



## Report of the independent auditor

To: the Managing Board of Koninklijke DSM N.V.

### ***Our opinion***

The selected consolidated financial information of Koninklijke DSM N.V. for the financial years ended 31 December 2021, 2020 and 2019 (presented in the accompanying Selected Financial Statements) are derived from the audited consolidated financial statements of Koninklijke DSM N.V. for the financial years ended 31 December 2021 and 2020.

In our opinion the selected consolidated financial information for the financial years ended 31 December 2021, 2020 and 2019 presented in the accompanying Selected Financial Statements are consistent, in all material respects, with those financial statements, on the basis described in the accompanying Basis for preparation.

The Selected Financial Statements present:

- 1 the selected consolidated balance sheet data as at 31 December 2021, 2020 and 2019.
- 2 the following consolidated statements for the financial years ended 31 December 2021, 2020 and 2019: the selected consolidated income statement data and the selected consolidated statement of cash flows data; and
- 3 the accompanying other explanatory information as enclosed herein.

The Selected Financial Statements do not contain all the disclosures required by International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. Reading the Selected Financial Statements, therefore, is not a substitute for reading the audited financial statements of Koninklijke DSM N.V. and our reports thereon.

The Selected Financial Statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our reports on those financial statements of 1 March 2022 and 1 March 2021, respectively.

The Selected Financial Statements also present interim financial information as at and for the six months ended 30 June 2022 and 2021, but for the purpose of this report we did not perform procedures over, and our opinion does not include this interim financial information.

This report is provided solely for compliance with the Dutch public offer rules, in particular, paragraph 2.2 of Annex B to the Dutch Public Offers Decree.

### ***The audited financial statements and our reports thereon***

We expressed an unmodified audit opinion on the audited financial statements of Koninklijke DSM N.V. for the financial years ended 31 December 2021 and 2020 in our reports dated 1 March 2022 and 1 March 2021, respectively.

Our independent auditor's reports also include communication of materiality, scope of the group audit, audit response to going concern, to the risk of fraud and non-compliance with laws and regulations, and to climate related risks, and key audit matters.



### ***Responsibilities of the Managing Board and Supervisory Board for the Selected Financial Statements***

The Managing Board is responsible for the preparation of the Selected Financial Statements on the basis described in the note herein.

The Supervisory Board is responsible for overseeing the financial reporting process of the Selected Financial Statements.

### ***Our responsibilities for the audit of the Selected Financial Statements***

Our responsibility is to express an opinion on whether the Selected Financial Statements are consistent, in all material respects, with the audited financial statements based on our procedures, which we conducted in accordance with Dutch law, including the Dutch Standard 810 'Opdrachten om te rapporteren betreffende samengevatte financiële overzichten' (Engagements to report on summary financial statements).

Amstelveen, the Netherlands

22 November 2022

KPMG Accountants N.V.

P.J. Groenland – van der Linden RA

## SELECTED CONSOLIDATED FINANCIAL INFORMATION OF DSM

### Basis for preparation

This section contains information extracted and derived from the audited historical consolidated financial statements of DSM for the years ended 31 December 2021 and 31 December 2020 (the **DSM Annual Financial Statements**) and the unaudited condensed consolidated interim financial statements of DSM as at and for the six months ended 30 June 2022 (the **DSM HY 2022 Financial Statements**). The DSM Annual Financial Statements and the DSM HY 2022 Financial Statements are together referred to as the **DSM Financial Statements**. The DSM Financial Statements and Firmenich's consolidated financial statements for the financial years ended 30 June 2022, 2021 and 2020 (see section 9 "Selected Consolidated Financial Information of Firmenich") are jointly referred to as the **Financial Statements**. The DSM Annual Financial Statements are prepared in accordance with EU-IFRS and Part 9 of Book 2 of the DCC. The DSM HY 2022 Financial Statements are prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

The audited consolidated financial statements of DSM for the year ended 31 December 2021 and audited consolidated financial statements of DSM for the year ended 31 December 2020, as incorporated herein, have been audited by KPMG Accountants N.V. (**KPMG NL**), an independent auditor located at Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands, as stated in the reports incorporated by reference herein. With respect to the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2022, KPMG NL have reported that they applied limited procedures in accordance with professional standards for a review of such information. Their report states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The auditor signing the auditor's reports on behalf of KPMG NL is a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

### Selected financial statements

Presented below is selected consolidated financial information of DSM derived from the DSM Financial Statements. The selected consolidated financial information may not contain all of the information that is important to the DSM Shareholders and other prospective investors and, accordingly, should be read in conjunction with (i) this Offering Circular as a whole and (ii) the DSM Financial Statements.

