represents 7% of current investments with projects linked to hydrogen mobility and biomethane production.



Investments

- Air Liquide announced an **investment of over 50 million euros** to build a **new innovative plant in Singapore** and **revamp its existing facilities in Malta** (New York, **U.S.**), supplying high purity nitrogen to **GlobalFoundries** (GF). These Air Liquide projects will enable GlobalFoundries to benefit from higher energy efficiencies.

START-UPS

The **main start-ups** carried out in the 1st quarter of 2024 in Large Industries include in the Americas an Air Separation Unit and, in China in March, a major hydrogen and CO production unit integrating a CO₂ capture and recycling system. In Electronics, they included in particular a large ultra-pure carrier gas unit in Japan.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **53 million euros** in the 1st quarter of 2024. Over the year, it is expected to be **between 270 and 290 million euros**.

INVESTMENT OPPORTUNITIES

The **portfolio of 12-month investment opportunities** remained stable at a high level of **3.4 billion euros** at the end of March. This reflects the dynamism of the development of projects at the core of the **energy transition**, which represented **more than 40% of the portfolio**, particularly in the United States and Europe, with carbon capture and low-carbon and renewable hydrogen production projects. Opportunities In Electronics are now spread across Asia, Europe and the United States.

The **portfolio of opportunities at more than 12 months** is also stable at a very high level and includes in particular significant projects in the energy transition and the Electronics sector.

Operating Performance

Financial performance

The **price** effect in the **Industrial Merchant** business stood at **+3.7%** and came in addition to the significant price increase of +12.9% in the 1st quarter of 2023. This price effect eased sequentially. The price of bulk, indexed in particular to the price of energy, continued to increase in all regions except Europe, where the evolution in the indexes was negative. In other business segments, particularly packaged gases, prices benefited from proactive increases in all regions. Specific attention was also being paid to value creation through innovation and quality of service to customers. Thus, active price management contributed to the improvement of the margin.

Efficiencies⁽⁷⁾ reached **112 million euros** in the 1st quarter of 2024, up **+22.2%** compared to the 1st quarter of 2023. Efficiencies related to **purchases**, which account for more than a quarter of the total, were high despite an inflationary context. The Group continued its **transformation** with the reorganization of Home Healthcare activities in France, the rollout of digital tools for optimizing the supply chain and the implementation of shared service and remote operations centers. In addition, the cross-functional program of **continuous improvement** actively supported the development of more than a third of efficiencies, including a wide range of industrial efficiency projects, thanks to a digital platform to help replicate initiatives and a network of committed experts.

Portfolio management of businesses continued in the 1st quarter with **3 acquisitions** in Industrial Merchant in the United States and China, and **2 divestitures**, the aerospace technology activities (Global Markets & Technologies) and the welding equipment rental activity in Industrial Merchant in Europe.



Divestitures

- Air Liquide has signed an **agreement with Adenia Partners Ltd** regarding the **project to sell** its activities in the following **twelve countries in Africa**: Benin, Burkina Faso, Cameroon, Congo, Côte d'Ivoire, Gabon, Ghana, Madagascar, Mali, Democratic Republic of Congo, Senegal and Togo. These activities represent a **total annual sales of about 60 million euros** (less than 10% of the Group's sales in Africa). The proposed divestiture remains subject to the usual regulatory and financial approvals.

Cash flows from operating activities before changes in working capital amounted to **1,608 million euros**, up by +0.5% as published compared to the 1st quarter of 2023 and by **+6.1% excluding the currency impact** and two exceptional indemnity payments received in the 1st quarter of 2023 and 2024 respectively. This growth was higher than comparable sales growth (+2.1%) in the 1st quarter. This leverage effect reflects the contribution of the three drivers of **margin improvement**, namely pricing, efficiencies and portfolio management.

Extra-financial performance

In order to **decarbonize its production units**, the Group decided on the **electrification of a third Air Separation Unit** in China, which will reduce Scope 2 emissions by around 340,000 tonnes of CO₂ per year. Air Liquide and Sasol also announced that they had signed new long-term **renewable power purchase agreements** in South Africa, bringing the total capacity for the Secunda site to approximately 690 MW, corresponding to a reduction of more than 1.2 million tonnes per year of CO₂ emissions for Air Liquide. Furthermore, in order to actively contribute to the **decarbonization of mobility**, the Group decided to invest in the logistics chain downstream of the Normand'Hy electrolyzer in France and created the TEAL joint venture with TotalEnergies, which aims to roll out more than 100 hydrogen refueling stations in Europe in the next 10 years.

