



# AIR LIQUIDE FINANCE

FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2022

Société Anonyme with a share capital of 359,721,904 euros  
Headquarters: 6, rue Cognacq-Jay, 75007 Paris

## BALANCE SHEET AIR LIQUIDE FINANCE

(In thousands of euros)

ASSETS	As of December 31, 2022			As of December 31, 2021
	Gross carrying amount	Depreciation, amortization and provision	Net	Net
Capital subscribed but not called	<b>TOTAL I</b>			
<b>INTANGIBLE ASSETS</b>	3,049		3,049	3,049
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
<b>LONG-TERM FINANCIAL ASSETS</b>				
Equity investments	1		1	341,617
Loans	10,727,509	18,303	10,709,206	11,032,038
Other long-term investments				
	<b>TOTAL II</b>	<b>10,730,559</b>	<b>10,712,256</b>	<b>11,376,704</b>
<b>INVENTORIES AND WORK-IN-PROGRESS</b>				
<b>RECEIVABLES</b>				
Trade receivables and related accounts				
Group company and other receivables	2,291,565	37,782	2,253,783	2,092,992
<b>MISCELLANEOUS</b>				
Short-term financial investments	64,759		64,759	952
Financial instruments	79,037		79,037	144,286
Cash at bank and in hand	855,393		855,393	1,390,427
<b>PREPAYMENTS AND ACCRUED INCOME</b>				
Prepaid expenses	1,383		1,383	7
	<b>TOTAL III</b>	<b>3,292,137</b>	<b>3,254,355</b>	<b>3,628,664</b>
Loan issue costs to be amortized	<b>TOTAL IV</b>	19,440	19,440	21,875
Bond redemption premiums	<b>TOTAL V</b>	30,877	30,877	30,727
Unrealized foreign exchange losses	<b>TOTAL VI</b>	6,131	6,131	7,028
<b>TOTAL ASSETS (I to VI)</b>	<b>14,079,144</b>	<b>56,085</b>	<b>14,023,059</b>	<b>15,064,998</b>

## BALANCE SHEET AIR LIQUIDE FINANCE

(In thousands of euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	As of December 31 2022	As of December 31, 2021
	Before approval of the financial statements	
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	359,722	359,722
Additional paid-in capital	84,332	84,332
Reserves:		
- Legal reserve	12,507	10,200
Retained earnings	60	28
<b>Net income (loss) for the year</b>	<b>413,291</b>	<b>46,141</b>
Investment subsidies		
Other tax-driven provisions		
<b>TOTAL I</b>	<b>869,912</b>	<b>500,423</b>
<b>EQUITY EQUIVALENTS</b>		
<b>TOTAL II</b>		
<b>PROVISION</b>		
Provision for exchange risk	6,131	
Deferred income	782	1,060
<b>TOTAL III</b>	<b>6,913</b>	<b>1,060</b>
<b>LIABILITIES</b>		
Convertible bonds		
Other bonds	10,274,092	10,839,533
Bank borrowings	115,542	209,166
Other borrowings	651,890	655,478
Trade payables and related accounts		
Tax and employee-related liabilities	946	542
Accounts payable in respect of fixed assets and related accounts		
Amounts payable to Group and other companies	2,102,256	2,858,779
Financial instruments	743	17
<b>ACCRUALS AND DEFERRED INCOME</b>		
Deferred income		
<b>TOTAL IV</b>	<b>13,145,469</b>	<b>14,563,515</b>
Unrealized foreign exchange gains	<b>765</b>	
<b>TOTAL V</b>		
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (I to V)</b>	<b>14,023,059</b>	<b>15,064,998</b>

## INCOME STATEMENT AIR LIQUIDE FINANCE

(In thousands of euros)

