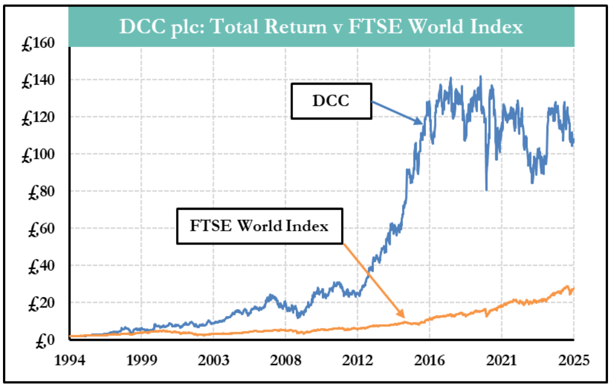
Gillen
MARKETS

DCC

Date: 27th June 2025

Summary View | **Ticker: DCC LN** | **Price: £46.94**



We introduced coverage of DCC plc in early June 2011 and its shares have since delivered total returns of 9.5% compound *per annum* versus 11.2% for the FTSE World Index (£).

Despite a strong record of earnings growth and good ROCE, based on the disciplined deployment of capital in businesses with good market positions and opportunities for further investment, DCC's shares have experienced a gradual but persistent de-rating over the past decade.

The current price-to-earnings ratio of 9.9 represents an initial earnings yield of 10.1%. An initial dividend yield of 4.6% plus annual growth in that yield of 6-7% (well below the 10-year average of 9.3%) would underpin double-digit returns for investors, highlighting the undervaluation of DCC.

Of particular interest is that DCC's board recognises the undervaluation and is taking radical action. A strategic transition is well underway which will see the Group focus solely on its largest division (Energy) and exit its other two divisions. The latter will address investor disappointment over the underperformance of those two divisions while retaining the division with the best track record and the most visible opportunities for growth. A standalone Energy group will be also better placed to communicate its investment case and energy transition strategy to investors.

Divestments will crystallise hidden value and release surplus capital. The sale of Healthcare is already agreed. This facilitates committed share buybacks equivalent to 17% of DCC's market value. The consideration represents 12.5 times operating profits and implies a valuation of 7.5 times for the rest of the group's operating profits. The Technology Division is expected to be sold within 18 months potentially reducing the implied value for the Energy assets to sub 7 times.

We acknowledge there is some level of execution risk, but completing the strategic transition plan provides multiple potential catalysts for a re-rating of DCC's shares over the next 18 months. Thereafter, if public markets persist in undervaluing a standalone Energy group it would be no surprise if a third party were to make an approach for the remaining assets, particularly given the board's willingness to act in the interest of shareholder value. DCC represents compelling value and retains its position in the Lump-sum Growth Portfolio and the Lump-sum Income Portfolio.

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A Common Analytical Framework

The common framework for assessing risk in companies used by GillenMarkets includes understanding:

- **The business risk:** the risk that the business model has deteriorated and that past levels of profitability are unlikely to be achieved again in the future.
- **The financial risk:** the risk of inappropriate financing and debt levels, which exposes the company to failure and investors to a potential total loss.
- **The valuation risk:** the risk of overpaying for the shares, which will lower the future returns.

All the data for analysing DCC plc have come from the company's recent Annual Reports, quarterly investor presentations, other company filings, and Davy Research.

Business Risks

Background to the Company

DCC plc built itself as an international sales, marketing, and business support services group. While it has operated across three sectors: energy, healthcare, and technology, it is currently undergoing a strategic transition to concentrate solely on energy, its largest division which also earns the highest rates of return within the group and has the most attractive opportunities to deploy capital at strong rates of incremental return which can drive future growth.

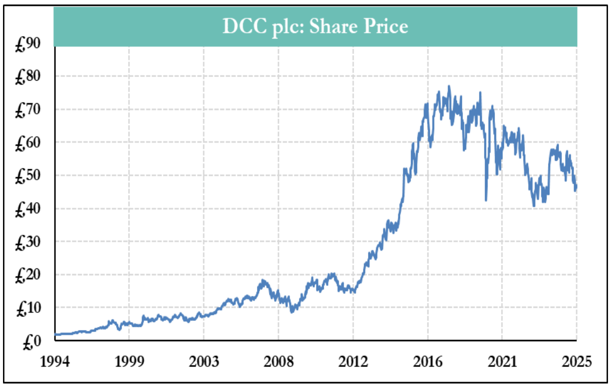

Chart 1 – Source: Bloomberg

The company was originally established in 1976 as a venture and development capital company, before transitioning to a diversified holding company in the 1990s. DCC plc listed on the stock exchange in 1994, and since then the group has not only delivered strong capital appreciation but has also substantially outperformed the FTSE All-World Total Return Index (in sterling).

