

# consolidated financial statements

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# Consolidated Income Statement

€ million	Note	2024	2023
<b>Net sales</b>	9	<b>21,156</b>	<b>20,993</b>
Cost of sales	10	-8,671	-8,600
<b>Gross profit</b>		<b>12,485</b>	<b>12,392</b>
Marketing and selling expenses	11	-4,536	-4,510
Administration expenses		-1,370	-1,392
Research and development costs	12	-2,279	-2,445
Impairment losses and reversals of impairment losses on financial assets (net)	42	-8	-51
Other operating income	13	269	445
Other operating expenses	14	-915	-830
<b>Operating result (EBIT)<sup>1</sup></b>		<b>3,645</b>	<b>3,609</b>
Finance income	40	200	197
Finance costs	40	-309	-322
<b>Profit before income tax</b>		<b>3,536</b>	<b>3,484</b>
Income tax	15	-751	-650
<b>Profit after tax</b>		<b>2,786</b>	<b>2,834</b>
thereof: attributable to Merck KGaA shareholders (net income)		2,777	2,824
thereof: attributable to non-controlling interests	34	9	10
<b>Earnings per share (in €)</b>	17		
Basic		6.39	6.49
Diluted		6.39	6.49

<sup>1</sup> Not defined by International Financial Reporting Standards (IFRS).

# Consolidated Statement of Comprehensive Income

€ million	Note	2024	2023
<b>Profit after tax</b>		<b>2,786</b>	<b>2,834</b>
<b>Items of other comprehensive income that will not be reclassified to profit or loss in subsequent periods</b>			
<b>Net defined benefit liability</b>	33		
Changes in remeasurement		179	-236
Tax effect		-89	48
Changes recognized in equity		<b>90</b>	<b>-187</b>
<b>Equity instruments</b>	34		
Fair value adjustments		37	158
Tax effect		-6	2
Changes recognized in equity		<b>30</b>	<b>160</b>
		<b>121</b>	<b>-28</b>
<b>Items of other comprehensive income that may be reclassified to profit or loss in subsequent periods</b>			
<b>Cash flow hedge reserve</b>	39		
Fair value adjustments		92	98
Reclassification to profit or loss		-149	-95
Reclassification to assets		-	-
Tax effect		5	-5
Changes recognized in equity		<b>-52</b>	<b>-2</b>
<b>Cost of cash flow hedge reserve</b>	39		
Fair value adjustments		-	-17
Reclassification to profit or loss		-2	22
Reclassification to assets		-	-
Tax effect		-	-
Changes recognized in equity		<b>-2</b>	<b>5</b>
<b>Currency translation difference</b>			
Changes taken directly to equity		1,444	-1,003
Reclassification to profit or loss		-15	-15
Changes recognized in equity		<b>1,429</b>	<b>-1,018</b>
		<b>1,375</b>	<b>-1,015</b>
<b>Other comprehensive income</b>		<b>1,496</b>	<b>-1,043</b>
<b>Comprehensive income</b>		<b>4,282</b>	<b>1,791</b>
thereof: attributable to Merck KGaA shareholders		4,272	1,783
thereof: attributable to non-controlling interests	34	9	8

# Consolidated Balance Sheet

€ million	Note	Dec. 31, 2024	Dec. 31, 2023
<b>Non-current assets</b>			
Goodwill	18	19,152	17,845
Other intangible assets	19	6,282	6,551
Property, plant and equipment	20	10,025	9,056
Investments accounted for using the equity method		3	3
Non-current receivables	25	27	28
Other non-current financial assets	36	1,172	981
Other non-current non-financial assets	22	134	115
Non-current income tax receivables	15	9	9
Deferred tax assets	15	1,312	1,514
		<b>38,116</b>	<b>36,102</b>
<b>Current assets</b>			
Inventories	24	4,484	4,637
Trade and other current receivables	25	3,947	4,004
Contract assets	26	132	104
Other current financial assets	36	642	499
Other current non-financial assets	22	621	633
Current income tax receivables	15	512	473
Cash and cash equivalents	35	2,517	1,982
Assets held for sale	6	597	62
		<b>13,450</b>	<b>12,393</b>
<b>Total assets</b>		<b>51,567</b>	<b>48,495</b>
<b>Total equity</b>	34		
Equity capital		565	565
Capital reserves		3,814	3,814
Retained earnings		22,086	20,228
Gains/losses recognized in equity		3,448	2,073
<b>Equity attributable to Merck KGaA shareholders</b>		<b>29,912</b>	<b>26,680</b>
Non-controlling interests		75	75
		<b>29,988</b>	<b>26,754</b>
<b>Non-current liabilities</b>			
Non-current provisions for employee benefits	33	1,956	2,192
Other non-current provisions	27	257	277
Non-current financial debt	37	6,997	9,239
Other non-current financial liabilities	38	135	147
Other non-current non-financial liabilities	29	12	17
Non-current income tax liabilities	15	36	39
Deferred tax liabilities	15	892	1,130
		<b>10,285</b>	<b>13,042</b>
<b>Current liabilities</b>			
Current provisions for employee benefits	33	66	83
Current provisions	27	505	575
Current financial debt	37	3,304	702
Other current financial liabilities	38	1,030	1,005
Trade and other current payables	30	2,275	2,545
Refund liabilities	9	869	877
Current income tax liabilities	15	1,527	1,433
Other current non-financial liabilities	29	1,562	1,479
Liabilities directly related to assets held for sale	6	157	-
		<b>11,294</b>	<b>8,699</b>
<b>Total equity and liabilities</b>		<b>51,567</b>	<b>48,495</b>

