

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2024**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-38730

LINDE PLC

(Exact name of registrant as specified in its charter)

Ireland

(State or other jurisdiction of incorporation)

10 Riverview Drive,
Danbury, Connecticut
United States 06810

98-1448883

(I.R.S. Employer Identification No.)

Forge
43 Church Street West
Woking, Surrey GU21 6HT
United Kingdom

(203) 837 - 2000

(Address of principal executive offices) (Zip Code)

(Registrant's telephone number, including area code)

+44 14 83 242200

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Ordinary shares (€0.001 nominal value per share)	LIN	NASDAQ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At June 30, 2024, 477,502,737 ordinary shares (€0.001 par value) of the Registrant were outstanding.

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Forward-looking Statements

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by terms and phrases such as: anticipate, believe, intend, estimate, expect, continue, should, could, may, plan, project, predict, will, potential, forecast, and similar expressions. They are based on management’s reasonable expectations and assumptions as of the date the statements are made but involve risks and uncertainties. These risks and uncertainties include, without limitation: the performance of stock markets generally; developments in worldwide and national economies and other international events and circumstances, including trade conflicts and tariffs; changes in foreign currencies and in interest rates; the cost and availability of electric power, natural gas and other raw materials; the ability to achieve price increases to offset cost increases; catastrophic events including natural disasters, epidemics, pandemics such as COVID-19, and acts of war and terrorism; the ability to attract, hire, and retain qualified personnel; the impact of changes in financial accounting standards; the impact of changes in pension plan liabilities; the impact of tax, environmental, healthcare and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of investigations, litigation and regulatory proceedings; the impact of potential unusual or non-recurring items; continued timely development and market acceptance of new products and applications; the impact of competitive products and pricing; future financial and operating performance of major customers and industries served; the impact of information technology system failures, network disruptions and breaches in data security; and the effectiveness and speed of integrating new acquisitions into the business. These risks and uncertainties may cause future results or circumstances to differ materially from adjusted projections, estimates or other forward-looking statements.

Linde plc assumes no obligation to update or provide revisions to any forward-looking statement in response to changing circumstances. The above listed risks and uncertainties are further described in Item 1A. Risk Factors in Linde plc’s Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 28, 2024, which should be reviewed carefully. Please consider Linde plc’s forward-looking statements in light of those risks.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Millions of dollars, except per share data)
(UNAUDITED)

	Quarter Ended June 30,	
	2024	2023
Sales	\$ 8,267	\$ 8,204
Cost of sales, exclusive of depreciation and amortization	4,251	4,316
Selling, general and administrative	840	833
Depreciation and amortization	958	960
Research and development	36	35
Other charges	—	22
Other income (expense) - net	2	(27)
Operating Profit	2,184	2,011
Interest expense - net	70	52
Net pension and OPEB cost (benefit), excluding service cost	(49)	(45)
Income Before Income Taxes and Equity Investments	2,163	2,004
Income taxes	508	438
Income Before Equity Investments	1,655	1,566
Income from equity investments	45	46
Net Income (Including Noncontrolling Interests)	1,700	1,612
Less: noncontrolling interests	(37)	(37)
Net Income – Linde plc	\$ 1,663	\$ 1,575
Per Share Data – Linde plc Shareholders		
Basic earnings per share	\$ 3.46	\$ 3.22
Diluted earnings per share	\$ 3.44	\$ 3.19
Weighted Average Shares Outstanding (000's):		
Basic shares outstanding	479,973	489,618
Diluted shares outstanding	483,177	493,549

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Millions of dollars, except per share data)
(UNAUDITED)

	Six Months Ended June 30,	
	2024	2023
Sales	\$ 16,367	\$ 16,397
Cost of sales, exclusive of depreciation and amortization	8,467	8,747
Selling, general and administrative	1,700	1,655
Depreciation and amortization	1,907	1,908
Research and development	74	71
Other charges	—	40
Other income (expense) - net	60	(32)
Operating Profit	4,279	3,944
Interest expense - net	135	89
Net pension and OPEB cost (benefit), excluding service cost	(99)	(90)
Income Before Income Taxes and Equity Investments	4,243	3,945
Income taxes	971	868
Income Before Equity Investments	3,272	3,077
Income from equity investments	93	87
Net Income (Including Noncontrolling Interests)	3,365	3,164
Less: noncontrolling interests	(75)	(73)
Net Income – Linde plc	\$ 3,290	\$ 3,091
Per Share Data – Linde plc Shareholders		
Basic earnings per share	\$ 6.84	\$ 6.30
Diluted earnings per share	\$ 6.79	\$ 6.25
Weighted Average Shares Outstanding (000's):		
Basic shares outstanding	480,943	490,727
Diluted shares outstanding	484,366	494,685

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Millions of dollars)
(UNAUDITED)

	Quarter Ended June 30,	
	2024	2023
NET INCOME (INCLUDING NONCONTROLLING INTERESTS)	\$ 1,700	\$ 1,612
OTHER COMPREHENSIVE INCOME (LOSS)		
Translation adjustments:		
Foreign currency translation adjustments	(280)	(96)
Income taxes	6	1
Translation adjustments	(274)	(95)
Funded status - retirement obligations (Note 7):		
Retirement program remeasurements	11	(5)
Reclassifications to net income	(3)	(8)
Income taxes	(5)	2
Funded status - retirement obligations	3	(11)
Derivative instruments (Note 4):		
Current unrealized gain (loss)	(13)	(9)
Reclassifications to net income	7	2
Income taxes	1	1
Derivative instruments	(5)	(6)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(276)	(112)
COMPREHENSIVE INCOME (LOSS) (INCLUDING NONCONTROLLING INTERESTS)	1,424	1,500
Less: noncontrolling interests	(27)	(14)
COMPREHENSIVE INCOME (LOSS) - LINDE PLC	\$ 1,397	\$ 1,486

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Millions of dollars)
(UNAUDITED)

	Six Months Ended June 30,	
	2024	2023
NET INCOME (INCLUDING NONCONTROLLING INTERESTS)	\$ 3,365	\$ 3,164
OTHER COMPREHENSIVE INCOME (LOSS)		
Translation adjustments:		
Foreign currency translation adjustments	(1,024)	133
Income taxes	6	1
Translation adjustments	(1,018)	134
Funded status - retirement obligations (Note 7):		
Retirement program remeasurements	7	(254)
Reclassifications to net income	(6)	(16)
Income taxes	7	65
Funded status - retirement obligations	8	(205)
Derivative instruments (Note 4):		
Current unrealized gain (loss)	(11)	(84)
Reclassifications to net income	7	(4)
Income taxes	—	17
Derivative instruments	(4)	(71)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(1,014)	(142)
COMPREHENSIVE INCOME (LOSS) (INCLUDING NONCONTROLLING INTERESTS)	2,351	3,022
Less: noncontrolling interests	(50)	(48)
COMPREHENSIVE INCOME (LOSS) - LINDE PLC	\$ 2,301	\$ 2,974

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Millions of dollars)
(UNAUDITED)

	June 30, 2024	December 31, 2023
Assets		
Cash and cash equivalents	\$ 4,626	\$ 4,664
Accounts receivable - net	5,001	4,718
Contract assets	226	196
Inventories	2,094	2,115
Prepaid and other current assets	896	927
<i>Total Current Assets</i>	12,843	12,620
Property, plant and equipment - net	24,575	24,552
Goodwill	26,365	26,751
Other intangible assets - net	11,851	12,399
Other long-term assets	4,581	4,489
<i>Total Assets</i>	\$ 80,215	\$ 80,811
Liabilities and equity		
Accounts payable	\$ 2,859	\$ 3,020
Short-term debt	3,326	4,713
Current portion of long-term debt	1,261	1,263
Contract liabilities	1,767	1,901
Other current liabilities	4,291	4,820
<i>Total Current Liabilities</i>	13,504	15,717
Long-term debt	16,931	13,397
Other long-term liabilities	10,229	10,602
<i>Total Liabilities</i>	40,664	39,716
Redeemable noncontrolling interests	13	13
Linde plc Shareholders' Equity (Note 10):		
Ordinary shares, €0.001 par value, authorized 1,750,000,000 shares, 2024 and 2023 issued: 490,766,972 ordinary shares	1	1
Additional paid-in capital	39,560	39,812
Retained earnings	10,721	8,845
Accumulated other comprehensive income (loss)	(6,794)	(5,805)
Less: Treasury shares, at cost (2024 – 13,264,235 shares and 2023 – 8,321,827 shares)	(5,309)	(3,133)
Total Linde plc Shareholders' Equity	38,179	39,720
Noncontrolling interests	1,359	1,362
<i>Total Equity</i>	39,538	41,082
<i>Total Liabilities and Equity</i>	\$ 80,215	\$ 80,811

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Millions of dollars)
(UNAUDITED)

	Six Months Ended June 30,	
	2024	2023
Increase (Decrease) in Cash and Cash Equivalents		
Operations		
Net income - Linde plc	\$ 3,290	\$ 3,091
Add: Noncontrolling interests	75	73
Net Income (including noncontrolling interests)	3,365	3,164
Adjustments to reconcile net income to net cash provided by operating activities:		
Other charges, net of payments	(75)	(61)
Depreciation and amortization	1,907	1,908
Deferred income taxes	(184)	(61)
Share-based compensation	78	66
Working capital:		
Accounts receivable	(422)	(175)
Inventory	(23)	(85)
Prepaid and other current assets	(62)	(39)
Payables and accruals	(393)	(458)
Contract assets and liabilities, net	(189)	117
Pension contributions	(24)	(25)
Long-term assets, liabilities and other	(95)	(293)
Net cash provided by (used for) operating activities	3,883	4,058
Investing		
Capital expenditures	(2,181)	(1,688)
Acquisitions, net of cash acquired	(152)	(834)
Divestitures, net of cash divested and asset sales	22	24
Net cash provided by (used for) investing activities	(2,311)	(2,498)
Financing		
Short-term debt borrowings (repayments) - net	(1,336)	(1,116)
Long-term debt borrowings	4,828	2,115
Long-term debt repayments	(957)	(1,641)
Issuances of ordinary shares	21	21
Purchases of ordinary shares	(2,481)	(1,767)
Cash dividends - Linde plc shareholders	(1,334)	(1,246)
Noncontrolling interest transactions and other	(217)	(22)
Net cash provided by (used for) financing activities	(1,476)	(3,656)
Effect of exchange rate changes on cash and cash equivalents	(134)	17
Change in cash and cash equivalents	(38)	(2,079)
Cash and cash equivalents, beginning-of-period	4,664	5,436
Cash and cash equivalents, end-of-period	\$ 4,626	\$ 3,357

The accompanying notes are an integral part of these financial statements.

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1. Summary of Significant Accounting Policies

Linde plc ("Linde" or "the company") is an incorporated public limited company formed under the laws of Ireland. Linde's registered office is located at Ten Earlsfort Terrace, Dublin 2, D02 T380 Ireland. Linde's principal executive offices are located at Forge, 43 Church Street West, Woking, Surrey GU21 6HT, United Kingdom and 10 Riverview Drive, Danbury, Connecticut, 06810, United States.

Presentation of Condensed Consolidated Financial Statements - In the opinion of Linde management, the accompanying condensed consolidated financial statements include all adjustments necessary for a fair statement of the results for the interim periods presented and such adjustments are of a normal recurring nature. The accompanying condensed consolidated financial statements should be read in conjunction with the notes to the consolidated financial statements of Linde plc and subsidiaries in Linde's 2023 Annual Report on Form 10-K. There have been no material changes to the company's significant accounting policies during 2024.

Reclassifications - Certain prior periods' amounts have been reclassified to conform to the current year's presentation.

Accounting Standards to be Implemented

Improvements to Reportable Segments Disclosures - In November 2023, the FASB issued guidance requiring enhanced disclosure related to reportable segments. The new standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of this standard will only impact disclosures within the company's consolidated financial statements and the company is evaluating the impact this guidance will have on those disclosures. Linde will adopt this guidance in fiscal year 2024.

Improvements to Income Tax Disclosures - In December 2023, the FASB issued guidance requiring enhanced disclosure related to income taxes. The standard requires additional or modified disclosures related to the income tax rate reconciliation, disaggregation of income taxes paid, and several other disclosures. The new standard is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of this standard will only impact disclosures within the company's consolidated financial statements and the company is evaluating the impact this guidance will have on those disclosures. Linde will adopt this guidance prospectively in fiscal year 2025.