DCC now has 98.5 million shares in issue and at a recent share price of £46.94 it has a market capitalisation of £4.6 billion.

Description of Operations

DCC has been managed across three divisions: (1) Energy; (2) Healthcare; and (3) Technology.

DCC Energy was previously divided into two segments: LPG (liquefied petroleum gas) and Retail & Oil. In 2022 the decision was made to merge the two segments into one in order to emphasise that DCC sees itself as a distributor and supplier of energy – and while energy may primarily come in the form of fossil fuels currently, it is in fact agnostic to the type of energy it delivers and will in the future focus on delivering the energy types that clients need. It is committed to being a key partner for companies and households as they transition from fossil fuels to alternative sources of energy.

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The new energy division can be further divided into two segments: Energy Solutions (77% of operating profits, of which products) and Mobility (23% of profits).

DCC plc: Revenues & Profits Year to March 2025		
Revenues:	**£m**	**%**
Energy	13,337	71%
Healthcare	849	5%
Technology	4,644	25%
Total	**18,830**	**100%**
Trading Profits:		
Energy	535.6	76%
Healthcare	86.1	12%
Technology	82.0	12%
Total	**703.6**	**100%**

Table 1 - Source: DCC

Energy Solutions splits further between products and services (which respectively represent 68% and 9% of group operating profits). Products primarily involves the supply of liquefied petroleum gas (LPG), heating oils, and fuel oils to a range of commercial and residential customers. For the year ending March 2025, the gross profit earned by products in the Energy Solutions division breaks down as 58% from LPG, 31% from liquid fuels and 11% from the supply of on-grid gas & power.

The fuel supply businesses tend to have high barriers to entry, thus deterring new entrants. Customers tend not to switch around between suppliers, and the fragmented nature of the industry means that DCC has large opportunities to consolidate through acquisitions.

The group also aims to be the go-to partner for companies and houses that are looking to decarbonise. It will be able to advise on and supply a range of solutions to help customers transition to new energy sources and solutions, such as biofuels, LPG (lower carbon than other sources – e.g., oil), solar panels, heat pumps, biomass boilers, and hydrogen boilers. Highlighting this commitment to becoming a distributor of energy, DCC has made a number of acquisitions in the area in recent years: the Irish operations of Naturgy, which adds experience in biomethane, renewable electricity, and solar solutions; PVO, a European distributor of solar panels, invertors, and batteries; Protech, a UK supplier of renewable heating solutions; and Next Energ, an energy efficiency and renewable energy services provider, also in the UK.

Mobility operates as a provider of retail and forecourt services, as well as providing HGV (heavy goods vehicle) and fleet services. DCC's Mobility operations derives 75% of its gross profit from service stations and 25% from fleet services.

DCC's aim is to own and operate a network that provides energies and other services for road users. Currently, most road users require petrol and diesel, but DCC will adapt its network to increasing demand for electrification (172 of its 1,173 forecourts have EV charging points), biofuels, compressed natural gas, and other experimental fuel types (e.g., hydrogen).

The Energy division accounted for £13.3 billion of revenues, or 71% of the total, in the year to March 2025 (FY 2025). Energy also accounted for £536 million (76%) of total operating profits.

DCC Healthcare is a leading healthcare business providing products and services to healthcare providers and health and beauty brand owners. The division operates under two separate headings:

DCC Vital and DCC Health & Beauty.

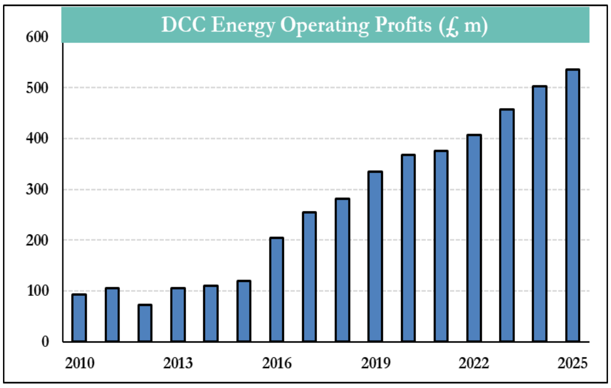

Chart 2 – Source: DCC

DCC Vital markets and sells medical and pharmaceutical products in the British, Irish and German-speaking healthcare markets covering hospitals, pharmacies, community care and GPs.

DCC Health & Beauty Solutions provides a range of specialist services to international brand owners including product development, formulation, contract manufacturing and packaging of health and beauty products.