⁷ See definition in appendix.

Outlook

With a proven resilient business model, **Air Liquide delivered once again a solid performance in the first quarter.** The Group thus maintained its **growth trajectory** despite an uncertain environment, and continued to prepare a **sustainable future** thanks to an investment momentum supported by **numerous projects in the energy transition.** Air Liquide's teams are moreover fully mobilized on **continuous performance improvement and structural efficiency projects** undertaken as part of our ADVANCE strategic plan, of which **the original margin increase ambition was doubled at the beginning of the year**⁽⁸⁾.

Group sales increased by +2.1% on a comparable basis - the first quarter of last year having been particularly dynamic. Published sales were down -7.3%, due to the decline in energy prices - for which costs are contractually passed through to Large Industries customers - as well as negative currency impacts. Revenue reached **6,650 million euros**, including 6,358 million euros for the Gas & Services business.

The **Gas & Services** business, which represented 96% of the Group's revenue, was up +2.0% on a comparable basis. Geographically, growth was notably driven by the dynamism of the Americas. By business line, Healthcare in particular stood out, with Industrial Merchant and Large Industries also contributing to the increase in sales on a comparable basis.

In line with the ADVANCE renewed ambition announced in February this year, Air Liquide is pursuing the continuous improvement of its operational performance by implementing **new structural actions** to deliver savings in the coming quarters. Over the first three months of the year, the Group notably generated efficiencies amounting to 112 million euros, ahead of its average annual target of 400 million euros. It also continued the **active management of its business portfolio** and the **adjustment of its prices** in Industrial Merchant, leveraging its ability to create value for customers.

Still very high at **4.1 billion euros**, the Group's **investment backlog** is diversified and well balanced among activities and geographies. **Investment decisions** amounted to **close to 900 million euros**, up +11% compared to 1st quarter 2023. The 12-month portfolio of **investment opportunities** remains high at **3.4 billion euros**. More than 40% of these opportunities are **related to the energy transition** with, in particular, the first decarbonization projects in the United States and Europe. This portfolio includes projects in Electronics in Asia, as well as in the United States and Europe.

In 2024, Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates⁽⁹⁾.

⁸ Operating margin excluding energy passthrough impact.

⁹ Operating margin excluding energy passthrough impact. Net profit recurring excluding exceptional and significant transactions that have no impact on the operating income recurring.

Appendices - Performance indicators

Performance indicators used by the Group that are not directly defined in the financial statements have been prepared in accordance with the AMF position 2015-12 about alternative performance measures.

The performance indicators are the following:

- Comparable sales change
- Currency, energy and significant scope impacts
- Efficiencies

DEFINITION OF CURRENCY, ENERGY AND SIGNIFICANT SCOPE IMPACTS

Since industrial and medical gases are rarely exported, the impact of currency fluctuations on activity levels and results is limited to euro translation impacts with respect to the financial statements of subsidiaries located outside the eurozone. **The currency impact** is calculated based on the aggregates for the period converted at the exchange rate for the previous period.

In addition, the Group passes on variations in the cost of energy (electricity and natural gas) to its customers via indexed invoicing integrated into their medium and long-term contracts. This indexing can lead to significant variations in sales (mainly in the Large Industries Business Line) from one period to another depending on fluctuations in prices on the energy market.

An energy impact is calculated based on the sales of each of the main subsidiaries in Large Industries. Their consolidation allows the determination of the energy impact for the Group as a whole. The foreign exchange rate used is the average annual exchange rate for the year N-1. Thus, at the subsidiary level, the following formula provides the energy impact, calculated for natural gas and electricity respectively:

Energy impact =

Share of sales indexed to energy year (N-1) x (Average energy price in year (N) - Average energy price in year (N-1))

This indexation effect of electricity and natural gas does not impact the operating income recurring.

The significant scope impact corresponds to the impact on sales of all acquisitions or disposals of a significant size for the Group. These changes in scope of consolidation are determined:

- for acquisitions during the period, by deducting from the aggregates for the period the contribution of the acquisition,
- for acquisitions during the previous period, by deducting from the aggregates for the period the contribution of the acquisition between January 1 of the current period and the anniversary date of the acquisition,
- for disposals during the period, by deducting from the aggregates for the previous period the contribution of the disposed entity as of the anniversary date of the disposal,
- for disposals during the previous period, by deducting from the aggregates for the previous period the contribution of the disposed entity.