2. Supplemental Information

Receivables

Linde applies loss rates that are lifetime expected credit losses at initial recognition of the receivables. These expected loss rates are based on an analysis of the actual historical default rates for each business, taking regional circumstances into account. If necessary, these historical default rates are adjusted to reflect the impact of current changes in the macroeconomic environment using forward-looking information. The loss rates are also evaluated based on the expectations of the responsible management team regarding the collectability of the receivables. Gross trade receivables aged less than one year were \$4,956 million and \$4,667 million at June 30, 2024 and December 31, 2023, respectively, and gross receivables aged greater than one year were \$375 million and \$354 million at June 30, 2024 and December 31, 2023, respectively. Other receivables were \$128 million and \$154 million at June 30, 2024 and December 31, 2023, respectively. Receivables aged greater than one year are generally fully reserved unless specific circumstances warrant exceptions, such as those backed by federal governments.

Accounts receivable net of reserves were \$5,001 million at June 30, 2024 and \$4,718 million at December 31, 2023. Allowances for expected credit losses were \$458 million at June 30, 2024 and \$457 million at December 31, 2023. Provisions for expected credit losses were \$84 million and \$83 million for the six months ended June 30, 2024 and 2023, respectively. The allowance activity in the six months ended June 30, 2024 and 2023 related to write-offs of uncollectible amounts, net of recoveries and currency movements is not material.

Inventories

The following is a summary of Linde's consolidated inventories:

(Millions of dollars)

	June 30, 2024	December 31, 2023
Inventories		
Raw materials and supplies	\$ 593	\$ 614
Work in process	422	390
Finished goods	1,079	1,111
Total inventories	<u>\$ 2,094</u>	<u>\$ 2,115</u>

3. Debt

The following is a summary of Linde's outstanding debt at June 30, 2024 and December 31, 2023:

<i>(Millions of dollars)</i>	June 30, 2024	December 31, 2023
SHORT-TERM		
Commercial paper	\$ 3,019	\$ 4,483
Other bank borrowings (primarily non U.S.)	307	230
Total short-term debt	3,326	4,713
LONG-TERM (a)		
<i>(U.S. dollar denominated unless otherwise noted)</i>		
1.20% Euro denominated notes due 2024 (c)	—	607
1.875% Euro denominated notes due 2024 (b) (e)	—	332
4.800% Notes due 2024	300	300
4.700% Notes due 2025	599	599
2.65% Notes due 2025	400	399
1.625% Euro denominated notes due 2025	535	550
3.625% Euro denominated notes due 2025	535	551
0.00% Euro denominated notes due 2026	751	774
3.20% Notes due 2026	725	724
3.434% Notes due 2026	199	198
1.652% Euro denominated notes due 2027	87	90
0.25% Euro denominated notes due 2027	803	827
1.00% Euro denominated notes due 2027	537	553
1.00% Euro denominated notes due 2028 (b)	762	780
3.00% Euro denominated notes due 2028 (d)	747	—
3.375% Euro denominated notes due 2029	800	824
1.10% Notes due 2030	697	697
1.90% Euro denominated notes due 2030	110	114
3.375% Euro denominated notes due 2030 (f)	799	—
1.375% Euro denominated notes due 2031	805	829
3.20% Euro denominated notes due 2031 (d)	909	—
0.55% Euro denominated notes due 2032	799	823
0.375% Euro denominated notes due 2033	530	546
3.625% Euro denominated notes due 2034	693	714
3.500% Euro denominated notes due 2034 (f)	795	—
1.625% Euro denominated notes due 2035	851	876
3.40% Euro denominated notes due 2036 (d)	743	—
3.55% Notes due 2042	665	666
3.75% Euro denominated notes due 2044 (f)	743	—
2.00% Notes due 2050	297	296
1.00% Euro denominated notes due 2051	732	755
Non U.S. borrowings	234	226
Other	10	10
	18,192	14,660
Less: current portion of long-term debt	(1,261)	(1,263)
Total long-term debt	16,931	13,397
Total debt	\$ 21,518	\$ 19,373

(a) Amounts are net of unamortized discounts, premiums and/or debt issuance costs as applicable.

(b) June 30, 2024 and December 31, 2023 included a cumulative \$38 million and \$46 million adjustment to carrying value, respectively, related to hedge accounting of interest rate swaps. Refer to Note 4.

(c) In February 2024, Linde repaid €550 million of 1.20% notes that became due.

(d) In February 2024, Linde issued €700 million of 3.00% notes due in 2028, €850 million of 3.20% notes due in 2031 and €700 million of 3.40% notes due in 2036.

(e) In May 2024, Linde repaid €300 million of 1.875% notes that became due.

(f) In June 2024, Linde issued €750 million of 3.375% notes due in 2030, €750 million of 3.500% notes due in 2034 and €700 million of 3.75% notes due in 2044.

The company maintains a \$5 billion and a \$1.5 billion unsecured revolving credit agreement with a syndicate of banking institutions that expire on December 7, 2027 and December 4, 2024, respectively. There are no financial maintenance covenants contained within the credit agreements. No borrowings were outstanding under the credit agreements as of June 30, 2024.

The weighted-average interest rates of short-term borrowings outstanding were 4.2% and 4.8% as of June 30, 2024 and December 31, 2023, respectively.

4. Financial Instruments

In its normal operations, Linde is exposed to market risks relating to fluctuations in interest rates, foreign currency exchange rates, energy and commodity costs. The objective of financial risk management at Linde is to minimize the negative impact of such fluctuations on the company's earnings and cash flows. To manage these risks, among other strategies, Linde routinely enters into various derivative financial instruments ("derivatives") including interest-rate swap and treasury rate lock agreements, currency-swap agreements, forward contracts, currency options, and commodity-swap agreements. These instruments are not entered into for trading purposes and Linde only uses commonly traded and non-leveraged instruments.

There are three types of derivatives that the company enters into: (i) those relating to fair-value exposures, (ii) those relating to cash-flow exposures, and (iii) those relating to foreign currency net investment exposures. Fair-value exposures relate to recognized assets or liabilities, and firm commitments; cash-flow exposures relate to the variability of future cash flows associated with recognized assets or liabilities, or forecasted transactions; and net investment exposures relate to the impact of foreign currency exchange rate changes on the carrying value of net assets denominated in foreign currencies.

When a derivative is executed and hedge accounting is appropriate, it is designated as either a fair-value hedge, cash-flow hedge, or a net investment hedge. Currently, Linde designates all interest-rate and treasury-rate locks as hedges for accounting purposes; however, cross-currency contracts are generally not designated as hedges for accounting purposes. Certain currency contracts related to forecasted transactions are designated as hedges for accounting purposes. Whether designated as hedges for accounting purposes or not, all derivatives are linked to an appropriate underlying exposure. On an ongoing basis, the company assesses the hedge effectiveness of all derivatives designated as hedges for accounting purposes to determine if they continue to be highly effective in offsetting changes in fair values or cash flows of the underlying hedged items. If it is determined that the hedge is not highly effective through the use of a qualitative assessment, then hedge accounting will be discontinued prospectively.

Counterparties to Linde's derivatives are major banking institutions with credit ratings of investment grade or better. The company has Credit Support Annexes ("CSAs") in place for certain entities with their principal counterparties to minimize potential default risk and to mitigate counterparty risk. Under the CSAs, the fair values of derivatives for the purpose of interest rate and currency management are collateralized with cash on a regular basis. As of June 30, 2024, the impact of such collateral posting arrangements on the fair value of derivatives was insignificant. Management believes the risk of incurring losses on derivative contracts related to credit risk is remote and any losses would be immaterial.

The following table is a summary of the notional amount and fair value of derivatives outstanding at June 30, 2024 and December 31, 2023 for consolidated subsidiaries:

(Millions of dollars)	Notional Amounts		Fair Value			
			Assets (a)		Liabilities (a)	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Derivatives Not Designated as Hedging Instruments:						
<i>Currency contracts:</i>						
Balance sheet items	\$ 7,556	\$ 4,567	\$ 39	\$ 46	\$ 42	\$ 26
Forecasted transactions	206	335	2	11	3	6
Total	\$ 7,762	\$ 4,902	\$ 41	\$ 57	\$ 45	\$ 32
Derivatives Designated as Hedging Instruments:						
<i>Currency contracts:</i>						
Forecasted transactions	\$ 562	\$ 749	\$ 5	\$ 20	\$ 1	\$ 4
<i>Commodity contracts</i>	N/A	N/A	10	3	20	7
<i>Interest rate swaps</i>	—	1,214	—	1	—	4
Total Hedges	\$ 562	\$ 1,963	\$ 15	\$ 24	\$ 21	\$ 15
Total Derivatives	\$ 8,324	\$ 6,865	\$ 56	\$ 81	\$ 66	\$ 47

(a) Amounts as of June 30, 2024 and December 31, 2023 included current assets of \$53 million and \$73 million which are recorded in prepaid and other current assets; long-term assets of \$3 million and \$8 million which are recorded in other long-term assets; current liabilities of \$61 million and \$41 million which are recorded in other current liabilities; and long-term liabilities of \$5 million and \$6 million which are recorded in other long-term liabilities.

Balance Sheet Items

Foreign currency contracts related to balance sheet items consist of forward contracts entered into to manage the exposure to fluctuations in foreign-currency exchange rates on recorded balance sheet assets and liabilities denominated in currencies other than the functional currency of the related operating unit. Certain forward currency contracts are entered into to protect underlying monetary assets and liabilities denominated in foreign currencies from foreign exchange risk and are not designated as hedging instruments. For balance sheet items that are not designated as hedging instruments, the fair value adjustments on these contracts are offset by the fair value adjustments recorded on the underlying monetary assets and liabilities.

Forecasted Transactions

Foreign currency contracts related to forecasted transactions consist of forward contracts entered into to manage the exposure to fluctuations in foreign-currency exchange rates on (1) forecasted purchases of capital-related equipment and services, (2) forecasted sales, or (3) other forecasted cash flows denominated in currencies other than the functional currency of the related operating units. For forecasted transactions that are designated as cash flow hedges, fair value adjustments are recorded to accumulated other comprehensive income (loss) with deferred amounts reclassified to earnings over the same time period as the income statement impact of the associated purchase. For forecasted transactions that do not qualify for cash flow hedging relationships, fair value adjustments are recorded directly to earnings. Linde is hedging forecasted transactions for a maximum period of three years.

Commodity Contracts

Commodity contracts are entered into to manage the exposure to fluctuations in commodity prices, which arise in the normal course of business from its procurement transactions. To reduce the extent of this risk, Linde enters into a limited number of electricity, natural gas, and propane gas derivatives. For forecasted transactions that are designated as cash flow hedges, fair value adjustments are recorded to accumulated other comprehensive income (loss) with deferred amounts reclassified to earnings over the same time period as the income statement impact of the associated purchase. Linde is hedging commodity contracts for a maximum period of three years.

Net Investment Hedges

As of June 30, 2024, Linde has €16.8 billion (\$18.2 billion) Euro-denominated notes and intercompany loans and ¥4.7 billion (\$0.7 billion) CNY-denominated intercompany loans that are designated as hedges of the net investment positions in certain foreign operations. Since hedge inception, the deferred gain recorded within cumulative translation adjustment component of

accumulated other comprehensive income (loss) in the consolidated balance sheet is \$453 million (deferred gain of \$135 million and \$409 million in the consolidated statement of comprehensive income for the quarter and six months ended June 30, 2024, respectively).

As of June 30, 2024, exchange rate movements relating to previously designated hedges that remain in accumulated other comprehensive income (loss) is a gain of \$56 million. These movements will remain in accumulated other comprehensive income (loss), until appropriate, such as upon sale or liquidation of the related foreign operations at which time amounts will be reclassified to the consolidated statements of income.

Interest Rate Swaps

Linde uses interest rate swaps to hedge the exposure to changes in the fair value of financial assets and financial liabilities as a result of interest rate changes. These interest rate swaps effectively convert fixed-rate interest exposures to variable rates; fair value adjustments are recognized in earnings along with an equally offsetting charge/benefit to earnings for the changes in the fair value of the underlying financial asset or financial liability (See Note 3).

In addition, as of December 31, 2023, Linde was using interest rate swaps with a notional value of €1 billion to hedge the variability of future cash flows of forecasted transactions due to interest rate risk and had designated this as a cash flow hedge. The interest rate swaps were terminated during the first quarter of 2024 with the February debt issuance and the settlement values were immaterial.