### Selected consolidated income statement data

	For the full years ended 31 December		
	2021 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)(2)</sup>
	<i>(in € millions)</i>		
<b>Continuing operations</b>			
Net sales .....	9,204	8,106	7,998
Cost of sales .....	(6,040)	(5,330)	(5,234)
Gross Margin.....	3,164	2,776	2,764
Marketing and sales.....	(1,270)	(1,149)	(1,154)
Research and development .....	(323)	(398)	(295)
General and administrative.....	(517)	(469)	(478)
Other operating income .....	95	102	142
Other operating expense.....	(128)	(200)	(107)
<b>Operating profit</b> .....	<b>1,021</b>	<b>662</b>	<b>872</b>
Financial income .....	24	44	30
Financial expense .....	(130)	(111)	(122)
<b>Profit before income tax expense</b> .....	<b>915</b>	<b>595</b>	<b>780</b>
Income tax expense .....	(168)	(106)	(145)
Share of the profit of associates and joint ventures.....	16	(64)	(9)

	For the full years ended 31 December		
	2021 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)(2)</sup>
	<i>(in € millions)</i>		
Other results related to associates and joint ventures.....	326	32	63
<b>Net profit from continuing operations</b> .....	<b>1,089</b>	<b>457</b>	<b>689</b>
Net profit from discontinued operations .....	591	51	75
<b>Net profit for the year</b> .....	<b>1,680</b>	<b>508</b>	<b>764</b>
Of which:			
- Attributable to non-controlling interests.....	4	2	6
- Dividend on Cumulative Preference Shares .....	6	7	8
- Available to holders of ordinary shares .....	1,670	499	750
Earnings per share (EPS) total (in EUR):			
- Net basic EPS.....	9.68	2.91	4.27
- Net diluted EPS.....	9.63	2.89	4.24
Earnings per share (EPS) continuing operations (in EUR):			
- Net basic EPS.....	6.26	2.64	3.85
- Net diluted EPS.....	6.23	2.62	3.83

<sup>(1)</sup> On 30 September 2020, DSM agreed to sell the Resins & Functional Materials and associated businesses to Covestro AG, which divestment was completed on 1 April 2021. Prior to this divestment, DSM reclassified the results of these businesses to 'discontinued operations'. Therefore, in the year ended 31 December 2021, 31 December 2020 and 31 December 2019, the results of the Resins & Functional Materials and associated businesses are included in discontinued operations.

<sup>(2)</sup> The financial numbers for the year ended 31 December 2019 have been derived from the audited historical consolidated financial statements of DSM for the year ended 31 December 2020 and are included on an as reported basis.

	For the half years ended 30 June	
	2022 <sup>(1)</sup>	2021 <sup>(1)(2)</sup>
	<i>(in € millions)</i>	
<b>Continuing operations</b>		
<b>Net sales</b> .....	<b>4,115</b>	<b>3,517</b>
<b>Gross Margin</b> .....	<b>1,426</b>	<b>1,265</b>
<b>Operating profit</b> .....	<b>398</b>	<b>394</b>
Financial income and expense.....	(39)	(65)
<b>Profit before income tax expense</b> .....	<b>359</b>	<b>329</b>
Income tax expense .....	(72)	(64)
Share of the profit of associates / jointly controlled entities .....	4	20
<b>Net profit from continuing operations</b> .....	<b>291</b>	<b>285</b>
Net profit from discontinued operations .....	167	725
<b>Net profit for the period</b> .....	<b>458</b>	<b>1,010</b>
Of which:		
- Attributable to non-controlling interests.....	8	2
- Dividend on Cumulative Preference Shares .....	1	4
- Available to holders of ordinary shares .....	449	1,004
Earnings per share (EPS) total (in EUR):		
- Net basic EPS.....	2.60	5.82
- Net diluted EPS.....	2.59	5.80
Earnings per share (EPS) continuing operations (in EUR):		
- Net basic EPS.....	1.64	1.62
- Net diluted EPS .....	1.63	1.61

<sup>(1)</sup> Following the announcements on 20 April and 31 May 2022 of the intended sale of DSM's two remaining Materials businesses (please refer to section 8.3 "Key factors affecting DSM's business and results of operations - Divestments."), these are now reported as 'discontinued operations'. Therefore, in the six months ended 30 June 2022 and 2021, the results of the Materials businesses are included in discontinued operations.

<sup>(2)</sup> The financial numbers for the six months ended 30 June 2021 have been derived from the unaudited condensed consolidated interim financial statements of DSM for the six months ended 30 June 2022 and are included on an as reported basis.