# Consolidated Cash Flow Statement

€ million	Note	2024	2023
<b>Profit after tax</b>		<b>2,786</b>	<b>2,834</b>
Depreciation/amortization/impairment losses/reversals of impairment losses		2,134	1,880
Changes in inventories		36	-89
Changes in trade accounts receivable		79	-8
Changes in trade accounts payable/refund liabilities		-178	-43
Changes in provisions		62	188
Changes in other assets and liabilities		-309	-755
Neutralization of gains/losses on disposal of fixed assets and other disposals		-2	-150
Other non-cash income and expenses		-22	-72
<b>Operating Cash Flow</b>	<b>16</b>	<b>4,586</b>	<b>3,784</b>
Payments for investments in intangible assets		-482	-216
Proceeds from the disposal of intangible assets		18	136
Payments for investments in property, plant and equipment		-1,702	-1,807
Proceeds from the disposal of property, plant and equipment		27	19
Payments for investments in other assets <sup>1</sup>		-2,251	-3,031
Proceeds from the disposal of other assets <sup>1</sup>		2,107	3,021
Payments for acquisitions less acquired cash and cash equivalents (net)		-774	-12
Proceeds from divestments		7	-
<b>Investing Cash Flow</b>	<b>23</b>	<b>-3,050</b>	<b>-1,892</b>
Dividend payments to Merck KGaA shareholders		-284	-284
Dividend payments to non-controlling interests		-9	-12
Profit withdrawal by E. Merck KG		-747	-868
Proceeds from new borrowings of financial debt from E. Merck KG and E. Merck Beteiligungen KG		683	697
Repayment of financial debt to E. Merck KG and E. Merck Beteiligungen KG		-453	-420
Proceeds from new borrowings of other current and non-current financial debt		2,113	519
Repayment of other current and non-current financial debt		-2,290	-1,364
<b>Financing Cash Flow</b>	<b>41</b>	<b>-985</b>	<b>-1,732</b>
<b>Changes in cash and cash equivalents</b>		<b>551</b>	<b>160</b>
Changes in cash and cash equivalents due to currency translation		-16	-31
Cash and cash equivalents as of January 1		1,982	1,854
<b>Cash and cash equivalents as of December 31 (consolidated balance sheet)</b>	<b>35</b>	<b>2,517</b>	<b>1,982</b>

<sup>1</sup> Prior-year figures have been adjusted, see note (2) "[Reporting principles](#)".

# Consolidated Statement of Changes in Net Equity

For details see Note (34) [“Equity”](#).

€ million	Equity capital	Capital reserves	Retained earnings	Gains/losses recognized in equity	Equity attributable to Merck KGaA shareholders	Non-controlling interests	Total equity
<b>Jan. 1, 2023</b>	<b>565</b>	<b>3,814</b>	<b>18,463</b>	<b>3,086</b>	<b>25,927</b>	<b>78</b>	<b>26,005</b>
Profit after tax	–	–	2,824	–	2,824	10	2,834
Gains/losses recognized in equity	–	–	-28	-1,013	-1,041	-2	-1,043
<b>Comprehensive income</b>	<b>–</b>	<b>–</b>	<b>2,796</b>	<b>-1,013</b>	<b>1,783</b>	<b>8</b>	<b>1,791</b>
Dividend payments	–	–	-284	–	-284	-16	-300
Capital increases	–	–	–	–	–	5	5
Profit transfer to/from E. Merck KG including changes in reserves	–	–	-746	–	-746	–	-746
Transactions with no change of control	–	–	-1	–	-1	–	–
Change in scope of consolidation/Other	–	–	–	–	–	–	–
<b>Dec. 31, 2023</b>	<b>565</b>	<b>3,814</b>	<b>20,228</b>	<b>2,073</b>	<b>26,680</b>	<b>75</b>	<b>26,754</b>

€ million	Equity capital	Capital reserves	Retained earnings	Gains/losses recognized in equity	Equity attributable to Merck KGaA shareholders	Non-controlling interests	Total equity
<b>Jan. 1, 2024</b>	<b>565</b>	<b>3,814</b>	<b>20,228</b>	<b>2,073</b>	<b>26,680</b>	<b>75</b>	<b>26,754</b>
Profit after tax	–	–	2,777	–	2,777	9	2,786
Gains/losses recognized in equity	–	–	121	1,375	1,496	–	1,496
<b>Comprehensive income</b>	<b>–</b>	<b>–</b>	<b>2,897</b>	<b>1,375</b>	<b>4,272</b>	<b>9</b>	<b>4,282</b>
Dividend payments	–	–	-284	–	-284	-9	-293
Capital increases	–	–	–	–	–	1	1
Profit transfer to/from E. Merck KG including changes in reserves	–	–	-755	–	-755	–	-755
Transactions with no change of control	–	–	–	–	–	–	–
Change in scope of consolidation/Other	–	–	–	–	–	–	–
<b>Dec. 31, 2024</b>	<b>565</b>	<b>3,814</b>	<b>22,086</b>	<b>3,448</b>	<b>29,912</b>	<b>75</b>	<b>29,988</b>