Derivatives' Impact on Consolidated Statements of Income

The following table summarizes the impact of the company's derivatives on the consolidated statements of income:

<i>(Millions of dollars)</i>	Amount of Pre-Tax Gain (Loss) Recognized in Earnings *			
	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Derivatives Not Designated as Hedging Instruments				
Currency contracts:				
Balance sheet items				
Debt-related	\$ (2)	\$ (44)	\$ (17)	\$ (83)
Other balance sheet items	2	(1)	(5)	(2)
Total	\$ —	\$ (45)	\$ (22)	\$ (85)

* The gains (losses) on balance sheet items are offset by gains (losses) recorded on the underlying hedged assets and liabilities. Accordingly, the gains (losses) for the derivatives and the underlying hedged assets and liabilities related to debt items are recorded in the consolidated statements of income as interest expense-net. Other balance sheet items and anticipated net income gains (losses) are generally recorded in the consolidated statements of income as other income (expenses)-net.

The amounts of gain or loss recognized in accumulated other comprehensive income (loss) and reclassified to the consolidated statement of income was not material for the six months ended June 30, 2024 and 2023, respectively. Net impacts expected to be reclassified to earnings during the next twelve months are also not material.

5. Fair Value Disclosures

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities
- Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable
- Level 3 – inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table summarizes assets and liabilities measured at fair value on a recurring basis:

(Millions of dollars)	Fair Value Measurements Using					
	Level 1		Level 2		Level 3	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Assets						
Derivative assets	\$ —	\$ —	\$ 56	\$ 81	\$ —	\$ —
Investments and securities*	17	16	—	—	11	12
Total	<u>\$ 17</u>	<u>\$ 16</u>	<u>\$ 56</u>	<u>\$ 81</u>	<u>\$ 11</u>	<u>\$ 12</u>
Liabilities						
Derivative liabilities	\$ —	\$ —	\$ 66	\$ 47	\$ —	\$ —

* Investments and securities are recorded in prepaid and other current assets and other long-term assets in the company's condensed consolidated balance sheets.

Level 1 investments and securities are marketable securities traded on an exchange. Level 2 investments are based on market prices obtained from independent brokers or determined using quantitative models that use as their basis readily observable market parameters that are actively quoted and can be validated through external sources, including third-party pricing services, brokers and market transactions. Level 3 investments and securities consist of a venture fund. For the valuation, Linde uses the net asset value received as part of the fund's quarterly reporting, which for the most part is not based on quoted prices in active markets. In order to reflect current market conditions, Linde proportionally adjusts by observable market data (stock exchange prices) or current transaction prices.

Changes in level 3 investments and securities were immaterial.

The fair value of cash and cash equivalents, short-term debt, accounts receivable-net, and accounts payable approximate carrying value because of the short-term maturities of these instruments.

The fair value of long-term debt is estimated based on the quoted market prices for the same or similar issues. Long-term debt is categorized within Level 2 of the fair value hierarchy. At June 30, 2024, the estimated fair value of Linde's long-term debt portfolio was \$16,598 million versus a carrying value of \$18,192 million. At December 31, 2023, the estimated fair value of Linde's long-term debt portfolio was \$13,337 million versus a carrying value of \$14,660 million. Differences between the carrying value and the fair value are attributable to fluctuations in interest rates subsequent to when the debt was issued and relative to stated coupon rates.

6. Earnings Per Share – Linde plc Shareholders

Basic and diluted earnings per share is computed by dividing Net income – Linde plc for the period by the weighted average number of either basic or diluted shares outstanding, as follows:

	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator (Millions of dollars)				
Net Income – Linde plc	\$ 1,663	\$ 1,575	\$ 3,290	\$ 3,091
Denominator (Thousands of shares)				
Weighted average shares outstanding	479,130	489,061	480,246	490,201
Shares earned and issuable under compensation plans	843	557	697	526
Weighted average shares used in basic earnings per share	479,973	489,618	480,943	490,727
Effect of dilutive securities				
Stock options and awards	3,204	3,931	3,423	3,958
Weighted average shares used in diluted earnings per share	483,177	493,549	484,366	494,685
Basic Earnings Per Share	\$ 3.46	\$ 3.22	\$ 6.84	\$ 6.30
Diluted Earnings Per Share	\$ 3.44	\$ 3.19	\$ 6.79	\$ 6.25

The weighted-average of antidilutive securities excluded from the calculation of diluted earnings per share was 353,145 and 225,739 for the quarter and six months ended June 30, 2024, respectively. There were no antidilutive securities in the respective 2023 periods.

7. Retirement Programs

The components of net pension and postretirement benefits other than pensions (“OPEB”) costs for the quarter and six months ended June 30, 2024 and 2023 are shown below:

<i>(Millions of dollars)</i>	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Amount recognized in Operating Profit				
Service cost	\$ 21	\$ 21	\$ 42	\$ 42
Amount recognized in Net pension and OPEB cost (benefit), excluding service cost				
Interest cost	91	94	182	186
Expected return on plan assets	(137)	(131)	(275)	(260)
Net amortization and deferral	(3)	(8)	(6)	(16)
	(49)	(45)	(99)	(90)
Net periodic benefit cost (benefit)	\$ (28)	\$ (24)	\$ (57)	\$ (48)

Components of net periodic benefit expense for other post-retirement plans for the quarter and six months ended June 30, 2024 and 2023 were not material.

Linde estimates that 2024 required contributions to its pension plans will be in the range of approximately \$30 million to \$40 million, of which \$24 million have been made through June 30, 2024.

8. Commitments and Contingencies

Contingent Liabilities

Linde is subject to various lawsuits and government investigations that arise from time to time in the ordinary course of business. These actions are based upon alleged environmental, tax, antitrust and personal injury claims, among others. Linde has strong defenses in these cases and intends to defend itself vigorously. It is possible that the company may incur losses in connection with some of these actions in excess of accrued liabilities. Management does not anticipate that in the aggregate such losses would have a material adverse effect on the company's consolidated financial position or liquidity; however, it is possible that the final outcomes could have a significant impact on the company's reported results of operations in any given period (see Note 17 to the consolidated financial statements of Linde's 2023 Annual Report on Form 10-K).

Significant matters are:

- During 2009, the Brazilian government published Law 11941/2009 instituting a new voluntary amnesty program ("Refis Program") which allowed Brazilian companies to settle certain federal tax disputes at reduced amounts. During 2009, the company decided that it was economically beneficial to settle many of its outstanding federal tax disputes and such disputes were enrolled in the Refis Program, subject to final calculation and review by the Brazilian federal government. The company recorded estimated liabilities based on the terms of the Refis Program. Since 2009, Linde has been unable to reach final agreement on the calculations and initiated litigation against the government in an attempt to resolve certain items. Open issues relate to the following matters: (i) application of cash deposits and net operating loss carryforwards to satisfy obligations and (ii) the amount of tax reductions available under the Refis Program. It is difficult to estimate the timing of resolution of legal matters in Brazil.
- At June 30, 2024, the most significant non-income tax claims in Brazil, after enrollment in the Refis Program, relate to state VAT tax matters. The total estimated exposure relating to such claims, including interest and penalties, as appropriate, is approximately \$110 million. Linde has not recorded any liabilities related to such claims based on management judgment and opinions of outside counsel.

During 2023, the Brazilian Supreme Court issued a decision confirming the constitutionality of a specific federal income tax, with retroactive effect. As a result of this decision, the company recorded a reserve based on its best estimate of potential settlement. This decision has not yet been finalized and is subject to ongoing motions for clarification. Because litigation in Brazil historically takes many years to resolve, it is very difficult to estimate the timing of resolution of these matters; however, it is possible that certain of these matters may be resolved within the near term. The company is vigorously defending against the proceedings.

On and after April 23, 2019 former shareholders of Linde AG filed appraisal proceedings at the District Court (*Landgericht*) Munich I (Germany), seeking an increase of the cash consideration paid in connection with the previously completed cash merger squeeze-out of all of Linde AG's minority shareholders for €189.46 per share. Any such increase would apply to all 14,763,113 Linde AG shares that were outstanding on April 8, 2019, when the cash merger squeeze-out was completed. The period for plaintiffs to file claims expired on July 9, 2019. In November 2023, the court issued a decision rejecting the plaintiffs' claims in their entirety and determining that the cash merger squeeze-out consideration was appropriate. The plaintiffs have appealed this decision.

The company believes the consideration paid was fair and that the claims are not supported by sufficient evidence, and no reserve has been established. We cannot estimate the timing of resolution.

In December 2022, a Russian court based in St. Petersburg ("St. Petersburg Court") issued an injunction preventing (i) the sale of any shares in Linde's subsidiaries and joint ventures in Russia, and (ii) the disposal of any of the assets in those entities exceeding 5% of the relevant company's overall asset value. The injunction was requested by RusChemAlliance (RCA) to secure payment of a possible award under an arbitration proceeding RCA intended to file against Linde Engineering for alleged breach of contract under the agreement to build a gas processing plant in Russia entered into in July 2021. Performance of the agreement was lawfully suspended by Linde Engineering on May 27, 2022 in compliance with applicable sanctions. In March 2023, RCA filed a claim in St. Petersburg against Linde GmbH for recovery of advance payments under the agreement ("GPP Claim"), and subsequently (i) added Linde and other Linde subsidiaries as defendants, and (ii) is seeking payment of alleged damages from Linde and guarantor banks. In March 2024, RCA filed a similar claim for repayment and damages against Linde for alleged breach of contract under the agreement to build a liquefied natural gas plant in Russia entered into in September 2021 ("LNG Claim", and together with the GPP Claim, the "Russian Claims").

In accordance with the dispute resolution provisions of the agreements, in 2023, Linde filed a notice of arbitration with the Hong Kong International Arbitration Centre ("HKIAC") against RCA to claim that (i) RCA has no entitlement to payment, (ii) RCA's Russian Claims are in breach of the arbitration agreement which requires HKIAC arbitration, and (iii) RCA must compensate Linde for the losses and damages caused by the injunction. Additionally, Linde filed for and obtained an anti-suit injunction from a Hong Kong court against RCA directing RCA to seek a stay of the claims and ordering it to resolve any disputes in accordance with HKIAC arbitration.

In January, 2024, the Hong Kong court issued a final judgment in Linde's favor (i) granting a permanent anti-suit injunction against RCA to seek a stay of the GPP claim and not start an LNG claim, (ii) granting a permanent, global anti-enforcement injunction against RCA for the GPP claim, and (iii) ordering that the injunction issued by the St. Petersburg Court be lifted ("HK Court Judgement").

Despite the judgments of the Hong Kong court and similar orders issued by the HKIAC arbitration tribunals, the St. Petersburg injunction affecting Linde's shares and assets has not been lifted, the proceeding in St. Petersburg has not been stayed and RCA is continuing to pursue its claims in Russia.

In February 2024, the St. Petersburg Court decided the GPP Claim in favor of RCA. Linde appealed this decision unsuccessfully in March 2024. Linde expects RCA to enforce the decision by seizing assets that were previously frozen by the court. Linde intends to claim all damages related to or rising from RCA's enforcement of the decision in the HKIAC arbitration proceedings.

Linde does not expect a material adverse impact on earnings from this decision given the liability recorded as of June 30, 2024 and the immaterial remaining investment value of its deconsolidated Russia subsidiaries. As of June 30, 2024, Linde has a contingent liability of \$1.2 billion recorded in Other long-term liabilities, which represents advance payments previously recorded in contract liabilities related to terminated engineering projects with RCA. As a result of the contract terminations, Linde no longer has future performance obligations for these projects.

It is difficult to estimate the timing of resolution of these matters. The company intends to vigorously defend its interests in both the Russian Claims and arbitration proceedings.

9. Segments

For a description of Linde plc's operating segments, refer to Note 18 to the consolidated financial statements on Linde plc's 2023 Annual Report on Form 10-K.

The table below presents sales and operating profit information about reportable segments and Other for the quarter and six months ended June 30, 2024 and 2023.