It is the smallest division in the group, generating £849 million of revenues (5% of total) in FY 2025. It generated £86 million of operating profit (12% of total) as a result of its higher margins (10.1%). As ***Chart 3*** highlights, operating profits have grown significantly from 2010 to 2022 with growth aided significantly by acquisitions but post the Covid-19 pandemic it has struggled with a normalisation in demand and increased competition. As discussed later, an agreement to sell this division has been announced recently.

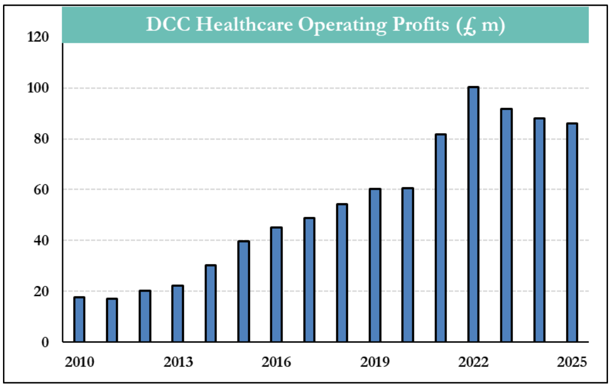

Chart 3 – Source: DCC

DCC Technology, trading as Exertis, is a leading route-to-market and supply chain partner for global technology brands and customers.

The group partners with many of the world's leading technology brands to market and sell their products to technology retailers, e-tailers, resellers and value-added resellers.

The technology division's last acquisition was in December 2021 when it acquired Almo, a distributor of specialist Pro AV equipment in North America. The acquisition was DCC's largest to date and significantly expanded its presence in North America. Almo's operating margin of 5.7% (very strong for a distributor) is much higher than the Technology division's average operating margin of 1.6-1.8%, reflecting the focus on a more specialist niche in the market.

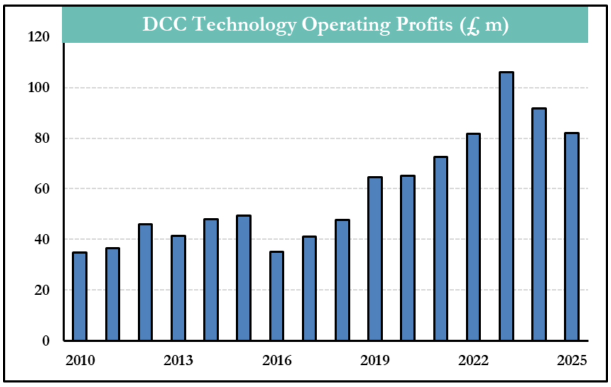

Chart 4 – Source: DCC

In FY 2025, Technology generated £4.6 billion of revenues (25% of group total) and £82 million of operating profits (12% of total). That represented a 23% drop from peak

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divisional profits two years previously. To address this, the division is currently undergoing an operational improvement, following the conclusion of which, in 18 months' time, DCC will run a process to sell this division to complete its strategic transition to focus solely on the Energy division.

Geography split

The majority of DCC's revenues come from Europe, but within that the UK is the largest market, accounting for 32% of continuing revenues in FY 2025 (continuing revenues is for Energy and Technology).

France is also a major contributor (18% of revenues), with smaller contributions from Ireland (10%), and the United States (11%).

DCC plc: Geographic Split
Year to March 2025

	£m	%
Rep. of Ireland	1,839	10%
United Kingdom	5,843	32%
France	3,186	18%
United States	1,903	11%
Other	5,241	29%
Total	**18,011**	**100%**

Table 2 – Source: DCC – Excludes Healthcare

The region titled 'Other' includes countries such as Norway, Sweden, Denmark, and Benelux. These countries together accounted for £5.2 billion of revenues (29% of total) in FY 2025.

Appendix 1 *at the end of this note provides a more detailed description of DCC's operating divisions.*

A Lagging Share Price

Chart 5 on the right shows DCC's share price (blue line – left-axis) and earnings (orange line – right-axis). With DCC's latest share price of £46.94, the group is effectively trading at the same levels it was in 2015 – and this despite the 125% increase in earnings per share (more than doubling) over the same period. Factoring in dividend income, shareholders have earned a 21% return over 10 years, which pales in comparison to the group's progress in earnings per share terms (+125%).