COMPARABLE SALES CHANGE

Comparable changes for sales **exclude the currency, energy and significant scope impacts described above**. The calculations are the following:

<i>(in millions of euros)</i>	Q1 2024	Q1 2024/2023 Published Growth	Currency impact	Natural gas impact	Electricity impact	Significant scope impact	Q1 2024/2023 Comparable Growth
Revenue							
Group	6,650	-7.3%	(280)	(299)	(95)	0	+2.1%
<i>Impacts in %</i>			-3.9%	-4.2%	-1.3%	-	
Gas & Services	6,358	-7.8%	(277)	(299)	(95)	0	+2.0%
<i>Impacts in %</i>			-4.1%	-4.3%	-1.4%	-	

EFFICIENCIES

Efficiencies represent a sustainable cost reduction resulting from an action plan on a specific project. Efficiencies are identified and managed on a per project basis. Each project is followed by a team composed in alignment with the nature of the project (purchasing, operations, human resources...).

Definitions

Portfolio of 12-month investment opportunities: cumulative value of investment opportunities taken into account by the Group for a decision within the next 12 months. Industrial projects with a value of more than 5 million euros for Large Industries and more than 3 million euros for other business lines, including replacement assets and efficiency projects.

Investment decisions: cumulative value of industrial and financial investment decisions. Growth and non-growth industrial projects, including the renewal of assets, efficiency projects, maintenance and safety, as well as financial decisions (acquisitions).

Investment backlog: cumulative value of investments for projects that have been decided but not yet started up. Industrial projects of more than 10 million euros, including the renewal of assets and efficiency projects.

Impact of hyperinflation in Argentina: estimation calculated by capping the price increase in 2023 at 26% (an average annual level of 26% over 3 years corresponds to the definition of hyperinflation).

Sales and investments key figures synthesis

The following tables **gather data already available** in this report. They **complement the key figures** indicated in the table on the **first page**.

Sales

Q1 2024 split of revenue and comparable growth in %	Total	Large Industries	Industrial Merchant	Electronics	Healthcare
Americas	100%	14%	70%	5%	11%
	+6.3%	+4.8%	+4.8%	+3.3%	+20.4%
Europe	100%	33%	33%	2%	32%
	-1.6%	-1.1%	-6.4%	N.C.	+4.3%
Asia Pacific	100%	35%	28%	33%	4%
	-0.9%	-1.0%	+0.7%	-1.7%	N.C.
Middle-East and Africa	100%	N.C.	N.C.	N.C.	N.C.
	+10.5%				
Gas & Services	100%	27%	47%	9%	17%
	+2.0%	+0.9%	+1.5%	-2.0%	+8.1%
Engineering & Construction	+6.5%				
Global Markets & Technologies	+4.7%				
GROUP TOTAL	+2.1%				

N.C.: Not communicated.

Investments

(in billion euros)	Q1 2024
12-month portfolio of investment opportunities ^(a)	3.4
Investment decisions ^(b)	0.9
Investment backlog ^(a)	4.1
Additional contribution to revenue of unit start-ups and ramp-ups ^(b) (in million euros)	53

(a) At the end of the reporting period.

(b) Cumulated value from the beginning of the calendar year until the end of the reporting period.

**The slideshow that accompanies this release is available as of 7:20 am (Paris time) at www.airliquide.com.
Throughout the year, follow Air Liquide on [LinkedIn](#).**

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UPCOMING EVENTS

Annual General Meeting of Shareholders:

April 30, 2024

Dividend Ex-coupon Date:

May 20, 2024

Dividend Payout Date:

May 22, 2024

2024 First Half Revenue and Results:

July 26, 2024

Air Liquide is a world leader in gases, technologies and services for industry and healthcare. Present in 72 countries with 67,800 employees, the Group serves more than 4 million customers and patients. Oxygen, nitrogen and hydrogen are essential small molecules for life, matter and energy. They embody Air Liquide's scientific territory and have been at the core of the Group's activities since its creation in 1902.

Taking action today while preparing the future is at the heart of Air Liquide's strategy. With ADVANCE, its strategic plan for 2025, Air Liquide is targeting a global performance, combining financial and extra-financial dimensions. Positioned on new markets, the Group benefits from major assets such as its business model combining resilience and strength, its ability to innovate and its technological expertise. The Group develops solutions contributing to climate and the energy transition—particularly with hydrogen—and takes action to progress in areas of healthcare, digital and high technologies.

Air Liquide's revenue amounted to more than 27.5 billion euros in 2023. Air Liquide is listed on the Euronext Paris stock exchange (compartment A) and belongs to the CAC 40, CAC 40 ESG, EURO STOXX 50, FTSE4Good and DJSI Europe indexes.