<i>(Millions of dollars)</i>	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
SALES^(a)				
Americas	\$ 3,655	\$ 3,541	\$ 7,215	\$ 7,092
EMEA	2,091	2,160	4,182	4,337
APAC	1,657	1,683	3,248	3,281
Engineering	544	495	1,083	1,035
Other	320	325	639	652
Total sales	\$ 8,267	\$ 8,204	\$ 16,367	\$ 16,397

<i>(Millions of dollars)</i>	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
SEGMENT OPERATING PROFIT				
Americas	\$ 1,159	\$ 1,070	\$ 2,247	\$ 2,095
EMEA	704	630	1,391	1,237
APAC	474	472	921	895
Engineering	96	107	196	256
Other	(11)	7	8	9
Segment operating profit	2,422	2,286	4,763	4,492
Other charges	—	(22)	—	(40)
Purchase accounting impacts - Linde AG (b)	(238)	(253)	(484)	(508)
Total operating profit	\$ 2,184	\$ 2,011	\$ 4,279	\$ 3,944

(a) Sales reflect external sales only. Intersegment sales, primarily from Engineering to the industrial gases segments, were \$485 million and \$876 million for the quarter and six months ended June 30, 2024, respectively, and \$335 million and \$629 million for the respective 2023 periods.

(b) Represents purchase accounting impacts related to the 2018 merger.

10. Equity

A summary of the changes in total equity for the quarter and six months ended June 30, 2024 and 2023 is provided below:

<i>(Millions of dollars)</i>	Quarter Ended June 30,					
	2024			2023		
	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity
Activity						
Balance, beginning of period	\$ 38,829	\$ 1,387	\$ 40,216	\$ 39,970	\$ 1,353	\$ 41,323
Net income (a)	1,663	37	1,700	1,575	37	1,612
Other comprehensive income (loss)	(266)	(10)	(276)	(89)	(23)	(112)
Noncontrolling interests:						
Additions (reductions)	—	—	—	(11)	(7)	(18)
Dividends and other capital changes	—	(55)	(55)	—	(36)	(36)
Dividends to Linde plc ordinary share holders (\$1.39 per share in 2024 and \$1.275 per share in 2023)	(665)	—	(665)	(623)	—	(623)
Issuances of ordinary shares:						
For employee savings and incentive plans	(15)	—	(15)	(35)	—	(35)
Purchases of ordinary shares	(1,407)	—	(1,407)	(912)	—	(912)
Share-based compensation	40	—	40	36	—	36
Balance, end of period	\$ 38,179	\$ 1,359	\$ 39,538	\$ 39,911	\$ 1,324	\$ 41,235

<i>(Millions of dollars)</i>	Six Months Ended June 30,					
	2024			2023		
	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity
Activity						
Balance, beginning of period	\$ 39,720	\$ 1,362	\$ 41,082	\$ 40,028	\$ 1,346	\$ 41,374
Net income (a)	3,290	75	3,365	3,091	73	3,164
Other comprehensive income (loss)	(989)	(25)	(1,014)	(117)	(25)	(142)
Noncontrolling interests:						
Additions (reductions)	—	11	11	(11)	(5)	(16)
Dividends and other capital changes	—	(64)	(64)	—	(65)	(65)
Dividends to Linde plc ordinary share holders (\$2.78 per share in 2024 and \$2.55 per share in 2023)	(1,334)	—	(1,334)	(1,246)	—	(1,246)
Issuances of ordinary shares:						
For employee savings and incentive plans	(141)	—	(141)	(98)	—	(98)
Purchases of ordinary shares	(2,445)	—	(2,445)	(1,802)	—	(1,802)
Share-based compensation	78	—	78	66	—	66
Balance, end of period	\$ 38,179	\$ 1,359	\$ 39,538	\$ 39,911	\$ 1,324	\$ 41,235

(a) Net income for noncontrolling interests excludes net income related to redeemable noncontrolling interests which is not significant for the quarter and six months ended June 30, 2024 and 2023 and which is not part of total equity.

The components of Accumulated other comprehensive income (loss) are as follows:

<i>(Millions of dollars)</i>	June 30, 2024	December 31, 2023
Cumulative translation adjustment - net of taxes:		
Americas	\$ (4,055)	\$ (3,618)
EMEA	(1,100)	(737)
APAC	(1,433)	(1,037)
Engineering	(248)	(93)
Other	471	113
	<u>(6,365)</u>	<u>(5,372)</u>
Derivatives - net of taxes	3	7
Pension / OPEB (net of \$67 million and \$60 million tax benefit at June 30, 2024 and December 31, 2023, respectively)	(432)	(440)
	<u>\$ (6,794)</u>	<u>\$ (5,805)</u>

11. Revenue Recognition

Revenue is accounted for in accordance with ASC 606. Revenue is recognized as control of goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled to receive in exchange for the goods or services.

Contracts with Customers

Linde serves a diverse group of industries including healthcare, chemicals and energy, manufacturing, metals and mining, food and beverage, and electronics.

Industrial Gases

Within each of the company's geographic segments for industrial gases, there are three basic distribution methods: (i) on-site or tonnage; (ii) merchant or bulk liquid; and (iii) packaged or cylinder gases. The distribution method used by Linde to supply a customer is determined by many factors, including the customer's volume requirements and location. The distribution method generally determines the contract terms with the customer and, accordingly, the revenue recognition accounting practices. Linde's primary products in its industrial gases business are atmospheric gases (oxygen, nitrogen, argon, rare gases) and process gases (carbon dioxide, helium, hydrogen, electronic gases, specialty gases, acetylene). These products are generally sold through one of the three distribution methods.

Following is a description of each of the three industrial gases distribution methods and the respective revenue recognition policies:

On-site. Customers that require the largest volumes of product and that have a relatively constant demand pattern are supplied by cryogenic and process gas on-site plants. Linde constructs plants on or adjacent to these customers' sites and supplies the product directly to customers by pipeline. Where there are large concentrations of customers, a single pipeline may be connected to several plants and customers. On-site product supply contracts generally are total requirement contracts with terms typically ranging from 10-20 years and contain minimum purchase requirements and price escalation provisions. Many of the cryogenic on-site plants also produce liquid products for the merchant market. Therefore, plants are typically not dedicated to a single customer. Additionally, Linde is responsible for the design, construction, operations and maintenance of the plants and our customers typically have no involvement in these activities. Advanced air separation processes also allow on-site delivery to customers with smaller volume requirements.

The company's performance obligations related to on-site customers are satisfied over time as customers receive and obtain control of the product. Linde has elected to apply the practical expedient for measuring progress towards the completion of a performance obligation and recognizes revenue as the company has the right to invoice each customer, which generally corresponds with product delivery. Accordingly, revenue is recognized when product is delivered to the customer and the company has the right to invoice the customer in accordance with the contract terms. Consideration in these contracts is generally based on pricing which fluctuates with various price indices. Variable components of consideration exist within on-site contracts but are considered constrained.

Merchant. Merchant deliveries generally are made from Linde's plants by tanker trucks to storage containers at the customer's site. Due to the relatively high distribution cost, merchant oxygen and nitrogen generally have a relatively small distribution

radius from the plants at which they are produced. Merchant argon, hydrogen and helium can be shipped much longer distances. The customer agreements used in the merchant business are usually three-to seven-year supply agreements based on the requirements of the customer. These contracts generally do not contain minimum purchase requirements or volume commitments.

The company's performance obligations related to merchant customers are generally satisfied at a point in time as the customers receive and obtain control of the product. Revenue is recognized when product is delivered to the customer and the company has the right to invoice the customer in accordance with the contract terms.

Packaged Gases. Customers requiring small volumes are supplied products in containers called cylinders, under medium to high pressure. Linde distributes merchant gases from its production plants to company-owned cylinder filling plants where cylinders are then filled for distribution to customers. Cylinders may be delivered to the customer's site or picked up by the customer at a packaging facility or retail store. Linde invoices the customer for the industrial gases and the use of the cylinder container(s). The company also sells hardgoods and welding equipment purchased from independent manufacturers. Packaged gases are generally sold under one to three-year supply contracts and purchase orders and do not contain minimum purchase requirements or volume commitments.

The company's performance obligations related to packaged gases are satisfied at a point in time. Accordingly, revenue is recognized when product is delivered to the customer or when the customer picks up product from a packaged gas facility or retail store and the company has the right to payment from the customer in accordance with the contract terms.

Engineering

The company designs and manufactures equipment for air separation and other industrial gas applications manufactured specifically for end customers. Sale of equipment contracts are generally comprised of a single performance obligation. Revenue from sale of equipment is generally recognized over time as Linde has an enforceable right to payment for performance completed to date and performance does not create an asset with alternative use. For contracts recognized over time, revenue is recognized primarily using a cost incurred input method. Costs incurred to date relative to total estimated costs at completion are used to measure progress toward satisfying performance obligations. Costs incurred include material, labor, and overhead costs and represent work contributing and proportionate to the transfer of control to the customer. Changes to cost estimates and contract modifications are typically accounted for as part of the existing contract and are recognized as cumulative adjustments for the inception-to-date effect of such change.

Contract Assets and Liabilities

Contract assets and liabilities result from differences in timing of revenue recognition and customer invoicing. Contract assets primarily relate to sale of equipment contracts for which revenue is recognized over time. The balance represents unbilled revenue which occurs when revenue recognized under the measure of progress exceeds amounts invoiced to customers. Customer invoices may be based on the passage of time, the achievement of certain contractual milestones or a combination of both criteria. Contract liabilities include advance payments or right to consideration prior to performance under the contract. Contract liabilities are recognized as revenue as performance obligations are satisfied under contract terms. Linde has contract assets of \$226 million and \$196 million at June 30, 2024 and December 31, 2023, respectively. Total contract liabilities are \$2,820 million at June 30, 2024 (current contract liabilities of \$1,767 million and \$1,053 million within other long-term liabilities in the condensed consolidated balance sheets). As of June 30, 2024, Linde has approximately \$397 million recorded in contract liabilities related to engineering projects in Russia subject to sanctions. Total contract liabilities were \$2,950 million at December 31, 2023 (current contract liabilities of \$1,901 million and \$1,049 million within other long-term liabilities in the condensed consolidated balance sheets). Revenue recognized for the six months ended June 30, 2024 that was included in the contract liability at December 31, 2023 was \$674 million. Contract assets and liabilities primarily relate to the Engineering business.

Payment Terms and Other

Linde generally receives payment after performance obligations are satisfied, and customer prepayments are not typical for the industrial gases business. Payment terms vary based on the country where sales originate and local customary payment practices. Linde does not offer extended financing outside of customary payment terms. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue producing transactions are presented on a net basis and are not included in sales within the consolidated statement of income. Additionally, sales returns and allowances are not a normal practice in the industry and are not significant.

Disaggregated Revenue Information

As described above and in Note 19 to Linde plc's 2023 Annual Report on Form 10-K, the company manages its industrial gases business on a geographic basis, while the Engineering and Other businesses are generally managed on a global basis. Furthermore, the company believes that reporting sales by distribution method by reportable geographic segment best illustrates

the nature, timing, type of customer, and contract terms for its revenues, including terms and pricing.

The following tables show sales by distribution method at the consolidated level and for each reportable segment and Other for the quarter and six months ended, June 30, 2024 and June 30, 2023.