Income statement	As of December 31, 2022	As of December 31, 2021
<b>OPERATING INCOME</b>		
Capitalized production		
<b>Total operating income (I)</b>		
<b>OPERATING EXPENSES</b>		
External charges	5,804	6,414
Duties and taxes other than corporate income tax	682	661
Personnel expenses		
Depreciation, amortization and impairment losses		
<b>Total operating expenses (II)</b>	<b>6,486</b>	<b>7,075</b>
<b>NET OPERATING INCOME/(LOSS) (I - II)</b>	<b>(6,486)</b>	<b>(7,075)</b>
<b>FINANCIAL INCOME</b>		
Other interest and similar income	789,118	349,100
Reversals of impairment and provisions, expense reclassifications		
Foreign exchange gains		
<b>Total financial income (III)</b>	<b>789,118</b>	<b>349,100</b>
<b>FINANCIAL EXPENSES</b>		
Amortization, impairment and provisions	67,550	6,067
Interest and similar charges	274,572	266,861
Other financial charges	10,684	11,774
Foreign exchange losses	2,115	1,998
<b>Total financial expenses (IV)</b>	<b>354,921</b>	<b>286,700</b>
<b>NET FINANCIAL INCOME/(LOSS) (III - IV)</b>	<b>434,197</b>	<b>62,400</b>
<b>NET INCOME/(LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX (I - II + III - IV)</b>	<b>427,711</b>	<b>55,325</b>
<b>EXCEPTIONAL INCOME (V)</b>		
<b>EXCEPTIONAL EXPENSES (VI)</b>		
Exceptional charges on non-capital operations		
<b>NET EXCEPTIONAL ITEMS (V - VI)</b>		
<b>CORPORATE INCOME TAX</b>	<b>14,420</b>	<b>9,184</b>
<b>NET INCOME FOR THE YEAR</b>	<b>413,291</b>	<b>46,141</b>

## Summary to the Air Liquide Finance company financial statements

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## Notes to the statutory accounts

### **A - ACCOUNTING POLICIES**

#### **1. General principles**

The financial statements of Air Liquide Finance have been prepared in accordance with accounting rules and principles generally applicable in France and in particular those of the French General Chart of Accounts (Plan Comptable Général).

The financial statements have been prepared on the basis of the continuity of activity, the consistency of accounting methods from one financial year to another, and the independence of financial years.

The basic method used for the valuation of items recorded in the accounts is the historical cost method. Air Liquide Finance applies accounting standard n° 2015-05 issued by ANC (Autorité des Normes Comptables) on July 2nd, 2015 relating to forward financial instruments and hedging transactions.

#### **2. Intangible assets**

Intangible assets are valued at purchase price. An impairment test is carried out at year-end. Impairment losses are recorded for purchased goodwill where its gross value exceeds its closing value.

#### **3. Long-term financial assets**

Equity investments and other long-term investment securities are recorded at historical value on the balance sheet.

An impairment provision is recorded where the carrying amount of long-term investments exceeds their closing value.

#### **4. Loans and borrowings**

Loans and borrowings are recorded at nominal value on the balance sheet.

Loans granted with a maturity of one year or more from the beginning are classified in long-term financial assets. Loans granted with a maturity of less than one year from the beginning and current cash accounts set up with the group companies are classified in receivables. A provision for depreciation is recognized when there is a risk of non-recovery.

The financing provided by the group is classified in "other borrowings" for borrowings and in "amounts payable to Group and other companies" for cash current accounts, cash surpluses and short-term negotiable instruments issued through its subsidiary Air Liquide US LLC on the US market (US commercial paper). Financing from sources outside the Group is classified in "other bonds" for bonds and private placements, and in "bank borrowings" for commercial paper and bank overdrafts.

Loans and borrowings in foreign currency are accounted for their counter-value in euros applicable at the inception date.

At closing date:

- Loans and borrowings are re-evaluated at closing rate
- Differences between counter-value in euros at inception and closing date are accounted for in the balance sheet in unrealized foreign exchange gains/losses
- Unrealized foreign exchange losses which are not compensated are specifically analyzed. A contingency provision is recognized in totality when operations are not hedged. As for hedged operations, no

contingency provision is recognized except when a risk arising from a partial inefficiency of the hedging relationship is identified

## 5. Receivables and payables

Receivables and payables are stated at nominal value.

At year-end, differences arising from the translation of receivables and payables denominated in a foreign currency are recognized in suspense accounts in assets and liabilities ("Unrealized foreign currency gains or losses").