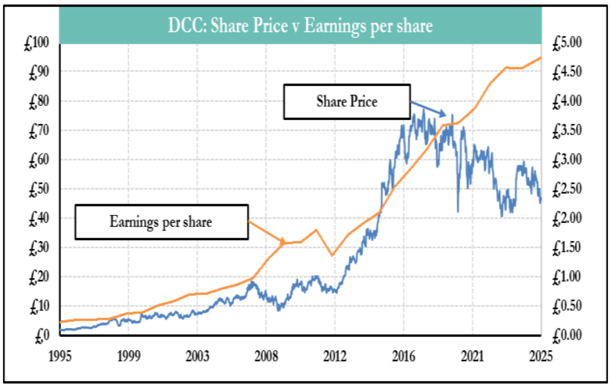

Chart 5 - Source: DCC, Bloomberg

Chart 6 opposite highlights the group's earnings per share progression since listing in 1994. It should be noted that DCC's earnings have only declined twice in that period – 1997 and 2012, and it was flat in FY 2024 versus FY 2023.

The decline in the share price likely reflects two concerns. The first is disappointment that earnings growth at a group level over the past two years has been slower than expected mostly due to profit declines in both the Healthcare and Technology divisions. As a result, returns on capital in both of these divisions have declined materially. However, our view is that these concerns are being addressed by the recent agreement to sell the Healthcare operations and the commitment to divest

Technology in the next 12-24 months.

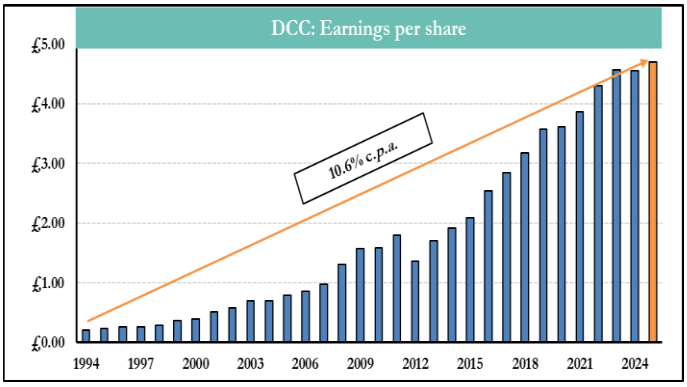

Chart 6 – Source: DCC

The second concern is longer-term in nature. With DCC heavily reliant on the sale of LPG and other fossil fuels, investors have been concerned that this means DCC's business model will become obsolescent over time. As we noted previously, DCC earns 76% of its profits from its Energy division, and this will rise to 100% once the strategic transition completes within the next two years. The Energy operations primarily earn revenues from the supply of LPG and other fuel types to a range of customers.

DCC as an Energy Transition Enabler

The group is aware of this concern and held a number of Capital Markets events to address this over the past three years, while also completing acquisitions of non-fossil fuel energy businesses.

The key message that DCC wishes to communicate is that it is fundamentally a distributor of energy, not fossil fuels. While it may distribute fossil fuels currently, this is a result of customers' requirements. As customers transition to alternative, low-carbon sources of energy, DCC plans to be able to advise these customers on how best to transition and supply them with the necessary equipment and fuels to achieve that transition. This was the motivating factor behind regrouping 'LPG' and 'Retail & Oil' into 'Energy Solutions' and 'Mobility'.

Products and services that DCC Energy may be able to offer to customers include transitioning to lower-carbon sources of fuel, such as LPG (lower carbon than oil), biofuels and, in the future potentially, hydrogen. Businesses and households will also likely switch to solar panels, heat pumps, biomass boilers, and other types of low- and zero-carbon energy sources. The group is also adding electric vehicle charging points to its forecourt network, with 172 out of 1,173 forecourts currently offering this additional service to customers.

An important point is that there is no one solution to the move to a zero-carbon environment, and the energy transition journey will likely involve a range of solutions that will be constantly evolving and improving – with customers requiring a variety of options including renewable electricity, biofuels, hydrogen and even fossil fuels combined with carbon capture and storage[1]. It is also worth noting that the transition will take years to decades – in the meantime, DCC can re-invest its cash flows from the traditional LPG and oil distribution businesses into areas involved in energy transition.

DCC believes LPG and commercial liquid-based fuels are well positioned to offer a pathway to a zero-carbon economy. As the new options emerge, DCC's business model has the flexibility and capacity for change which makes it a suitable partner for the producers of these new products to

[1] The process of capturing CO2, transporting it to a storage site and depositing where it will not enter the atmosphere.

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reach DCC's extensive customer base. It is worth noting that in the Energy division, 15% of operating profits come from Services which includes sales of renewable energy, products and services. This 15% comprises 9% from the Energy Services part of the Solutions business and 6% from Fleet Services which represents a quarter of the profitability of the Mobility segment within the Energy division.

The key trick, of course, is that DCC will have to further build or acquire the ability to be a supplier of energy rather than just fossil fuels. This brings with it the risk that management's execution of the strategy will not be adequate to the task at hand – a real risk, and one that is difficult to quantify. However, it is worth pointing out that DCC has completed *circa* 370 acquisitions since listing in 1994 and has maintained high returns on capital employed over that period.