(Millions of dollars)

Sales	Quarter Ended June 30, 2024						
	Americas	EMEA	APAC	Engineering	Other	Total	%
Merchant	\$ 1,178	\$ 691	\$ 568	\$ —	\$ 52	\$ 2,489	30 %
On-Site	807	412	668	—	—	1,887	23 %
Packaged Gas	1,616	969	348	—	7	2,940	36 %
Other	54	19	73	544	261	951	11 %
Total	\$ 3,655	\$ 2,091	\$ 1,657	\$ 544	\$ 320	\$ 8,267	100 %

(Millions of dollars)

Sales	Quarter Ended June 30, 2023						
	Americas	EMEA	APAC	Engineering	Other	Total	%
Merchant	\$ 1,094	\$ 704	\$ 570	\$ —	\$ 53	\$ 2,421	30 %
On-Site	756	493	677	—	—	1,926	23 %
Packaged Gas	1,638	946	366	—	12	2,962	36 %
Other	53	17	70	495	260	895	11 %
Total	\$ 3,541	\$ 2,160	\$ 1,683	\$ 495	\$ 325	\$ 8,204	100 %

(Millions of dollars)

Sales	Six Months Ended June 30, 2024						
	Americas	EMEA	APAC	Engineering	Other	Total	%
Merchant	\$ 2,295	\$ 1,377	\$ 1,096	\$ —	\$ 107	\$ 4,875	30 %
On-Site	1,589	853	1,336	—	—	3,778	23 %
Packaged Gas	3,222	1,920	670	—	14	5,826	36 %
Other	109	32	146	1,083	518	1,888	11 %
Total	\$ 7,215	\$ 4,182	\$ 3,248	\$ 1,083	\$ 639	\$ 16,367	100 %

(Millions of dollars)

Sales	Six Months Ended June 30, 2023						
	Americas	EMEA	APAC	Engineering	Other	Total	%
Merchant	\$ 2,137	\$ 1,404	\$ 1,122	\$ —	\$ 108	\$ 4,771	29 %
On-Site	1,560	1,031	1,321	—	—	3,912	24 %
Packaged Gas	3,276	1,874	721	—	32	5,903	36 %
Other	119	28	117	1,035	512	1,811	11 %
Total	\$ 7,092	\$ 4,337	\$ 3,281	\$ 1,035	\$ 652	\$ 16,397	100 %

Remaining Performance Obligations

As described above, Linde's contracts with on-site customers are under long-term supply arrangements which generally require the customer to purchase their requirements from Linde and also have minimum purchase requirements. Additionally, plant sales from the Linde Engineering business are primarily contracted on a fixed price basis. The company estimates the consideration related to future minimum purchase requirements and plant sales was approximately \$50 billion. This amount excludes all on-site sales above minimum purchase requirements, which can be significant depending on customer needs. In the future, actual amounts will be different due to impacts from several factors, many of which are beyond the company's control including, but not limited to, timing of newly signed, terminated and renewed contracts, inflationary price escalations, currency exchange rates, and pass-through costs related to natural gas and electricity. The actual duration of long-term supply contracts ranges up to twenty years. The company estimates that approximately half of the revenue related to minimum purchase requirements will be earned in the next five years and the remaining thereafter.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A")

Non-GAAP Measures

Throughout MD&A, the company provides adjusted operating results exclusive of certain items such as Other charges, net gains or losses on sale of businesses, purchase accounting impacts of the Linde AG merger and pension settlement charges. Adjusted amounts are non-GAAP measures which are intended to supplement investors' understanding of the company's financial information by providing measures which investors, financial analysts and management find useful in evaluating the company's operating performance. Items which the company does not believe to be indicative of on-going business performance are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. In addition, operating results, excluding these items, is important to management's development of annual and long-term employee incentive compensation plans. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures.

The non-GAAP measures and reconciliations are separately included in a later section in the MD&A titled "Non-GAAP Measures and Reconciliations."

Consolidated Results

The following table provides summary information for the quarters and six months ended June 30, 2024 and 2023. The reported amounts are GAAP amounts from the Consolidated Statements of Income. The adjusted amounts are intended to supplement investors' understanding of the company's financial information and are not a substitute for GAAP measures:

(Millions of dollars, except per share data)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Sales	\$ 8,267	\$ 8,204	1 %	\$ 16,367	\$ 16,397	— %
Cost of sales, exclusive of depreciation and amortization	\$ 4,251	\$ 4,316	(2)%	\$ 8,467	\$ 8,747	(3)%
As a percent of sales	51.4 %	52.6 %		51.7 %	53.3 %	
Selling, general and administrative	\$ 840	\$ 833	1 %	\$ 1,700	\$ 1,655	3 %
As a percent of sales	10.2 %	10.2 %		10.4 %	10.1 %	
Depreciation and amortization	\$ 958	\$ 960	— %	\$ 1,907	\$ 1,908	— %
Other charges	\$ —	\$ 22	(100)%	\$ —	\$ 40	(100)%
Other income (expense) - net	\$ 2	\$ (27)	107 %	\$ 60	\$ (32)	288 %
Operating profit	\$ 2,184	\$ 2,011	9 %	\$ 4,279	\$ 3,944	8 %
Operating margin	26.4 %	24.5 %		26.1 %	24.1 %	
Interest expense - net	\$ 70	\$ 52	35 %	\$ 135	\$ 89	52 %
Net pension and OPEB cost (benefit), excluding service cost	\$ (49)	\$ (45)	9 %	\$ (99)	\$ (90)	10 %
Effective tax rate	23.5 %	21.9 %		22.9 %	22.0 %	
Income from equity investments	\$ 45	\$ 46	(2)%	\$ 93	\$ 87	7 %
Noncontrolling interests	\$ (37)	\$ (37)	— %	\$ (75)	\$ (73)	3 %
Net Income – Linde plc	\$ 1,663	\$ 1,575	6 %	\$ 3,290	\$ 3,091	6 %
Diluted earnings per share	\$ 3.44	\$ 3.19	8 %	\$ 6.79	\$ 6.25	9 %
Diluted shares outstanding	483,177	493,549	(2)%	484,366	494,685	(2)%
Number of employees	65,987	66,270	— %	65,987	66,270	— %
Adjusted Amounts (a)						
Operating profit	\$ 2,422	\$ 2,286	6 %	\$ 4,763	\$ 4,492	6 %
Operating margin	29.3 %	27.9 %		29.1 %	27.4 %	
Effective tax rate	23.5 %	23.7 %		23.1 %	23.9 %	
Net Income – Linde plc	\$ 1,859	\$ 1,760	6 %	\$ 3,680	\$ 3,453	7 %
Diluted earnings per share	\$ 3.85	\$ 3.57	8 %	\$ 7.60	\$ 6.98	9 %
Other Financial Data (a)						
EBITDA	\$ 3,187	\$ 3,017	6 %	\$ 6,279	\$ 5,939	6 %
As percent of sales	38.6 %	36.8 %		38.4 %	36.2 %	
Adjusted EBITDA	\$ 3,206	\$ 3,059	5 %	\$ 6,322	\$ 6,022	5 %
As percent of sales	38.8 %	37.3 %		38.6 %	36.7 %	

(a) Adjusted Amounts and Other Financial Data are non-GAAP performance measures. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this MD&A.

Reported

In the second quarter of 2024, Linde's sales were \$8,267 million, \$63 million above prior year. The increase in sales was driven by 3% higher price attainment. Engineering increased sales by 1% in the quarter. Volumes were flat in the quarter versus the 2023 respective period, as base volume declines were largely offset by new project start-ups. Currency translation decreased sales by 2% in the quarter driven primarily by the weakening of the Brazilian real, Chinese yuan and Euro against the U.S. Dollar. Cost pass-through, representing the contractual billing of energy cost variances primarily to onsite customers, decreased sales by 1% in the quarter, with minimal impact on operating profit.

Reported operating profit for the second quarter of 2024 of \$2,184 million, or 26.4% of sales, was 9% above prior year. The reported year-over-year increase was primarily driven by higher pricing and productivity initiatives which more than offset adverse impacts from cost inflation and currency translation. The reported effective tax rate ("ETR") was 23.5% in the second quarter 2024 versus 21.9% in the second quarter 2023. Diluted earnings per share ("EPS") was \$3.44, or 8% above EPS of \$3.19 in the second quarter of 2023, primarily due to higher net income - Linde plc and lower diluted shares outstanding.

Adjusted

In the second quarter of 2024, adjusted operating profit of \$2,422 million, or 29.3% of sales, was 6% higher as compared to 2023, driven by higher pricing, and productivity initiatives, partially offset by cost inflation and currency translation. The adjusted ETR was 23.5% in the second quarter 2024 versus 23.7% in the 2023 quarter. On an adjusted basis, EPS was \$3.85, 8% above the 2023 adjusted EPS of \$3.57, driven by higher adjusted net income - Linde plc and lower diluted shares outstanding.

Outlook

Linde provides quarterly updates on operating results, material trends that may affect financial performance, and financial guidance via quarterly earnings releases and investor teleconferences. These updates are available on the company's website, www.linde.com, but are not incorporated herein.

Results of operations

The changes in consolidated sales compared to the prior year are attributable to the following:

	Quarter Ended June 30, 2024 vs. 2023	Six Months Ended June 30, 2024 vs. 2023
	% Change	% Change
Factors Contributing to Changes - Sales		
Volume	— %	— %
Price/Mix	3 %	2 %
Cost pass-through	(1)%	(1)%
Currency	(2)%	(1)%
Acquisitions/divestitures	— %	— %
Engineering	1 %	— %
	1 %	— %

Sales

Sales increased \$63 million or 1% for the second quarter of 2024 and decreased \$30 million for the six months ended June 30, 2024 versus the respective 2023 periods. Higher pricing contributed 3% to sales in the quarter and 2% in the year-to-date period. Engineering increased sales by 1% in the quarter and was flat in the year-to-date period. Currency translation decreased sales by 2% in the quarter and 1% in the year-to-date period versus the respective 2023 periods driven primarily by the weakening of the Brazilian real, Chinese yuan and Euro against the U.S. Dollar. Cost pass-through decreased sales by 1% in both the quarter and year-to-date periods, with minimal impact on operating profit. Volumes were flat in both the quarter and year-to-date periods versus 2023, as base volume declines were largely offset by new project start-ups.

Cost of sales, exclusive of depreciation and amortization

Cost of sales, exclusive of depreciation and amortization decreased \$65 million, or 2%, for the second quarter of 2024 and decreased \$280 million, or 3% for the six months ended June 30, 2024 primarily due to lower cost pass-through and productivity gains which more than offset cost inflation. Cost of sales, exclusive of depreciation and amortization was 51.4% and 51.7% of sales, respectively, for the second quarter and six months ended June 30, 2024 versus 52.6% and 53.3% for the respective 2023 periods. The decrease as a percentage of sales in the quarter was primarily due to higher pricing and lower cost pass-through.

Selling, general and administrative expenses

Selling, general and administrative expense ("SG&A") increased \$7 million, or 1%, for the second quarter of 2024 and increased \$45 million or 3% for the six months ended June 30, 2024 driven by higher costs. SG&A was 10.2% of second quarter sales for both 2023 and 2024. In the year-to-date period SG&A was 10.4% and 10.1% of sales versus the respective 2023 period.

Depreciation and amortization

Reported depreciation and amortization expense decreased \$2 million for the second quarter of 2024 and decreased \$1 million, for the six months ended June 30, 2024.

On an adjusted basis, depreciation and amortization increased \$12 million, for the second quarter of 2024 and increased \$23 million for the year-to-date period driven by new project start ups.

Other charges

There were no other charges for the quarter and six months ended June 30, 2024 and other charges of \$22 million and \$40 million for the respective 2023 periods.

On an adjusted basis, these benefits and costs have been excluded in both periods.

Other income (expense) - net

Reported other income (expense) - net was a benefit of \$2 million for the second quarter of 2024 and \$60 million for the year-to-date period driven by \$43 million in insurance recoveries primarily within the Other segment recognized during the first quarter.

Operating profit

On a reported basis, operating profit increased \$173 million, or 9%, for the second quarter of 2024 and increased \$335 million, or 8%, for the six months ended June 30, 2024. The increase in the quarter and year-to-date periods of 2024 was primarily due

to higher pricing, savings from productivity initiatives and lower other charges, which more than offset the adverse impacts of cost inflation and currency.

On an adjusted basis, which excludes the impacts of merger-related purchase accounting as well as other charges, operating profit increased \$136 million, or 6% in the second quarter of 2024 and increased \$271 million, or 6% for the six months ended June 30, 2024. Operating profit growth was driven by higher pricing and productivity initiatives, which more than offset the effects of cost inflation and currency during the quarter and year-to-date periods of 2024. A discussion of operating profit by segment is included in the segment discussion that follows.

Interest expense - net

Reported interest expense - net increased \$18 million for the second quarter of 2024 and increased \$46 million for the six months ended June 30, 2024. On an adjusted basis, interest expense increased \$15 million for the second quarter of 2024 and increased \$36 million for the six months ended June 30, 2024 versus the respective 2023 period. The increase in both periods was driven primarily by higher interest rates on debt.

Net pension and OPEB cost (benefit), excluding service cost

Reported net pension and OPEB cost (benefit), excluding service cost were benefits of \$49 million and \$99 million for the quarter and six months ended June 30, 2024, respectively, versus \$45 million and \$90 million for the respective 2023 periods. The increase in the benefit primarily relates to higher expected return on assets and lower amortization of deferred losses year-over-year.

Effective tax rate

The reported effective tax rate ("ETR") for the quarter and six months ended June 30, 2024 was 23.5% and 22.9% versus 21.9% and 22.0% for the respective 2023 periods. The increase in the quarter rate is primarily related to a 2023 tax refund that did not repeat in 2024, partially offset by tax benefits from a repatriation in the current year. The increase in the year to date rate is primarily related to a prior year benefit from a net decrease in the company's uncertain tax positions and a tax refund. Effective January 1, 2024, Linde is subject to the 15% global minimum tax rate provisions of the OECD's framework for Pillar Two, the implementation of which did not have a significant impact on the effective tax rate for the quarter or year-to-date periods.