Any contingency provision is recorded for unrealized foreign exchange losses.

## 6. Deferred charges

Loan issue costs and premiums are recorded in deferred charges and amortized on a straight-line basis over the term of the loan. In the income statement, amortization is recorded in external charges for issue costs, and in amortization, impairment and provisions under financial expenses for issue premiums.

## 7. Provisions

The deferred tax method is applied for the preparation of the financial statements. Deferred tax liabilities are recorded under provisions for taxes.

## 8. Financial instruments

The company provides short-term and long-term financing to the Group subsidiaries through loans and cash-pool denominated in foreign currency.

The operational subsidiaries of the Group contract purchases and sales of forward currency transactions with Air Liquide Finance. Air Liquide Finance contracts symmetrically purchases and sales of forward currency transactions with external counterparts.

### - Currency hedging

The exposure resulting from these operations are hedged through bonds issuances and / or borrowings contracted directly in foreign currency, and various financial instruments, mostly foreign exchange forwards and cross-currency swaps.

Regarding foreign exchange forward derivatives, the company recognizes swap points in the balance sheet (on line "financial instruments") and amortizes them on a linear basis throughout the life of the hedging instruments.

Regarding cross-currency swaps, interests on each leg (borrowing and lending) are accounted for in the P&L (on line "other interest and similar income") at the time they are incurred, with a counterpart in the balance sheet in the line "other borrowings".

The realized result due to hedging instruments is presented symmetrically at the same time and in the same financial statement line as the realized result generated by the underlying hedged operation. Likewise, unrealized results linked to the foreign exchange part of hedging instruments are presented in the same financial statement line in the balance sheet as unrealized foreign exchange gains / losses recognized for the underlying hedged operations.

When hedging instruments are realized before the underlying hedged operations, the realized gains / losses are accounted for in the balance sheet in line "financial instruments". These gains / losses are recognized in the P&L only when the symmetrical gains / losses linked to the underlying hedged operations are realized and impact the P&L.

When derivative instruments do not qualify for hedge accounting, they are considered as isolated open-positions:

- Realized gains / losses are recognized in the P&L
- At the closing date, unrealized gains / losses are accounted for in the balance sheet on line "financial instruments". Only unrealized losses impact the P&L, through the recognition of a contingency provision.

#### - Hedging of interest rates

In order to mitigate the risk of a rise in interest rates which could have an impact on future refinancing debts, the company may contract interest rate hedges that cover interest rate fluctuations between the inception date of the hedge and the expected inception date of the hedged bond emission. This materializes by a cash settlement (paid or received) at the hedged bond emission date. This cash settlement is initially accounted for on line "financial instrument" and is amortized during the life of the hedged bond issuance.

## 9. Cash and short-term financial investments

Bank liquidities are valued at their nominal value. Foreign currency liquidities are converted to and recorded in euros at the year-end closing exchange rate.

Short-term financial investments are valued at cost. Unrealized capital losses are estimated on the basis of the closing fair value of investments and are impaired where necessary.

## B - NOTES TO THE ANNUAL YEAR FINANCIAL STATEMENTS

### 1. Significant events

- On February 24, 2022, a military conflict broke out between Russia and Ukraine. This conflict has led to a risk of non-recovery of the loans granted to Russian entities. On September 2, 2022, the Air Liquide Group confirmed its intention to disengage from Russia. As a result, the loans and receivables granted to the Russian entities outstanding as of December 31, 2022 have been fully impaired for an amount of 56 million euros (representing less than 0.5% of total loans and receivables). A further 6.7 million loss euros was recognized for the unwinding of hedging transactions, as well as a provision for foreign exchange risk for the amount of 6.1 million euros.
- During fiscal year 2021, Air Liquide International contributed its stake in Air Liquide Belgium to Air Liquide Finance under the preferential regime of Articles 210 A and B of the French General Tax Code ("CGI"). This participation, the total amount of which was 341.6 million euros, is assimilated to a complete branch of activity. The Air Liquide Finance shares received by Air Liquide International in consideration for the contribution were allocated free of charge to Air Liquide SA, after obtaining the approval provided for in article 115-2 bis of the CGI. These preparatory operations enabled the completion on January 31, 2022 of the simplified cross-border merger operation of Air Liquide Belgium into Air Liquide Finance. As part of this operation, a branch of the company was opened in Belgium called "Air Liquide Finance Belgian branch".