In our view, DCC's strategy to participate positively in long-term energy transition is credible and its characteristics are not being recognised fully by investors in their efforts to pigeon-hole companies into positive or negative ESG boxes. We are encouraged that important ESG rating firms have gradually improved DCC's rating over recent years – Sustainalytics, for example, continues to rate DCC "medium" risk having upgraded it from "high" three years ago, while at a similar time CDP improved DCC's rating by two classes, from C to B and MSCI gave DCC a AAA rating for ESG, both of which has been retained since.

Overall, we would back management to navigate through the oncoming changes within its Energy businesses and therefore we see minimal business risks in the investment case.

Long-term Growth Strategy

While DCC's markets are constantly evolving, the company's long-term strategy has remained fairly constant – *"to build a growing, sustainable and cash-generative business which consistently provides returns on capital well in excess of our cost of capital"*.

The group has operated a decentralised management structure with management of the various divisions given the autonomy to run and grow their businesses. Head office takes on the responsibility for allocating capital, signing off on acquisitions and monitoring performance and cash flows. Central to DCC's management culture is a focus on efficient operation of business units combined with disciplined deployment of capital at attractive rates of return.

DCC looks to grow a sustainable business by concentrating on activities in which it has market leading positions, solidifying these positions by growing market share both organically and *via* acquisitions, extending the group's geographic footprint into new markets through acquisitions, creating a culture of innovation and continuously focusing on operational excellence.

DCC's business model is focused on excelling in three areas:

- **Operational** – Sales, marketing and distribution expertise; building strong supplier and customer relationships; and integrating acquisitions and synergy generation.
- **Strategic** – an experienced leadership team identifying and executing acquisitions at attractive prices, while also identifying other growth opportunities.

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- **Financial** – disciplined capital allocation with a focus on returns on capital employed – maintaining low levels of financial risk and funding its growth largely through its strong cash flows rather than borrowings or equity.

Capital Allocation
The group has been disciplined when investing – both in its existing businesses and with new acquisitions – and has adopted the same strategy over the long-term to build a spread of businesses across a variety of industry sectors which has provided some defensiveness in economic downturns.

The table opposite shows how DCC has allocated its cash since 2010. Over that 15-year period, it has generated £7.5 billion primarily from operating cash flows.

It has allocated that cash primarily to acquisitions (£4.1 billion) and capital expenditure (£2.1 billion).

DCC: Uses of cash (2010-2025)	£m
Operating cash flows	6,705
Share issuance	816
Total cash generated	**7,521**
Capital expenditure	-2,056
Acquisitions (net of disposals)	-4,068
Dividends	-1,759
Other items	-709
Total cash used	**-8,593**
Opening net debt	-81
Total cash generated/(used)	-1,071
Closing net debt	**-1,152**

Table 3 – Source: DCC

DCC has grown its LPG business significantly since FY 2013. The company bought BP's UK LPG business, while also deploying capital in Continental Europe. This was followed in FY 2016 by the second-largest acquisition in DCC's history, buying Butagaz in France for £338 million, which almost doubled the size of DCC's LPG business.

In recent years, DCC has added a number of LPG operations in Germany while establishing a platform in the highly fragmented US LPG market with acquisitions including Retail West for *circa* £152 million (FY 2018), Pacific Coast Energy for £30 million (FY 2019), United Propane Gas for *circa* £105 million (FY 2021), NES Group for £60 million FY 2021), with several smaller add-ons since.

In FY 2022, the group executed its largest acquisition to date, spending £499 million to acquire Almo, a leading specialist distributor of Pro AV equipment in North America. It also spent a combined £240 million in FY 2019 to acquire Kondor (UK), Stampede (US), and JAM (US).

Recent acquisition activity in DCC Healthcare has been focused on building its platform in continental Europe with the acquisition of Wörner (medical and laboratory products) and Medi-Globe (medical devices focused on minimally invasive surgery), both in Germany.

Acquisition activity in both FY 2024 and FY 2025 was characterized by a large number of smaller bolt-on acquisitions which can be easily integrated into existing operations.

The impact of acquisitions on DCC's business has been profound. In 2010, for example, it had £1

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billion of capital employed, with 90% of that in UK & Ireland, and 10% in continental Europe. In 2025, it has £5.2 billion of capital employed spread across more than 20 countries. Its energy business, for example, went from selling 6 billion litres of product in 4 countries, to selling 16 billion litres of product in 12 countries in just a decade.

Just as importantly, this track record of capital allocation has been value additive for shareholders – returns on capital employed, a gauge of how well management deploys capital, have consistently been mid-double-digits over the past decade.

