

consolidated financial statements

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Consolidated Income Statement

€ million	Note	2023	2022
Net sales	9	20,993	22,232
Cost of sales	10	-8,600	-8,527
Gross profit		12,392	13,705
Marketing and selling expenses	11	-4,510	-4,714
Administration expenses		-1,392	-1,306
Research and development costs	12	-2,445	-2,521
Impairment losses and reversals of impairment losses on financial assets (net)	42	-51	-6
Other operating income	13	445	486
Other operating expenses	14	-830	-1,170
Operating result (EBIT)¹		3,609	4,474
Finance income	40	197	90
Finance costs	40	-322	-277
Profit before income tax		3,484	4,287
Income tax	15	-650	-948
Profit after tax		2,834	3,339
thereof: attributable to shareholders of Merck KGaA, Darmstadt, Germany (net income)		2,824	3,326
thereof: attributable to non-controlling interests	34	10	14
Earnings per share (in €)	17		
Basic		6.49	7.65
Diluted		6.49	7.65

¹ Not defined by International Financial Reporting Standard (IFRS).

Consolidated Statement of Comprehensive Income

€ million	Note	2023	2022
Profit after tax		2,834	3,339
Items of other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
Net defined benefit liability	33		
Changes in remeasurement		-236	1,440
Tax effect		48	-300
Changes recognized in equity		-187	1,140
Equity instruments	34		
Fair value adjustments		158	-34
Tax effect		2	3
Changes recognized in equity		160	-31
		-28	1,109
Items of other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Cash flow hedge reserve	39		
Fair value adjustments		98	-98
Reclassification to profit or loss		-95	194
Reclassification to assets		-	-
Tax effect		-5	-5
Changes recognized in equity		-2	91
Cost of cash flow hedge reserve	39		
Fair value adjustments		-17	-15
Reclassification to profit or loss		22	16
Reclassification to assets		-	-
Tax effect		-	10
Changes recognized in equity		5	11
Currency translation difference			
Changes taken directly to equity		-1,003	1,228
Reclassification to profit or loss		-15	-71
Changes recognized in equity		-1,018	1,157
		-1,015	1,259
Other comprehensive income		-1,043	2,368
Comprehensive income		1,791	5,708
thereof: attributable to shareholders of Merck KGaA, Darmstadt, Germany		1,783	5,696
thereof: attributable to non-controlling interests	34	8	12

Consolidated Balance Sheet

€ million	Note	Dec. 31, 2023	Dec. 31, 2022
Non-current assets¹			
Goodwill ¹	18	17,845	18,389
Other intangible assets ¹	19	6,551	7,335
Property, plant and equipment ¹	20	9,056	8,204
Investments accounted for using the equity method		3	3
Non-current receivables	25	28	27
Other non-current financial assets	36	981	957
Other non-current non-financial assets	22	115	99
Non-current income tax receivables	15	9	10
Deferred tax assets	15	1,514	1,310
		36,102	36,334
Current assets			
Inventories	24	4,637	4,632
Trade and other current receivables	25	4,004	4,114
Contract assets	26	104	128
Other current financial assets	36	499	321
Other current non-financial assets	22	633	705
Current income tax receivables	15	473	446
Cash and cash equivalents	35	1,982	1,854
Assets held for sale	6	62	-
		12,393	12,201
Total assets¹		48,495	48,535
Total equity	34		
Equity capital		565	565
Capital reserves		3,814	3,814
Retained earnings		20,228	18,463
Gains/losses recognized in equity		2,073	3,086
Equity attributable to shareholders of Merck KGaA, Darmstadt, Germany		26,680	25,927
Non-controlling interests		75	78
		26,754	26,005
Non-current liabilities¹			
Non-current provisions for employee benefits	33	2,192	2,030
Other non-current provisions	27	277	299
Non-current financial debt	37	9,239	9,200
Other non-current financial liabilities ²	38	147	141
Other non-current non-financial liabilities ²	29	17	19
Non-current income tax liabilities	15	39	38
Deferred tax liabilities ¹	15	1,130	1,287
		13,042	13,015
Current liabilities¹			
Current provisions for employee benefits ²	33	83	81
Current provisions	27	575	372
Current financial debt	37	702	1,228
Other current financial liabilities ²	38	1,005	1,153
Trade and other current payables ¹	30	2,545	2,499
Refund liabilities	9	877	912
Current income tax liabilities	15	1,433	1,483
Other current non-financial liabilities ²	29	1,479	1,786
		8,699	9,514
Total equity and liabilities¹		48,495	48,535

¹ Previous year's figures have been adjusted, see note (6) "[Acquisitions and divestments](#)".