The transaction generated a merger bonus of 406 million euros recorded in the income statement on the line "Other interest and similar income".

The financial statements for the year 2022 include for the first time the results of the branch established on January 31, 2022 in Belgium. This independently managed establishment is subject to local Belgian laws and regulations. The accounting income generated is 4.8 million euros before tax (mainly composed of financial income on loans to certain subsidiaries of the Air Liquide Group for the amount of 305 million euros), 1.2 million euros in corporate income tax, and a net income of 3.6 million euros.

## 2. Intangible assets

To separate its industrial activities from its financing activity, L'Air Liquide S.A. created Air Liquide Finance, a wholly owned French subsidiary in 1999.

In 2001, L'Air Liquide S.A. transferred the financing and interest rate and cash flow risk management of the Group and its subsidiaries to Air Liquide Finance.

Purchased goodwill for the amount of 3 million euros was recorded at the time of the transfer. This purchased goodwill was not impaired as of December 31, 2022.

## 3. Long-term financial assets

Changes in the gross value of long-term investments break down as follows:

<i>(In thousands of euros)</i>	Gross value as of January 1, 2022	Increases	Decreases	Gross value as of December 31, 2022
Equity investments	341,617	-	(341,616)	1
Loans	11,032,038	801,526	(1,106,055)	10,727,509
<b>Total</b>	<b>11,373,655</b>	<b>801,526</b>	<b>(1,447,671)</b>	<b>10,727,510</b>

(1) Air Liquide Finance wholly owns Air Liquide US LLC in order to borrow, by issuing US Commercial Paper, on the US market.

The decrease on the line Equity investments is due to the merger of Air Liquide Belgium into Air Liquide Finance (see note B-1 Significant events of the period).

(2) The change on loans comes from repayments and new loans granted to Air Liquide Group subsidiaries during the year.

- The increases correspond mainly to the incorporation of the Air Liquide Belgium loans following the merger for 305 million euros, and the foreign exchange effect on the US dollar loans to American Air Liquide for 149 million euros, due to the appreciation of the US dollar against the euro.
- The decreases correspond mainly to the repayment of a 600 million euros loan by Air Liquide International and a 400 million US dollars loan (310 million euros) by American Air Liquide.

#### 4. Short-term financial investments

The item breaks down as follows:

<i>(In thousands of euros)</i>	December 31, 2022
Certificate of deposit	-
Term deposit	62,000
Mutual fund	1,879
Prepaid interest	880
<b>Total</b>	<b>64,759</b>

#### 5. Shareholders' equity

As of December 31, 2022, the share capital is made up of 21,160,112 ordinary shares with a par value of 17 euros.

<i>(In thousands of euros)</i>	As of December 31, 2021 (before appropriation of earnings)	Appropriation of 2021 net income (following AGM decision of May 31, 2022)	Other changes	As of December 31, 2022 (before appropriation of earnings)
Share capital	359,722			359,722
Additional paid-in capital	84,332			84,332
Revaluation reserve				
Legal reserve	10,200	2,307		12,507
Long-term capital gains reserve				
Other reserves				
Retained earnings	28	32		60
Net profit for the year	46,141	(46,141)	413,291	413,291
<b>Total</b>	<b>500,423</b>	<b>(43,802)</b>	<b>413,291</b>	<b>869,912</b>

Following the decision of the Annual Shareholders' Meeting of May 31, 2022, appropriation of 2021 net profit includes dividend payment for 43.8 million euros.

#### 6. Impairments and provisions

##### a) Provisions

Provisions correspond to :

- Deferred taxes which amounted to 0.8 million euros as at December 31, 2022 compared with 1 million euros as at December 31, 2021 ;
- A provision for foreign exchange risk on loans to Russian entities which has been recognized for an amount of 6.1 million euros.