## Selected consolidated balance sheet data

	As at 31 December			As at 30 June
	2021 <sup>(1)</sup>	2020 <sup>(2)</sup>	2019 <sup>(3)</sup>	2022 <sup>(4)</sup>
	(in € millions)			(in € millions)
<b>ASSETS</b>				
Intangible assets .....	5,310	4,440	3,515	5,192
Property, plant and equipment .....	3,957	3,775	4,040	3,570
Deferred tax assets .....	203	240	217	133
Prepaid pension costs .....	75	2	-	35
Share in associates and joint ventures .....	64	93	155	63
Derivatives .....	48	61	27	78
Other financial assets .....	227	315	265	203
<b>Non-current assets</b>	<b>9,884</b>	<b>8,926</b>	<b>8,219</b>	<b>9,274</b>
Inventories .....	2,297	1,879	2,019	2,394
Trade receivables .....	1,603	1,391	1,592	1,679
Income tax receivables .....	61	32	61	55
Other current receivables .....	32	60	45	40
Derivatives .....	30	48	19	55
Current investments .....	489	43	688	838
Cash and cash equivalents .....	1,561	871	800	792
Assets held for sale .....	56	1,096	-	1,726
<b>Current assets</b>	<b>6,129</b>	<b>5,420</b>	<b>5,224</b>	<b>7,579</b>
<b>Total</b>	<b>16,013</b>	<b>14,346</b>	<b>13,443</b>	<b>16,853</b>
<b>EQUITY AND LIABILITIES</b>				
Shareholders' equity .....	9,318	7,399	7,731	9,731
Non-controlling interests .....	79	88	104	92
<b>Equity</b>	<b>9,397</b>	<b>7,487</b>	<b>7,835</b>	<b>9,823</b>
Deferred tax liabilities .....	485	431	296	491
Employee benefit liabilities .....	323	414	413	241
Provisions .....	96	123	120	87
Borrowings .....	2,989	3,484	2,464	2,985
Derivatives .....	9	1	7	17
Other non-current liabilities .....	283	163	145	189
<b>Non-current liabilities</b>	<b>4,185</b>	<b>4,616</b>	<b>3,445</b>	<b>4,010</b>
Employee benefit liabilities .....	21	42	43	20
Provisions .....	68	61	48	67
Borrowings .....	104	102	189	98
Derivatives .....	40	13	18	58
Trade payables .....	1,571	1,218	1,345	1,541
Income tax payables .....	77	45	42	97
Other current liabilities .....	540	508	478	611
Liabilities held for sale .....	10	254	-	528
<b>Current liabilities</b>	<b>2,431</b>	<b>2,243</b>	<b>2,163</b>	<b>3,020</b>
<b>Total</b>	<b>16,013</b>	<b>14,346</b>	<b>13,443</b>	<b>16,853</b>

- (1) The financial numbers for the year ended 31 December 2021 have been derived from the audited historical consolidated financial statements of DSM for the year ended 31 December 2021 and are included on an as reported basis. These numbers reflect the draft initial purchase price allocation for the acquisition of Vestkorn Milling. The independent valuation process was completed in the first half of 2022 and resulted in a reclassification from goodwill to other intangible assets. The adjusted consolidated balance sheet of 31 December 2021 can be found in the DSM HY 2022 Financial Statements incorporated by reference in this Offering Circular.
- (2) The financial numbers for the year ended 31 December 2019 have been derived from the audited historical consolidated financial statements of DSM for the year ended 31 December 2020 and are included on an as reported basis.
- (3) Following the announcements on 20 April and 31 May 2022 of the intended sale of DSM's two remaining Materials businesses (please refer to section 8.3 "Key factors affecting DSM's business and results of operations - Divestments"), these are now reported as assets held for sale. The assets held for sale and liabilities associated with assets held for sale as at 30 June 2022 therefore reflect the Materials businesses.
- (4) On 30 September 2020, DSM agreed to sell the Resins & Functional Materials and associated businesses to Covestro AG, which divestment was completed on 1 April 2021. The assets held for sale and liabilities associated with assets held for sale as at 31 December 2020 therefore reflect the Resins & Functional Materials and associated businesses.

## Selected consolidated statement of cash flows data

The statement of cash flows includes an analysis of all cash flows, including those related to discontinued operations.