On an adjusted basis, the ETR for the quarter and six months ended June 30, 2024 was 23.5% and 23.1% versus 23.7% and 23.9% for the respective 2023 periods. The decrease in the year-to-date rate is primarily due to tax benefits from a repatriation and higher tax benefits from share based compensation.

Income from equity investments

Reported income from equity investments for the second quarter and six months ended June 30, 2024 was \$45 million and \$93 million versus \$46 million and \$87 million for the respective 2023 periods.

On an adjusted basis, income from equity investments for the second quarter and six months ended June 30, 2024 was \$63 million and \$129 million versus \$64 million and \$123 million for the respective 2023 periods.

Noncontrolling interests

At June 30, 2024, noncontrolling interests consisted primarily of non-controlling shareholders' investments in APAC (primarily China). Reported noncontrolling interests income was \$37 million for the second quarter of 2024 and the respective 2023 period. For the six months ended June 30, 2024 noncontrolling interests income was \$75 million versus \$73 million in the respective 2023 period.

Net Income – Linde plc

Reported net income - Linde plc increased \$88 million, or 6%, for the second quarter of 2024 and increased \$199 million, or 6%, for the six months ended June 30, 2024 versus the respective 2023 periods.

On an adjusted basis, which excludes the impacts of purchase accounting and other charges, net income - Linde plc increased \$99 million, or 6%, for the second quarter of 2024 and increased \$227 million, or 7%, for the six months ended June 30, 2024 versus the respective 2023 periods.

On both a reported and adjusted basis, the increase was driven by higher operating profit.

Diluted earnings per share

Reported diluted earnings per share increased \$0.25, or 8%, for the second quarter of 2024 and increased \$0.54, or 9%, for the six months ended June 30, 2024 versus the respective 2023 periods.

On an adjusted basis, diluted EPS increased \$0.28, or 8%, for the second quarter of 2024 and increased \$0.62, or 9% for the six months ended June 30, 2024 versus the respective 2023 periods.

The increase on both a reported and adjusted basis is primarily due to higher net income - Linde plc and lower diluted shares outstanding.

Employees

The number of employees at June 30, 2024 was 65,987, a decrease of 283 employees from June 30, 2023.

Other Financial Data

EBITDA was \$3,187 million for the second quarter of 2024 as compared to \$3,017 million in the respective 2023 period. EBITDA was \$6,279 million for the six months ended June 30, 2024 as compared to \$5,939 million in the respective 2023 period. The increase was driven by higher net income - Linde plc versus prior year.

Adjusted EBITDA increased to \$3,206 million for the second quarter 2024 from \$3,059 million in the respective 2023 period. Adjusted EBITDA was \$6,322 million for the six months ended June 30, 2024 as compared to \$6,022 million in the respective 2023 period. The higher EBITDA was primarily due to higher net income - Linde plc versus the respective prior periods.

See the "Non-GAAP Measures and Reconciliations" section for definitions and reconciliations of these adjusted non-GAAP measures to reported GAAP amounts.

Other Comprehensive Income (Loss)

Other comprehensive losses for the second quarter and six months ended June 30, 2024 were \$276 million and \$1,014 million, respectively. The loss in the quarter and year-to-date period resulted primarily from currency translation adjustments of \$274 million and \$1,018 million, respectively. The translation adjustments reflect the impact of translating local currency foreign subsidiary financial statements to U.S. dollars, and are largely driven by the movement of the U.S. dollar against major currencies including the Euro, British pound and the Chinese yuan. See the "Currency" section of the MD&A for exchange rates used for translation purposes and Note 10 to the condensed consolidated financial statements for a summary of the currency translation adjustment component of accumulated other comprehensive income (loss) by segment.

Segment Discussion

The following summary of sales and operating profit by segment provides a basis for the discussion that follows. Linde plc evaluates the performance of its reportable segments based on operating profit, excluding items not indicative of ongoing business trends. The reported amounts are GAAP amounts from the Consolidated Statements of Income.

(Millions of dollars)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
SALES						
Americas	\$ 3,655	\$ 3,541	3 %	\$ 7,215	\$ 7,092	2 %
EMEA	2,091	2,160	(3)%	4,182	4,337	(4)%
APAC	1,657	1,683	(2)%	3,248	3,281	(1)%
Engineering	544	495	10 %	1,083	1,035	5 %
Other	320	325	(2)%	639	652	(2)%
Total sales	<u>\$ 8,267</u>	<u>\$ 8,204</u>	1 %	<u>\$ 16,367</u>	<u>\$ 16,397</u>	— %
SEGMENT OPERATING PROFIT						
Americas	\$ 1,159	\$ 1,070	8 %	\$ 2,247	\$ 2,095	7 %
EMEA	704	630	12 %	1,391	1,237	12 %
APAC	474	472	— %	921	895	3 %
Engineering	96	107	(10)%	196	256	(23)%
Other	(11)	7	(257)%	8	9	(11)%
Segment operating profit	<u>\$ 2,422</u>	<u>\$ 2,286</u>	6 %	<u>\$ 4,763</u>	<u>\$ 4,492</u>	6 %
Reconciliation to reported operating profit:						
Other charges	—	(22)		—	(40)	
Purchase accounting impacts - Linde AG	(238)	(253)		(484)	(508)	
Total operating profit	<u>\$ 2,184</u>	<u>\$ 2,011</u>		<u>\$ 4,279</u>	<u>\$ 3,944</u>	

Americas

(Millions of dollars)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Sales	\$ 3,655	\$ 3,541	3 %	\$ 7,215	\$ 7,092	2 %
Operating profit	\$ 1,159	\$ 1,070	8 %	\$ 2,247	\$ 2,095	7 %
As a percent of sales	31.7 %	30.2 %		31.1 %	29.5 %	

	Quarter Ended June 30, 2024 vs. 2023		Six Months Ended June 30, 2024 vs. 2023	
	% Change		% Change	
Factors Contributing to Changes - Sales				
Volume		— %		— %
Price/Mix		4 %		3 %
Cost pass-through		— %		(1)%
Currency		(1)%		(1)%
Acquisitions/divestitures		— %		1 %
		3 %		2 %

The Americas segment includes Linde's industrial gases operations in approximately 20 countries including the United States, Canada, Mexico, and Brazil.

Sales

Sales for the Americas segment increased \$114 million, or 3%, in the second quarter and increased \$123 million, or 2% for the six months ended June 30, 2024 versus the respective 2023 periods. Higher pricing contributed 4% to sales in the quarter and 3% in the year-to-date period. Cost pass-through was flat in the second quarter and decreased sales 1% in the year-to-date period with minimal impact on operating profit. Currency translation decreased sales by 1% in both the quarter and year-to-date periods driven primarily by the weakening of the Brazilian real against the U.S. Dollar. Volumes were flat in the second quarter and year-to-date period as contributions from project start-ups were largely offset by base volume declines.

Operating profit

Operating profit in the Americas segment increased \$89 million, or 8%, in the second quarter and increased \$152 million, or 7%, for the six months ended June 30, 2024 versus the respective 2023 periods, driven primarily by higher pricing and continued productivity initiatives which more than offset cost inflation.

EMEA

(Millions of dollars)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Sales	\$ 2,091	\$ 2,160	(3)%	\$ 4,182	\$ 4,337	(4)%
Operating profit	\$ 704	\$ 630	12 %	\$ 1,391	\$ 1,237	12 %
As a percent of sales	33.7 %	29.2 %		33.3 %	28.5 %	

	Quarter Ended June 30, 2024 vs. 2023		Six Months Ended June 30, 2024 vs. 2023	
	% Change		% Change	
Factors Contributing to Changes - Sales				
Volume		(1)%		(2)%
Price/Mix		3 %		3 %
Cost pass-through		(4)%		(5)%
Currency		(1)%		— %
Acquisitions/divestitures		— %		— %
		(3)%		(4)%

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The EMEA segment includes Linde's industrial gases operations in approximately 45 European, Middle Eastern and African countries including Germany, United Kingdom, France, the Republic of South Africa and Sweden.

Sales

EMEA segment sales decreased by \$69 million, or 3%, in the second quarter and decreased \$155 million or 4% for the six months ended June 30, 2024 compared to the respective 2023 periods. Higher price attainment increased sales by 3% in the quarter and year-to-date periods. Volumes decreased sales by 1% in the quarter and 2% in the year-to-date period driven by the metals and mining end market. Cost pass-through decreased sales by 4% in the quarter and 5% in the year-to-date period with minimal impact on operating profit. Currency translation decreased sales by 1% in the quarter driven primarily by the weakening of the Euro against the U.S. Dollar and was flat in the year-to-date period.

Operating Profit

Operating profit for the EMEA segment increased by \$74 million, or 12%, in the second quarter and increased by \$154 million, or 12% for the six months ended June 30, 2024 compared to the respective 2023 periods. The increase in operating profit in the second quarter and year-to-date period was driven primarily by higher pricing and continued productivity initiatives, partially offset by cost inflation and lower volumes.

APAC

(Millions of dollars)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Sales	\$ 1,657	\$ 1,683	(2)%	\$ 3,248	\$ 3,281	(1)%
Operating profit	\$ 474	\$ 472	— %	\$ 921	\$ 895	3 %
As a percent of sales	28.6 %	28.0 %		28.4 %	27.3 %	

	Quarter Ended June 30, 2024 vs. 2023		Six Months Ended June 30, 2024 vs. 2023	
	% Change		% Change	
Factors Contributing to Changes - Sales				
Volume/Equipment			— %	2 %
Price/Mix			— %	— %
Cost pass-through			1 %	(1)%
Currency			(3)%	(2)%
Acquisitions/divestitures			— %	— %
			(2)%	(1)%

The APAC segment includes Linde's industrial gases operations in approximately 20 Asian and South Pacific countries and regions including China, Australia, India, and South Korea.

Sales

Sales for the APAC segment decreased \$26 million, or 2% in the second quarter and decreased \$33 million, or 1%, for the six months ended June 30, 2024 versus the respective 2023 periods. Pricing was flat in the quarter and year-to-date periods. Volumes were flat in the quarter and increased 2% for year-to-date period including project start-ups in the electronics and chemicals and energy end markets. Currency translation decreased sales by 3%, in the quarter and 2% for the year-to-date period driven primarily by the weakening of the Australian dollar, Korean won and Chinese yuan against the U.S. dollar.

Operating profit

Operating profit in the APAC segment increased \$2 million in the second quarter and increased \$26 million, or 3% in the six months ended June 30, 2024 versus the respective 2023 periods, driven by continued productivity initiatives which more than offset the impact of currency and cost inflation.

Engineering

(Millions of dollars)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Sales	\$ 544	\$ 495	10 %	\$ 1,083	\$ 1,035	5 %
Operating profit	\$ 96	\$ 107	(10)%	\$ 196	\$ 256	(23)%
As a percent of sales	17.6 %	21.6 %		18.1 %	24.7 %	

	Quarter Ended June 30, 2024 vs. 2023		Six Months Ended June 30, 2024 vs. 2023	
	% Change		% Change	
Factors Contributing to Changes - Sales				
Currency			(1)%	— %
Other			11 %	5 %
			10 %	5 %

Sales

Engineering segment sales increased \$49 million, or 10%, in the second quarter and increased 48 million, or 5%, in the six months ended June 30, 2024 as compared to the respective 2023 periods driven by project timing.

Operating profit

Engineering segment operating profit decreased \$11 million, or 10%, in the second quarter and decreased \$60 million or 23% in the six months ended June 30, 2024 compared to the respective 2023 period due to prior year's benefit from higher margin on lawful wind down of projects subject to sanctions in Russia.

Other

(Millions of dollars)	Quarter Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Sales	\$ 320	\$ 325	(2)%	\$ 639	\$ 652	(2)%
Operating profit (loss)	\$ (11)	\$ 7	(257)%	\$ 8	\$ 9	(11)%
As a percent of sales	(3.4)%	2.2 %		1.3 %	1.4 %	

	Quarter Ended June 30, 2024 vs. 2023		Six Months Ended June 30, 2024 vs. 2023	
	% Change		% Change	
Factors Contributing to Changes - Sales				
Volume/price			(1)%	(2)%
Currency			(1)%	— %
Acquisitions/divestitures			— %	— %
			(2)%	(2)%

Other consists of corporate costs and a few smaller businesses including Linde Advanced Material Technologies (LAMT) and global helium wholesale, which individually do not meet the quantitative thresholds for separate presentation.