##### b) Impairments

As indicated in the significant events of the year, loans or receivables to Russian entities have been fully impaired and can be analyzed as follows :

<i>(In thousands of euros)</i>	2021	Depreciation	Reversal	2022
Loans	-	(18,303)	-	(18,303)
Receivables from group entities and others	-	(37,782)	-	(37,782)
<b>Total</b>	<b>-</b>	<b>(56,085)</b>	<b>-</b>	<b>(56,085)</b>

## 7. Debt maturity analysis

(In thousands of euros)

ASSETS	Gross amount as of December 31, 2021	Gross amount as of December 31, 2022	≤ 1 year	> 1 year
Loans to equity affiliates				
Other long-term investment securities				
Loans	11,032,038	10,727,509	1,370,431	9,357,078
Trade receivables and related accounts				
Group company and other receivables	2,092,992	2,291,565	2,291,565	
<b>Total</b>	<b>13,125,030</b>	<b>13,019,074</b>	<b>3,661,996</b>	<b>9,357,078</b>

(In thousands of euros)

LIABILITIES	Gross amount as of December 31, 2021	Gross amount as of December 31, 2022	≤ 1 year	> 1 to ≤ 5 years	> 5 years
Other bonds <sup>(1)</sup>	10,839,533	10,274,092	892,287	4,303,216	5,078,589
Bank borrowings <sup>(2)</sup>	209,166	115,542	115,542		
Other borrowings	655,478	651,890	14,176	637,714	
Trade payables and related accounts					
Tax and employee-related liabilities	542	946	946		
Amounts payable to Group and other companies	2,858,779	2,102,256	2,102,256		
<b>Total</b>	<b>14,563,498</b>	<b>13,144,726</b>	<b>3,125,207</b>	<b>4,940,930</b>	<b>5,078,589</b>

<sup>(1)</sup> The change in debt is mainly explained by:

- The repayment in January 2022 of a bond loan issued in January 2015 for 500 million Renminbis (approximately 72 million euros);
- The repayment in April 2022 of a bond loan issued in April 2016 for 300 million euros;
- The repayment in June 2022 of a bond loan issued in June 2016 for 500 million euros;
- The repayment in September 2022 of a bond issued in September 2012 for 400 million US dollars (approximately 393 million euros);
- A public Euro bond issue for 600 million euros on September 9, 2022 at a fixed rate of 2.875% and maturing on September 16, 2032;
- The increase on US dollar bonds for 151 million euros due to the appreciation of US dollar against euro.

<sup>(2)</sup> Including current bank overdrafts as of December 31, 2022: 27.7 million euros, and NEU CP "Negotiable European Commercial Paper": 85 million euros.

## 8. Breakdown of accrued expenses

(In thousands of euros)

	December 31, 2022
Accrued interest on bonds	79,596
Accrued interest on swaps (1)	2,823
Accrued interest on other borrowings	14,176
Accrued interest on Group company borrowings	1,670
Other accrue interest (1)	0
<b>Accrued financial expenses</b>	<b>98,265</b>
<b>Other payables</b>	<b>12,374</b>

<sup>(1)</sup> Accrued interest on swaps are recorded in Bank borrowings.

## 9. Breakdown of accrued income

<i>(In thousands of euros)</i>	December 31, 2022
Accrued interest on loans	94,049
Accrued interest on receivables from Group companies	11,179
Other accrued interest receivable	880
<b>Accrued income</b>	<b>106,108</b>

## 10. Loan issue costs to be amortized

The change in borrowing issue costs to be deferred can be analyzed as follows :

<i>(In thousands of euros)</i>	December 31, 2021	Increases	Decreases	December 31, 2022
Issue costs	21,875	1,760	(4,196)	19,440
<b>Total</b>	<b>21,875</b>	<b>1,760</b>	<b>(4,196)</b>	<b>19,440</b>

## 11. Bond redemption premiums

The change in bond redemption premiums can be analyzed as follows:

<i>(In thousands of euros)</i>	December 31, 2021	Increase	Decrease	December 31, 2022
Before 2021 issue premiums	30,727		(5,197)	25,530
2022 issue premiums		5,484	(137)	5,347
<b>Total</b>	<b>30,727</b>	<b>5,484</b>	<b>(5,334)</b>	<b>30,877</b>

## 12. Financial instruments

<i>(In thousands of euros)</i>	December 31, 2022
<b>Financial instruments Assets</b>	
Cash settlements relating to interest rate hedging (1)	45,495
Forex swap on NEU CP and US CP	79
Forex swap on Group loans/borrowings	33,463
	<b>79,037</b>
<b>Financial instruments Liabilities</b>	
Forex swap on NEU CP and US CP	743,31
Forex swap on Group loans/borrowings	0
	<b>743</b>

(1) Net book value after amortization applied over the life of the bond issues whose rate was hedged using interest rate derivatives

### 13. Tax consolidation

L'Air Liquide S.A., together with its French subsidiaries in which it has a direct or indirect interest of at least 95%, forms a tax consolidation group as defined by Article 223 A of the French General Tax Code.

Air Liquide Finance calculates its tax provision as if it was taxed separately and pays its tax to L'Air Liquide S.A., the group parent company.

### 14. Financial income

- Financial income includes in 2022 a merger bonus of 406 million euros (see note B1 significant events of the year);
- Financial expenses in 2022 include provisions related to Russian loans for 62 million euros (6 million euros in provision for unrealized foreign exchange losses and 56 million euros for the risk of non-recovery bringing the net value up to zero), as well as the expenses recognized for the unwinding of hedging transactions for an amount of 6.7 million euros, of which 5.2 million euros are allocated on the line foreign exchange losses, and 3.6 million euros on the line interest and similar charges, and 2.1 million euros received as a termination balance on the line other interest and similar income.

### 15. Income tax

The tax expense amounted to 14.4 million euros compared to 9.2 million euros at December 31, 2021. After allocation of add-backs, deductions and tax credits, the tax expense for the year 2022 breaks down as follows:

<i>(in thousand of euros)</i>	As of 12/31/2022
- Current tax <sup>(1)</sup>	14,698
- Deferred tax <sup>(2)</sup>	<u>-278</u>
- 2022 Income tax	<u><b>14,420</b></u>

(1) Over the fiscal year 2022,

- In France, Air Liquide Finance generated a tax profit of 80.2 million euros, taxed at the 25% standard rate plus the additional contribution 3.3%. Attributable tax credits amount to 7.2 million euros and come from withholding taxes applied to interest charged to subsidiaries in some countries. The company added back the depreciation relating to the Russian entities in the calculation of the taxable income pending confirmation of the deductibility by the tax authorities.
- To this should be added the taxable income of 4.8 million euros coming from the Belgian branch, taxed at the 25% corporate tax rate (in Belgium), which generated a tax amount of 1.2 million euros.

(2) The effect of deferred taxes for the period amounts to – 0.3 million euros and is mainly due to the amortization over the year of issue premiums and costs which were immediately tax deductible in previous years.

## 16. Off-balance sheet commitments

### ■ Commitments received:

Insofar as Air Liquide Finance's sole activity is the financing of the Air Liquide Group, the issues made by it are guaranteed by L'Air Liquide S.A.

Air Liquide Finance also performs foreign exchange and interest rate risk hedging transactions for the Group's subsidiaries. Air Liquide S.A. is required to guarantee these operations.

The total amount of commitments received from L'Air Liquide S.A. as of December 31, 2022 amounts to 10.6 billion euros.

### ■ Information on interest rate derivative instruments (excluding foreign exchange and interest rate risk hedging instruments contracted for the Group subsidiaries).:

<i>(In thousands euros)</i>	<b>December 31, 2022</b>	
	<b>Nominal Value</b>	<b>Fair value</b>
<b>Rate risk</b>	<b>1,424,295</b>	<b>(17,180)</b>
Interest rate swap	0	<b>0</b>
Cross Currency Swap	1,284,295	<b>(18,012)</b>
Options rate (cap / floor)	140,000	<b>832</b>
<b>TOTAL</b>	<b>1,424,295</b>	<b>(17,180)</b>

The fair value of interest rate derivative instruments is based on the value of the contract on the market at the closing date.