² Previous year's figures have been adjusted, see note (2) "[Reporting principles](#)".

Consolidated Cash Flow Statement

€ million	Note	2023	2022
Profit after tax		2,834	3,339
Depreciation/amortization/impairment losses/reversals of impairment losses		1,880	2,030
Changes in inventories		-89	-604
Changes in trade accounts receivable		-8	-413
Changes in trade accounts payable/refund liabilities		-43	101
Changes in provisions ¹		188	279
Changes in other assets and liabilities ¹		-755	-445
Neutralization of gains/losses on disposal of fixed assets and other disposals		-150	-48
Other non-cash income and expenses		-72	21
Operating Cash Flow	16	3,784	4,259
Payments for investments in intangible assets		-216	-275
Payments from the disposal of intangible assets		136	38
Payments for investments in property, plant and equipment		-1,807	-1,531
Payments from the disposal of property, plant and equipment		19	21
Payments for investments in financial assets		-537	-364
Payments for acquisitions less acquired cash and cash equivalents (net)		-12	-854
Proceeds from the disposal of other financial assets		510	219
Payments for the acquisition of non-financial assets		-2,494	-1,075
Proceeds from the disposal of non-financial assets		2,511	1,077
Payments from divestments		-	4
Investing Cash Flow	23	-1,892	-2,743
Dividend payments to shareholders of Merck KGaA, Darmstadt, Germany		-284	-239
Dividend payments to non-controlling interests		-12	-11
Profit withdrawal by E. Merck KG, Darmstadt, Germany		-868	-716
Proceeds from new borrowings of financial debt from E. Merck KG, Darmstadt, Germany and E. Merck Beteiligungen KG, Darmstadt, Germany, a related party of E. Merck KG, Darmstadt, Germany		697	1,637
Repayment of financial debt to E. Merck KG, Darmstadt, Germany, and E. Merck Beteiligungen KG, Darmstadt, Germany, a related party of E. Merck KG, Darmstadt, Germany		-420	-1,613
Payments from new borrowings of other current and non-current financial debt ²		519	1,281
Repayment of other current and non-current financial debt ²		-1,364	-1,893
Financing Cash Flow	41	-1,732	-1,555
Changes in cash and cash equivalents		160	-39
Changes in cash and cash equivalents due to currency translation		-31	-7
Cash and cash equivalents as of January 1		1,854	1,899
Cash and cash equivalents as of December 31 (consolidated balance sheet)	35	1,982	1,854

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

² The lines "Repayments of bonds" and "Repayments of other current and non-current financial debt" as well as "Proceeds from the issuance of bonds" and "Payments from new borrowings of other current and non-current financial debt", which were presented separately in the previous year, have been summarized to improve clarity.

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 shareholders of Merck KGaA, Darmstadt, Germany	Non-controlling interests	Total equity
Jan. 1, 2022	565	3,814	15,134	1,824	21,338	78	21,416
Profit after tax	–	–	3,326	–	3,326	14	3,339
Gains/losses recognized in equity	–	–	1,109	1,261	2,370	-2	2,368
Comprehensive income	–	–	4,435	1,261	5,696	12	5,708
Dividend payments	–	–	-239	–	-239	-11	-251
Capital increases	–	–	–	–	–	–	–
Profit transfer to/from E. Merck KG, Darmstadt, Germany, including changes in reserves	–	–	-868	–	-868	–	-868
Transactions with no change of control	–	–	–	–	–	–	–
Change in scope of consolidation/Other	–	–	–	–	–	–	–
Dec. 31, 2022	565	3,814	18,463	3,086	25,927	78	26,005

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