Appendix 1 *at the end of this note describes some of the key acquisitions within each division. A complete list of acquisitions between FY 2012 and FY 2021 is available in the table at the end of this note in* ***Appendix 3****.*

Growth Record – Consistently Delivering

Table 4 highlights the group's strong long-term growth record along with the more recent growth record over the 3, 5 and 10-year timelines. Since 1994, the group has grown revenues per share by 12.4% compound *per annum* while earnings per share have grown by 10.6% compound *per annum* – and as we saw in the chart on page 5, earnings growth has been consistent through economic cycles.

DCC plc: Growth Record				
	Compound *per annum*			
	3 Years	5 Years	10 years	1994-2025
Sales ps	0.5%	4.0%	3.8%	12.4%
Earnings ps*	3.0%	5.4%	8.4%	10.6%
Cashflow ps	9.1%	0.6%	4.3%	10.5%
Dividend ps	5.5%	7.3%	9.3%	12.6%

**before exceptional items*

Table 4 – Source: DCC

The dividend has now been increased for 31 consecutive years since initial listing in 1994 – and by 12.6% compound *per annum* over the period. The record shows a commitment by management to a progressive dividend policy with the aim of providing value to shareholders over the long-term.

Revenues have slowed somewhat over the shorter timelines, reflecting in the main recent price deflation in the Energy division and softer demand post-pandemic demand in the Technology division. Earnings per share have continued to grow ahead of revenues, reflecting slightly higher operating margins. It is also worth noting that DCC's share count has increased by 18% since 2015.

Note: *exceptional items such as restructurings, redundancies, asset impairment charges, business acquisitions and disposal-related costs (and other non-recurring costs) are excluded from our earnings per share analysis in the table. In effect, we have used adjusted earnings per share. Nonetheless, exceptional items are often recurring, and with the exception of the amortisation of acquisition goodwill they are certainly real. We provide a breakdown of exceptional items in* ***Appendix 2*** *at the end of this note.*

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Margins and Returns on Capital Employed & Equity

Table 5 below displays DCC's gross and operating margins, returns on capital employed and returns on equity.

DCC plc					
Year to March	Gross Margins	Operating Margins	ROIC	ROIC (x Goodwill)	ROE
2010	10.0%	2.8%	18.4%	45.3%	17.6%
2011	8.7%	2.5%	19.9%	47.9%	19.1%
2012	7.1%	1.5%	13.3%	32.0%	13.6%
2013	7.0%	1.5%	14.1%	35.7%	16.6%
2014	7.2%	1.7%	16.7%	45.9%	17.6%
2015	7.8%	1.9%	18.3%	57.2%	18.4%
2016	10.0%	2.5%	19.7%	67.3%	19.6%
2017	10.3%	2.5%	15.6%	50.0%	18.1%
2018	10.7%	2.6%	14.0%	45.6%	18.0%
2019	10.8%	2.8%	15.2%	51.3%	16.6%
2020	11.8%	2.9%	13.4%	39.1%	14.6%
2021	13.6%	4.0%	15.6%	43.1%	14.8%
2022	11.5%	3.3%	15.3%	41.1%	15.3%
2023	10.8%	3.0%	14.3%	36.9%	15.3%
2024	13.1%	3.4%	13.9%	36.7%	14.8%
2025	13.3%	3.4%	13.8%	30.2%	15.1%

Table 5 - Source: DCC

The group overall earns low operating margins – 3.4% in 2025, for example. To a large extent, this reflects its Energy business, the products portion of which is a high-volume, low-margin business. Energy earned 4.0% operating margins in 2022. The Technology segment also earned low margins of 1.8% in 2025. The Healthcare division earned operating margins of 10.1%.

However, low margins do not necessarily mean low returns on capital employed – a well-managed balance sheet can still lead to attractive returns for shareholders. Overall, the group earned a return on invested capital of 13.8% in 2025. This reflects a decline from 15.6% in FY 2021.

Encouragingly, ROCE in the Energy division (which is to be the sole focus of the group) has increased slightly over this period from 18.1% in 2021 to 18.5% in 2025. The decline in group ROCE has been driven by material declines in returns in the other two divisions which are in the process of being divested.

This decline in both non-core divisions largely reflects softer demand and increased competition post-pandemic combined with disappointing rates of return made in the acquisitions these divisions made in FY 2022 and FY 2022, particularly the £499 million of Almo by the Technology division. Management argues that the dip in earnings at Almo post-acquisition was built into the acquisition price at the time. ROCE in Healthcare fell from 18.7% in FY 2022 to 10.1% in FY 2025, while Techology's ROCE declined from 12.3% in FY 2022 to just 7.7% in FY 2025.