Sales

Sales for Other decreased \$5 million for the second quarter and decreased \$13 million for the six months ended June 30, 2024 versus the respective 2023 periods. Underlying sales decreased 1% in the quarter and 2% in the year-to-date periods due to lower volumes in the helium business. The impact of currency translation decreased sales by 1% in the quarter and was flat in the year-to-date period.

Operating profit

Operating profit in Other decreased \$18 million in the second quarter and decreased \$1 million, or 11% in the six months ended June 30, 2024 versus the respective 2023 periods. The decrease in the quarter was driven by higher costs due to helium, which was partially offset by an insurance recovery for the coatings business in the year-to-date period.

Currency

The results of Linde's non-U.S. operations are translated to the company's reporting currency, the U.S. dollar, from the functional currencies. For most operations, Linde uses the local currency as its functional currency. There is inherent variability and unpredictability in the relationship of these functional currencies to the U.S. dollar and such currency movements may materially impact Linde's results of operations in any given periods.

To help understand the reported results, the following is a summary of the significant currencies underlying Linde's consolidated results and the exchange rates used to translate the financial statements (rates of exchange expressed in units of local currency per U.S. dollar):

Currency	Percentage of YTD 2024 Consolidated Sales	Exchange Rate for Income Statement		Exchange Rate for Balance Sheet	
		Year-To-Date Average		June 30,	December 31,
		2024	2023	2024	2023
Euro	18 %	0.93	0.93	0.93	0.92
Chinese yuan	7 %	7.22	6.93	7.27	7.10
British pound	5 %	0.79	0.81	0.79	0.79
Australian dollar	4 %	1.52	1.48	1.50	1.47
Brazilian real	4 %	5.08	5.07	5.59	4.86
Mexican peso	4 %	17.10	18.15	18.32	16.97
Canadian dollar	3 %	1.36	1.35	1.37	1.32
Korean won	3 %	1,350	1,295	1,377	1,288
Indian rupee	2 %	83.23	82.21	83.39	83.21
South African rand	1 %	18.73	18.19	18.19	18.36
Swedish krona	1 %	10.54	10.49	10.60	10.07
Thailand bhat	1 %	36.17	34.19	36.70	34.14

Liquidity, Capital Resources and Other Financial Data

The following selected cash flow information provides a basis for the discussion that follows:

<i>(Millions of dollars)</i>	Six months ended June 30,	
	2024	2023
NET CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Net income (including noncontrolling interests)	\$ 3,365	\$ 3,164
Non-cash charges (credits):		
Add: Depreciation and amortization	1,907	1,908
Add: Deferred income taxes	(184)	(61)
Add: Share-based compensation	78	66
Add: Other charges, net of payments	(75)	(61)
Net income adjusted for non-cash charges	5,091	5,016
Less: Working capital	(1,089)	(640)
Less: Pension contributions	(24)	(25)
Other	(95)	(293)
Net cash provided by (used for) operating activities	<u>\$ 3,883</u>	<u>\$ 4,058</u>
INVESTING ACTIVITIES		
Capital expenditures	(2,181)	(1,688)
Acquisitions, net of cash acquired	(152)	(834)
Divestitures, net of cash divested and asset sales	22	24
Net cash provided by (used for) investing activities	<u>\$ (2,311)</u>	<u>\$ (2,498)</u>
FINANCING ACTIVITIES		
Debt increase (decrease) - net	2,535	(642)
Issuances (purchases) of common stock - net	(2,460)	(1,746)
Cash dividends - Linde plc shareholders	(1,334)	(1,246)
Noncontrolling interest transactions and other	(217)	(22)
Net cash provided by (used for) financing activities	<u>\$ (1,476)</u>	<u>\$ (3,656)</u>
Effect of exchange rate changes on cash and cash equivalents	\$ (134)	\$ 17
Cash and cash equivalents, end-of-period	\$ 4,626	\$ 3,357

Cash Flow from Operations

Cash provided by operations of \$3,883 million for the six months ended June 30, 2024 decreased \$175 million, or 4%, versus 2023. The decrease was driven primarily by higher net working capital requirements including lower inflows from contract liabilities from engineering customer advanced payments and higher cash taxes and interest, partially offset by higher net income adjusted for non-cash charges.

Linde estimates that total 2024 required contributions to its pension plans will be in the range of approximately \$30 million to \$40 million, of which \$24 million has been made through June 30, 2024.

Investing

Net cash used for investing activities of \$2,311 million for the six months ended June 30, 2024 decreased \$187 million versus 2023, due to lower acquisitions, net of cash acquired, partially offset by higher capital expenditures.

Capital expenditures for the six months ended June 30, 2024 were \$2,181 million, \$493 million higher than the prior year due primarily to investments in new plant and production equipment for backlog growth requirements.

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At June 30, 2024, Linde's sale of gas backlog of large projects under construction was approximately \$4.7 billion. This represents the total estimated capital cost of large plants under construction.

Acquisitions, net of cash acquired were \$152 million for the six months ended June 30, 2024 and relate primarily to packaged gas businesses in the Americas. Acquisitions, net of cash acquired were \$834 million, for the six months ended June 30, 2023 and related primarily to the acquisition of nexAir in the Americas.

Divestitures, net of cash divested and asset sales for the six months ended June 30, 2024 and 2023 were \$22 million and \$24 million, respectively.

Financing

Cash used for financing activities was \$1,476 million for the six months ended June 30, 2024 as compared to \$3,656 million for the six months ended June 30, 2023. Cash provided by debt was \$2,535 million in 2024 versus cash used for debt of \$642 million in 2023, driven primarily by higher net debt issuances. In February 2024, Linde repaid €550 million of 1.20% notes that became due and issued €700 million of 3.00% notes due in 2028, €850 million of 3.20% notes due in 2031 and €700 million of 3.40% notes due in 2036. In May 2024, Linde repaid €300 million of 1.875% notes that became due. In June 2024 Linde issued €750 million of 3.375% notes due in 2030, €750 million of 3.500% notes due in 2034 and €700 million of 3.75% notes due in 2044.

Net purchases of ordinary shares were \$2,460 million in 2024 versus \$1,746 million in 2023. For additional information related to the share repurchase programs, see Part II Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Cash dividends of \$1,334 million increased \$88 million from 2023 driven primarily by a 9% increase in quarterly dividends per share from \$1.275 per share to \$1.39 per share, partially offset by lower shares outstanding. Cash used for Noncontrolling interest transactions and other was \$217 million for the six months ended June 30, 2024 versus cash used of \$22 million for the respective 2023 period.

The company continues to believe it has sufficient operating flexibility, cash, and funding sources to meet its business needs around the world. The company had \$4.6 billion of cash as of June 30, 2024, and has a \$5 billion and a \$1.5 billion unsecured and undrawn revolving credit agreement with no associated financial covenants. No borrowings were outstanding under the credit agreements as of June 30, 2024. The company does not anticipate any limitations on its ability to access the debt capital markets and/or other external funding sources and remains committed to its strong ratings from Moody's and Standard & Poor's.

Legal Proceedings

See Note 8 to the condensed consolidated financial statements.

NON-GAAP MEASURES AND RECONCILIATIONS

(Millions of dollars, except per share data)

The following non-GAAP measures are intended to supplement investors' understanding of the company's financial information by providing measures which investors, financial analysts and management use to help evaluate the company's operating performance and liquidity. Items which the company does not believe to be indicative of on-going business trends are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures.

	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<u>Adjusted Operating Profit and Operating Margin</u>				
Reported operating profit	\$ 2,184	\$ 2,011	\$ 4,279	\$ 3,944
Add: Other charges	—	22	—	40
Add: Purchase accounting impacts - Linde AG (c)	238	253	484	508
Total adjustments	238	275	484	548
Adjusted operating profit	<u>\$ 2,422</u>	<u>\$ 2,286</u>	<u>\$ 4,763</u>	<u>\$ 4,492</u>
Reported percentage change	9 %		8 %	
Adjusted percentage change	6 %		6 %	
Reported sales	\$ 8,267	\$ 8,204	\$ 16,367	\$ 16,397
Reported operating margin	26.4 %	24.5 %	26.1 %	24.1 %
Adjusted operating margin	29.3 %	27.9 %	29.1 %	27.4 %
<u>Adjusted Depreciation and amortization</u>				
Reported depreciation and amortization	\$ 958	\$ 960	\$ 1,907	\$ 1,908
Less: Purchase accounting impacts - Linde AG (c)	(237)	(251)	(477)	(501)
Adjusted depreciation and amortization	<u>\$ 721</u>	<u>\$ 709</u>	<u>\$ 1,430</u>	<u>\$ 1,407</u>
<u>Adjusted Other Income (Expense) - net</u>				
Reported Other Income (Expense) - net	\$ 2	\$ (27)	\$ 60	\$ (32)
Less: Purchase accounting impacts - Linde AG (c)	(1)	(2)	(7)	(7)
Adjusted Other Income (Expense) - net	<u>\$ 3</u>	<u>\$ (25)</u>	<u>\$ 67</u>	<u>\$ (25)</u>
<u>Adjusted Interest Expense - Net</u>				
Reported interest expense - net	\$ 70	\$ 52	\$ 135	\$ 89
Add: Purchase accounting impacts - Linde AG (c)	1	4	3	13
Adjusted interest expense - net	<u>\$ 71</u>	<u>\$ 56</u>	<u>\$ 138</u>	<u>\$ 102</u>

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	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Adjusted Income Taxes (a)				
Reported income taxes	\$ 508	\$ 438	\$ 971	\$ 868
Add: Purchase accounting impacts - Linde AG (c)	56	67	116	124
Add: Other charges	—	34	5	79
Total adjustments	56	101	121	203
Adjusted income taxes	\$ 564	\$ 539	\$ 1,092	\$ 1,071
Adjusted Effective Tax Rate (a)				
Reported income before income taxes and equity investments	\$ 2,163	\$ 2,004	\$ 4,243	\$ 3,945
Add: Purchase accounting impacts - Linde AG (c)	237	249	481	495
Add: Other charges	—	22	—	40
Total adjustments	237	271	481	535
Adjusted income before income taxes and equity investments	\$ 2,400	\$ 2,275	\$ 4,724	\$ 4,480
Reported Income taxes	\$ 508	\$ 438	\$ 971	\$ 868
Reported effective tax rate	23.5 %	21.9 %	22.9 %	22.0 %
Adjusted income taxes	\$ 564	\$ 539	\$ 1,092	\$ 1,071
Adjusted effective tax rate	23.5 %	23.7 %	23.1 %	23.9 %
Income from Equity Investments				
Reported income from equity investments	\$ 45	\$ 46	\$ 93	\$ 87
Add: Purchase accounting impacts - Linde AG (c)	18	18	36	36
Adjusted income from equity investments	\$ 63	\$ 64	\$ 129	\$ 123
Adjusted Noncontrolling Interests				
Reported noncontrolling interests	\$ (37)	\$ (37)	\$ (75)	\$ (73)
Add: Purchase accounting impacts - Linde AG (c)	(3)	(3)	(6)	(6)
Adjusted noncontrolling interests	\$ (40)	\$ (40)	\$ (81)	\$ (79)
Adjusted Net Income - Linde plc (b)				
Reported net income - Linde plc	\$ 1,663	\$ 1,575	\$ 3,290	\$ 3,091
Add: Other charges	—	(12)	(5)	(39)
Add: Purchase accounting impacts - Linde AG (c)	196	197	395	401
Total adjustments	196	185	390	362
Adjusted net income - Linde plc	\$ 1,859	\$ 1,760	\$ 3,680	\$ 3,453

	Quarter Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Adjusted Diluted EPS (b)				
Reported diluted EPS	\$ 3.44	\$ 3.19	\$ 6.79	\$ 6.25
Add: Other charges	—	(0.02)	(0.01)	(0.08)
Add: Purchase accounting impacts - Linde AG (c)	0.41	0.40	0.82	0.81
Total adjustments	0.41	0.38	0.81	0.73
Adjusted diluted EPS	\$ 3.85	\$ 3.57	\$ 7.60	\$ 6.98
Reported percentage change	8 %		9 %	
Adjusted percentage change	8 %		9 %	
Adjusted EBITDA and % of Sales				
Net Income - Linde plc	\$ 1,663	\$ 1,575	\$ 3,290	\$ 3,091
Add: Noncontrolling interests	37	37	75	73
Add: Net pension and OPEB cost (benefit), excluding service cost	(49)	(45)	(99)	(90)
Add: Interest expense	70	52	135	89
Add: Income taxes	508	438	971	868
Add: Depreciation and amortization	958	960	1,907	1,908
EBITDA	\$ 3,187	\$ 3,017	\$ 6,279	\$ 5,939
Add: Other charges	—	22	—	40
Add: Purchase accounting impacts - Linde AG (c)	19	20	43	43
Total adjustments	19	42	43	83
Adjusted EBITDA	\$ 3,206	\$ 3,059	\$ 6,322	\$ 6,022
Reported sales	\$ 8,267	\$ 8,204	\$ 16,367	\$ 16,397
% of sales				
EBITDA	38.6 %	36.8 %	38.4 %	36.2 %
Adjusted EBITDA	38.8 %	37.3 %	38.6 %	36.7 %

(a) The income tax expense (benefit) on the non-GAAP pre-tax adjustments was determined using the applicable tax rates for the jurisdictions that were utilized in calculating the GAAP income tax expense (benefit) and included both current and deferred income tax amounts.