The foreign exchange part of the cross currency swaps fair value is booked in balance Sheet in "Financial instruments" (note 12).

Insofar as all these instruments are allocated to hedging transactions, changes in fair value did not significantly impact the financial statements as of December 31, 2022.

### ■ Credit lines

Air Liquide Finance has a variety of financing sources to fund the needs of L'Air Liquide S.A. and those of the main Group subsidiaries, whether it be long term (bank credit lines, bond issues (in France or abroad) reserved for qualified investors) or short term (in France, in the form of short-term negotiable securities under a program for a maximum amount of 3 billion euros and, in the United States, via its US subsidiary, Air Liquide US, L.L.C., in the form of US Commercial Paper (USCP) under a program for a maximum amount of 2 billion US dollars).

As of December 31, 2022, the amount of confirmed credit lines was 3.6 billion euros, unchanged since December 31, 2021. The total amount of bilateral credit lines was at 1.1 billion euros, unchanged since December 31 2021. Moreover, the syndicated credit line amounts to 2.5 billion euros, unchanged since December 31 2021.

## 17. Consolidated financial statements

Air Liquide Finance is fully consolidated in the Air Liquide Group financial statements.

Pursuant to Article L 223-16 of the French Commercial Code, Air Liquide Finance should prepare consolidated financial statements, as it exclusively controls the subsidiary Air Liquide US LLC that issues marketable securities admitted for trading on a regulated market (USCP).

However, the consolidated group formed by Air Liquide Finance and its subsidiary is of minimal importance insofar as of December 31, 2022 :

- The shareholders' equity of Air Liquide US LLC amounts to 144 thousand US dollars before a net income of 8 thousand US dollars,
- Air Liquide Finance borrowed a total of 50 million US dollars from Air Liquide US LLC, which issued USCP for the same amount being 50 million US dollars.

## 18. Post-balance sheet events

Air Liquide Finance announced in March 2023 a cash tender offer for two series of US dollar notes up to a maximum aggregate principal amount for the two series of 500 million US dollars.



## **Statutory Auditor's report on the financial statements**

**(For the year ended December 31, 2022)**

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

**Air Liquide Finance**  
6, rue Cognacq-Jay  
75007 Paris, France

To the Shareholders,

### **Opinion**

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Air Liquide Finance for the year ended December 31, 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

### **Basis for opinion**

#### ***Audit framework***

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of Statutory Auditors relating to the audit of the financial statements" section of our report.

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*PricewaterhouseCoopers Audit, SA, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex*  
*Telephone: +33 (0)1 56 57 58 59, [www.pwc.fr](http://www.pwc.fr)*

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### ***Independence***

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2022 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

In addition, the non-audit services that we provided to the Company and the entities it controls during the reporting period and that are not described in the management report or the notes to the financial statements are as follows: issuance of a limited assurance report on the Green Bond Allocation & Impact Reporting in May 2022, comfort letters for the update of the EMTN program in May 2022 and with respect to the drawdown in September 2022.

### **Justification of assessments– Key audit matters**

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

We determined that there were no key audit matters to discuss in our report.

### **Specific verifications**

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

### ***Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements***

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about the payment terms referred to in Article D.441-6 of the French Commercial Code.

### ***Report on corporate governance***

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4 and L.22-10-10 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

## **Other verifications and information pursuant to legal and regulatory requirements**

### ***Appointment of the Statutory Auditors***

We were appointed Statutory Auditors of Air Liquide Finance by the Annual General Meeting held on May 22, 2017.

At December 31, 2022, PricewaterhouseCoopers Audit was in the sixth consecutive year of its engagement.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

### **Responsibilities of Statutory Auditors relating to the audit of the financial statements**

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Neuilly-sur-Seine, April 18, 2023

The Statutory Auditor  
PricewaterhouseCoopers Audit

Sébastien Lasou