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Stripping out the impact of acquisition goodwill, we see that DCC is earning a pre-tax return on invested capital (ex-goodwill) of 30.2% – i.e., its return on the incremental capital that it is employing back into its businesses *via* capital expenditure programmes. These higher pre-tax returns on capital employed mean that the group's capital expenditure, which has totalled *circa* £2.1 million since FY 2010, is being reinvested at high rates of return.

Quite naturally, pre-tax returns on acquisitions are always going to be lower than for internal investment in existing operations. Overall, the evidence supports the view that DCC generates strong pre-tax returns on capital particularly in the Energy division.

After-tax returns on shareholders' equity (returns on equity) were 15.1% in FY 2022 – for each £1 of shareholder capital, the group earned 15.1p of profits. And these after-tax returns have been generated without excessive use of debt. Good returns on equity over the long-term have resulted in above-average cash flow generation which has allowed DCC to largely self-fund its growth – i.e., without the need for large amounts of debt and/or equity – which is a highly attractive feature of the DCC business model. It is worth noting that despite the decline in ROCE, ROE has increased from 14.8% in FY 2021 to 15.1%, mostly due to a modest increase in financial leverage in the group.

Future Growth Prospects

Management at DCC has played a central role in the company's exceptional growth over the years, forging a disciplined and proven acquisition-driven business model, which should continue to be the driver of future growth. The group is now operating on three continents, which, if anything, has improved its opportunities for growth.

As highlighted earlier, DCC's businesses are constantly evolving. With the platform it has built over the last 40+ years, DCC's role as a distributor offers it the flexibility and agility to move with the transition to clean energy and adapt to meet the needs of its customer base with which it has built strong relationships over the years.

Energy is already the sole focus for growth. Management is on track to deliver on its strategy to double Energy's FY 2022 operating profit of £407 million to £830 million by FY 2030. The run rate was up to £536 million in FY 2025 which leaves *circa* £300 million to build. DCC's management expects that future acquisition investment will deliver *circa* £175 million and that *circa* £125 million will be generated from organic growth. This organic growth reflects projected annual growth of 8-10% in Energy Services, and growth of 2-4% in Energy Products and Mobility. Acquisition spending is expected to be largely self-funded by internal cash generation.

Within the Energy segment, the LPG market remains highly fragmented, which presents DCC with opportunities for consolidation. Despite its large size, DCC's share of the market remains less than 1% and its entry into the US in 2017 significantly expanded its opportunity set.

The group will also be looking to expand its offering in the energy transition space and has recently announced acquisitions that bring it expertise in renewable energy and solar panel distribution. It

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is continuing to add electric vehicle charging points to many of its forecourts, and will in the future look to offer alternative fuels to motorists.

Overall, we believe that DCC, as a standalone Energy group, is well positioned to sustain growth both organically and through acquisitions into the distant future, and management's targets look achievable, in our view.

Other ESG Considerations

Along with its role as an energy transition enabler, the group is committed to best-in-class ESG reporting as the requirements of rating agencies continue to change. The Group has made a significant investment in its sustainability reporting, measurement and control framework which should have a positive impact on the company's ESG rating in time.

In addition, DCC is committed to reducing emissions from operations with a target of net zero emissions from operations by 2050. With the increased ESG focus it has a dedicated Board governance & sustainability committee, an Executive sustainability committee and a Sustainability Leadership Learning programme for its 200 most senior managers. DCC regularly updates its assessments of sustainability issues in the Group and its targets for emissions reduction and its internal energy transition plan.

Financial Risk

Table 6 provides a breakdown of DCC's financial position at the end of March 2025.

At that time, DCC had net debt of £1,152 million – made up of short-term debt of £128 million, long-term debt of £1,868 million, operating leases of £254 million, and cash of £1,098 million.

The group's operational cash flows (after interest & tax but before capital expenditure) have also been running at an average of £620 million for the last three years, or £413 million after dividend payments.

DCC plc: Financial Risk Mar-25	
	£ m
Cash	1,098
Operating Leases	-254
Short-term Debt	-128
Long-term Debt	-1,868
Net Debt/Cash	**-1,152**
Operational Cash Flow* (3-Yr Average)	620
Annual Dividend (March 2025)	-207

after interest & tax, before CAPEX

Table 6 – Source: DCC

The above analysis includes cash due from hedge positions of just £20 million – which we mention as we had flagged it when it was a meaningfully higher figure in previous years, and it doesn't materially flatter cash balances at this point.