	For the full years ended 31 December		
	2021	2020	2019
	<i>(in € millions)</i>		
Net profit for the period.....	1,680	508	764
Share of the profit of associates and joint ventures (including discontinued operations).....	(342)	32	(54)
Income tax (including discontinued operations) .....	245	129	152
<b>Profit before income tax expense (including discontinued operations) .....</b>	<b>1,583</b>	<b>669</b>	<b>862</b>
Financial income and expense (including discontinued operations).....	106	67	92
<b>Operating profit (including discontinued operations) .....</b>	<b>1,689</b>	<b>736</b>	<b>954</b>
Depreciation, amortisation and impairments (including discontinued operations) .....	681	740	632
(Gain) or loss from disposals.....	(649)	4	(4)
Acquisition / divestment related in EBITDA.....	22	55	13
Change in provisions	(20)	10	26
Defined benefit plans.....	(39)	(13)	(39)
Income tax received.....	23	11	9
Income tax paid .....	(156)	(135)	(149)
Share-based compensation .....	22	29	34
Other .....	(2)	32	(78)
<b>Operating cash flow before changes in working capital .....</b>	<b>1,571</b>	<b>1,469</b>	<b>1,398</b>
Inventories.....	(323)	(36)	114
Trade receivables.....	(194)	(4)	59
Trade payables.....	334	48	(121)
<b>Changes in inventories, trade receivables and trade payables.....</b>	<b>(183)</b>	<b>8</b>	<b>52</b>
Changes in non-operating working capital .....	39	17	(65)
<b>Changes in working capital.....</b>	<b>(144)</b>	<b>25</b>	<b>(13)</b>
<b>Cash provided by operating activities.....</b>	<b>1,427</b>	<b>1,494</b>	<b>1,385</b>
Capital expenditure for:			
- Intangible assets .....	(137)	(151)	(107)
- Property, plant and equipment.....	(433)	(458)	(520)
Payments regarding drawing rights .....	(7)	(17)	(14)
Proceeds from disposal of property, plant and equipment .....	27	1	6
Acquisition of subsidiaries and associates .....	(704)	(1,533)	(556)
Disposal of subsidiaries, businesses and associates .....	1,791	(2)	37
Additions to fixed-term deposits.....	(2,070)	(468)	(1,195)
Withdrawal from fixed-term deposits .....	1,625	1,114	1,783
Interest received .....	5	8	10
Other financial assets:			
- Capital payments and acquisitions .....	(43)	(20)	(53)
- Dividends received.....	12	5	75
- Additions to loans granted.....	(10)	(9)	(17)
- Repayment of loans granted .....	29	1	25
- Proceeds from disposals .....	123	47	1
<b>Cash from / (used in) investing activities .....</b>	<b>208</b>	<b>(1,482)</b>	<b>(525)</b>
Contributions from non-controlling interests.....	3	3	1
Acquisition of non-controlling interests .....	(13)	(33)	-
Loans taken up .....	37	1,123	7
Repayment of loans.....	(513)	(268)	(302)
Payments of lease liabilities.....	(54)	(55)	(53)
Change in debt to credit institutions .....	12	(95)	57
Dividend paid .....	(266)	(289)	(291)
Interest paid .....	(65)	(54)	(57)
Proceeds from reissued treasury shares .....	34	63	180
Repurchase of shares .....	(165)	(309)	(869)

	For the full years ended 31 December		
	2021	2020	2019
	<i>(in € millions)</i>		
Other .....	6	(3)	(5)
<b>Cash (used in) / from financing activities</b> .....	<b>(984)</b>	<b>83</b>	<b>(1,332)</b>
<b>Change in cash and cash equivalents</b> .....	<b>651</b>	<b>95</b>	<b>(472)</b>
Cash and cash equivalents at 1 January .....	871	800	1,281
Exchange differences relating to cash held.....	39	(24)	(9)
<b>Cash and cash equivalents at 31 December</b> .....	<b>1,561</b>	<b>871</b>	<b>800</b>

	For the half years ended 30 June	
	2022	2021
	<i>(in € millions)</i>	
Operating profit (including discontinued operations) .....	610	1,229
Depreciation, amortisation and impairments (including discontinued operations).....	323	319
Changes in working capital .....	(596)	(260)
Income tax .....	(72)	(51)
Other .....	34	(658)
<b>Cash provided by operating activities</b> .....	<b>299</b>	<b>579</b>
Capital expenditures .....	(299)	(236)
Payments regarding drawing rights .....	(2)	(5)
Acquisitions.....	-	(212)
Disposal of subsidiaries, businesses and associates .....	(6)	1,462
Disposal of other non-current assets .....	24	131
Change in fixed-term deposits .....	(348)	(172)
Interest received .....	1	3
Dividend and capital (re)payments .....	(16)	(19)
Other .....	(16)	18
<b>Cash from / (used in) investing activities</b> .....	<b>(662)</b>	<b>970</b>
Dividend.....	(156)	(170)
Interest paid .....	(34)	(46)
Repurchase of shares .....	(210)	(120)
Proceeds from re-issued treasury shares .....	14	18
Change in commercial paper .....	-	-
Proceeds from / (repayment) of corporate bonds .....	-	(500)
Payment of lease liabilities .....	(29)	(27)
Other cash from / (used in) financing activities .....	(6)	74
<b>Cash (used in) / from financing activities</b> .....	<b>421</b>	<b>(771)</b>
<b>Change in cash and cash equivalents</b> .....	<b>(784)</b>	<b>778</b>
Cash and cash equivalents at 1 January .....	1,561	871
Exchange differences relating to cash held.....	15	(9)
<b>Cash and cash equivalents at 30 June</b> .....	<b>792</b>	<b>1,640</b>