(b) Net of income taxes which are shown separately in “Adjusted Income Taxes and Adjusted Effective Tax Rate”.

(c) The company believes that its non-GAAP measures excluding Purchase accounting impacts - Linde AG are useful to investors because: (i) the 2018 business combination was a merger of equals in an all-stock merger transaction, with no cash consideration, (ii) the company is managed on a geographic basis and the results of certain geographies are more heavily impacted by purchase accounting than others, causing results that are not comparable at the reportable segment level, therefore, the impacts of purchase accounting adjustments to each segment vary and are not comparable within the company and when compared to other companies in similar regions, (iii) business management is evaluated and variable compensation is determined based on results excluding purchase accounting impacts, and; (iv) it is important to investors and analysts to understand the purchase accounting impacts to the financial statements.

A summary of each of the adjustments made for Purchase accounting impacts - Linde AG are as follows:

Adjusted Operating Profit and Margin: The purchase accounting adjustments for the periods presented relate primarily to depreciation and amortization related to the fair value step up of fixed assets and intangible assets (primarily customer related) acquired in the merger and the allocation of fair value step-up for ongoing Linde AG asset disposals (reflected in Other Income/(Expense)).

Adjusted Interest Expense - Net: Relates to the amortization of the fair value of debt acquired in the merger.

Adjusted Income Taxes and Effective Tax Rate: Relates to the current and deferred income tax impact on the adjustments discussed above. The income tax expense (benefit) on the non-GAAP pre-tax adjustments was determined using the applicable tax rates for the jurisdictions that were utilized in calculating the GAAP income tax expense (benefit) and included both current and deferred income tax amounts.

Adjusted Income from Equity Investments: Represents the amortization of increased fair value on equity investments related to depreciable and amortizable assets.

Adjusted Noncontrolling Interests: Represents the noncontrolling interests' ownership portion of the adjustments described above determined on an entity by entity basis.

Net Debt and Adjusted Net Debt

Net debt is a financial liquidity measure used by investors, financial analysts and management to evaluate the ability of a company to repay its debt. Purchase accounting impacts have been excluded as they are non-cash and do not have an impact on liquidity.

	June 30, 2024	December 31, 2023
<i>(Millions of dollars)</i>		
Debt	\$ 21,518	\$ 19,373
Less: cash and cash equivalents	(4,626)	(4,664)
Net debt	16,892	14,709
Less: purchase accounting impacts - Linde AG	(4)	(7)
Adjusted net debt	\$ 16,888	\$ 14,702

Supplemental Guarantee Information

On May 3, 2023, the company filed a Form S-3 Registration Statement with the SEC ("the Registration Statement").

Linde plc may offer debt securities, preferred shares, depositary shares and ordinary shares under the Registration Statement, and debt securities exchangeable for or convertible into preferred shares, ordinary shares or other debt securities. Debt securities of Linde plc may be guaranteed by Linde Inc and/or Linde GmbH. Linde plc may provide guarantees of debt securities offered by its wholly owned subsidiaries Linde Inc. or Linde Finance under the Registration Statement.

Linde Inc. is a wholly owned subsidiary of Linde plc. Linde Inc. may offer debt securities under the Registration Statement. Debt securities of Linde Inc. will be guaranteed by Linde plc, and such guarantees by Linde plc may be guaranteed by Linde GmbH. Linde Inc. may also provide (i) guarantees of debt securities offered by Linde plc under the Registration Statement and (ii) guarantees of the guarantees provided by Linde plc of debt securities of Linde Finance offered under the Registration Statement.

Linde Finance B.V. is a wholly owned subsidiary of Linde plc. Linde Finance may offer debt securities under the Registration Statement. Linde plc will guarantee debt securities of Linde Finance offered under the Registration Statement. Linde GmbH and Linde Inc. may guarantee Linde plc's obligations under its downstream guarantee.

Linde GmbH is a wholly owned subsidiary of Linde plc. Linde GmbH may provide (i) guarantees of debt securities offered by Linde plc under the Registration Statement and (ii) upstream guarantees of downstream guarantees provided by Linde plc of debt securities of Linde Inc. or Linde Finance offered under the Registration Statement.

In September 2019, Linde plc provided downstream guarantees of all pre-existing Linde Inc. and Linde Finance notes, and Linde GmbH and Linde Inc., respectively, provided upstream guarantees of Linde plc's downstream guarantees.

Linde plc has filed a base prospectus with the Luxembourg Stock Exchange for a €15.0 billion debt issuance program, under which Linde plc may offer debt securities. Linde Inc. and Linde GmbH have provided to Linde plc upstream guarantees in relation to debt securities of Linde plc offered under the European debt program.

For further information about the guarantees of the debt securities registered under the Registration Statement (including the ranking of such guarantees, limitations on enforceability of such guarantees and the circumstances under which such guarantees may be released), see "Description of Debt Securities – Guarantees" and "Description of Debt Securities – Ranking" in the Registration Statement, which subsections are incorporated herein by reference.

The following tables present summarized financial information for Linde plc, Linde Inc., Linde GmbH and Linde Finance on a combined basis, after eliminating intercompany transactions and balances between them and excluding investments in and equity in earnings from non-guarantor subsidiaries.

(Millions of dollars)

Statement of Income Data	Six Months Ended June 30, 2024		Twelve months ended December 31, 2023	
Sales	\$	3,844	\$	8,143
Operating profit		720		1,656
Net income		(151)		735
Transactions with non-guarantor subsidiaries		1,506		3,004
Balance Sheet Data (at period end)				
Current assets (a)	\$	8,454	\$	4,423
Long-term assets (b)		13,624		13,833
Current liabilities (c)		9,069		10,882
Long-term liabilities (d)		64,572		56,546
(a) From current assets above, amount due from non-guarantor subsidiaries	\$	5,271	\$	1,753
(b) From long-term assets above, amount due from non-guarantor subsidiaries		693		816
(c) From current liabilities above, amount due to non-guarantor subsidiaries		1,839		1,684
(d) From long-term liabilities above, amount due to non-guarantor subsidiaries		44,122		39,458

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Refer to Item 7A. to Part II of Linde's 2023 Annual Report on Form 10-K for discussion.

Item 4. Controls and Procedures

- (a) Based on an evaluation of the effectiveness of Linde's disclosure controls and procedures, which was made under the supervision and with the participation of management, including Linde's principal executive officer and principal financial officer, the principal executive officer and principal financial officer have each concluded that, as of the end of the quarterly period covered by this report, such disclosure controls and procedures are effective in ensuring that information required to be disclosed by Linde in reports that it files under the Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and accumulated and communicated to management including Linde's principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.
- (b) There were no changes in Linde's internal control over financial reporting that occurred during the quarterly period covered by this report that have materially affected, or are reasonably likely to materially affect, Linde's internal control over financial reporting.

PART II - OTHER INFORMATION*Linde plc and Subsidiaries***Item 1. Legal Proceedings**

See Note 8 to the condensed consolidated financial statements for a description of current legal proceedings.

Item 1A. Risk Factors

Through the quarterly period covered by this report, there have been no material changes to the risk factors disclosed in Item 1A to Part I of Linde's Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities- Certain information regarding purchases made by or on behalf of the company or any affiliated purchaser (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934, as amended) of its ordinary shares during the quarter ended June 30, 2024 is provided below:

<u>Period</u>	Total Number of Shares Purchased (Thousands)	Average Price Paid Per Share	Total Numbers of Shares Purchased as Part of Publicly Announced Program (1) (Thousands)	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program (2) (Millions)
April 2024	887	\$ 448.51	887	\$ 14,929
May 2024	1,456	\$ 430.05	1,456	\$ 14,303
June 2024	880	\$ 434.89	880	\$ 13,921
Second Quarter 2024	3,223	\$ 436.45	3,223	\$ 13,921

(1) On February 28, 2022, the company's board of directors approved the repurchase of \$10.0 billion of its ordinary shares ("2022 program") which could take place from time to time on the open market (and could include the use of 10b5-1 trading plans), subject to market and business conditions. The 2022 program has a maximum repurchase amount of 15% of outstanding shares and began on March 1, 2022 and was completed as of June 30, 2024.

On October 23, 2023, the company's board of directors approved the repurchase of \$15.0 billion of its ordinary shares ("2023 program") which could take place from time to time on the open market (and could include the use of 10b5-1 trading plans), subject to market and business conditions. The 2023 program began on October 23, 2023 and will terminate on the earlier of the date as the maximum authority under the 2023 program is reached or the board terminates the 2023 program.

(2) As of June 30, 2024, the company completed the \$10 billion 2022 share repurchase program and \$13.9 billion of share repurchases remain authorized under the 2023 program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

(a)	Exhibits
31.01	Rule 13a-14(a) Certification
31.02	Rule 13a-14(a) Certification
32.01	Section 1350 Certification (such certifications are furnished for the information of the Commission and shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act).
32.02	Section 1350 Certification (such certifications are furnished for the information of the Commission and shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act).
4.1	Amended and Restated Fiscal Agency Agreement dated May 8, 2024, among Linde plc, as Issuer, and Deutsche Bank (filed as Exhibit 4.6 to the Company's Current Report on Form 8-K filed on June 4, 2024, File No.001-38730 and incorporated herein by reference).
4.2	Confirmation of Upstream Guarantee to Linde plc provided by Linde GmbH, dated May 17, 2024 (filed as Exhibit 4.7 to the Company's Current Report on Form 8-K filed on June 4, 2024, File No.001-38730 and incorporated herein by reference).
4.3	Confirmation of Upstream Guarantee to Linde plc provided by Linde Inc., dated May 8, 2024 (filed as Exhibit 4.8 to the Company's Current Report on Form 8-K filed on June 4, 2024, File No.001-38730 and incorporated herein by reference).
101.INS	XBRL Instance Document: The XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase

*Indicates a management contract or compensatory plan or arrangement.

SIGNATURE

Linde plc and Subsidiaries

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 2, 2024

Linde plc

(Registrant)

By: /s/ Kelcey E. Hoyt

Kelcey E. Hoyt
Chief Accounting Officer

RULE 13a-14(a) CERTIFICATIONS

Linde plc and Subsidiaries

EXHIBIT 31.01

I, Sanjiv Lamba, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Linde plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 2, 2024

By:/s/ Sanjiv Lamba

Sanjiv Lamba
Chief Executive Officer

RULE 13a-14(a) CERTIFICATIONS

Linde plc and Subsidiaries

EXHIBIT 31.02

I, Matthew J. White, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Linde plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 2, 2024

By: /s/ Matthew J. White

Matthew J. White
Chief Financial Officer

SECTION 1350 CERTIFICATION

Linde plc and Subsidiaries

EXHIBIT 32.01

Pursuant to 18 U.S.C. § 1350, the undersigned officer of Linde plc (the “Company”), hereby certifies that the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 2, 2024

By:/s/ Sanjiv Lamba

Sanjiv Lamba
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by 18 U.S.C. § 1350 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

SECTION 1350 CERTIFICATION

Linde plc and Subsidiaries

EXHIBIT 32.02

Pursuant to 18 U.S.C. § 1350, the undersigned officer of Linde plc (the “Company”), hereby certifies that the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 2, 2024

By: /s/ Matthew J. White

Matthew J. White

Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by 18 U.S.C. § 1350 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.