Financial Risk Metrics

Table 7 provides a breakdown of solvency and liquidity ratios to better assist in understanding DCC's financial risks. The group's current ratio compares the company's current assets against its current liabilities and measures its ability to pay its short-term obligations. Its current ratio is well above the generally accepted yardstick of greater than 1.0.

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Another helpful liquidity ratio is the Acid Test ratio – (cash + marketable securities + accounts receivables)/current liabilities) which looks at a company's ability to pay its short-term obligations, but it disregards any current assets (such as inventory) that may be difficult to liquidate quickly. DCC's ratio is in line with the general yardstick of *circa* 1.0.

DCC plc: Financial Risk Metrics	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	5 Yr Average
Liquidity Ratios:						
Current Ratio	1.40	1.37	1.28	1.18	1.64	1.37
Acid Test Ratio	1.17	1.07	0.97	0.89	0.99	1.02
Solvency Ratio:						
Altman Z-score	3.1	3.0	3.4	3.3	3.2	3.2
Interest Coverage Ratio	8.9	10.9	8.2	6.4	6.7	8.2

Table 7 – Source: DCC

The Altman Z-score is a probability measure used to predict if a company will go into bankruptcy in the next two years. The score is calculated using five financial ratios from the balance sheet – profitability, leverage, liquidity, solvency and asset turnover. At the end of FY 2025, DCC's Altman Z-score was 3.2 and has averaged 3.2 over the last five years – above the "safe" threshold of 2.99.

Overall, despite heavy acquisition and capital expenditure programmes in recent years, and a commitment to consistently increasing the dividend, financial risk at DCC seems minimal. In addition, with management's committed focus to prudently financing growth it is hard to see the company stretching itself financially in a way that might undermine shareholder value.

Overall, DCC has had a history of financial prudence and we currently see little financial risk in the group.

Valuation Risk

Chart 7 shows what investors have been prepared to pay for DCC's earnings over the last 30 years – i.e., the price-to-earnings ratio.

Chart 7 – Source: Bloomberg, DCC

As the chart highlights, the ratio fell during the stock market downturn of 2007-2009 – as the share price fell 55% despite resilient earnings. Between 2012 and 2017 the ratio was rising consistently as investors began to better appreciate DCC's profile of good returns on invested capital and steady earnings growth.

As we outlined previously, the shares reached a peak of 27 times earnings in 2015-16 and have de-rated since then, reflecting concerns over profit declines in Healthcare and Technology and the risks to the Energy segment from transitioning to lower- and zero-carbon fuel sources.

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DCC's price-to-earnings ratio is 9.9 currently, down 63% from the peak ratio of 27, and 29% below the long-term average ratio of 14.0 that has pertained since end-1994.

In previous updates we have expressed our frustration with the continual de-rating of DCC despite the track record of the Group and its attractive financial metrics (cash generation, strong ROCE and ability to deploy capital profitability). However, we believe the strategic transition that management is currently executing provides a clear pathway for investors to recognise the value in the shares over the medium term. We discuss the strategic transition in the next section.

The current price-to-earnings ratio of 9.9 represents an initial earnings yield of 10.1%. Of that 10.1% earnings yield, 4.6% is paid out by way of dividend, with the group retaining the balance to reinvest for growth. An initial dividend yield of 4.6% plus annual growth in that yield of 6-7% (well below the 10-year average of 9.3%) would underpin double-digit returns for investors.

We see minimal valuation risks in DCC.

Strategic Transition

During 2024 DCC announced plans to pursue a strategic transition that would involve divestment of its Healthcare and Technology divisions to leave a group solely focused on its largest division, Energy.

In our view there a number of significantly positive dimensions to this:

- It simplifies the group making it easier for investors to understand and value.
- The two smaller division have underperformed, seeing material declines in profits and divisional ROCE, and this has weighed on the Group's valuation multiple – exiting these divisions addresses the concerns related to this.
- The Energy division has the best track record, strongest market positions, highest and most consistent ROCE within the group, so as a standalone business will be capable of commanding a higher valuation multiple.
- The Energy business has the most visible growth opportunities, particularly through consolidating fragmented markets by acquisition in a sector where targets are available at sensible valuation multiples, allowing good returns to be earned.
- The Energy business as a standalone will be better placed to communicate and educate investors on its energy transition strategy.
- The divestments will release surplus capital that will facilitate meaningful returns of cash to shareholders.
- The divisional sales will crystallise value hidden with the Group.
- A clean focus on just one division will highlight the undervaluation of that division both in absolute terms and relative to peers.

Management has since made substantial progress on executing this transition. In April it announced an agreement to sell the Healthcare division for £1.05 billion, with £800 million of this to be returned to shareholders - £100 million in an ongoing on-market buyback, £600 million in a

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single event post completion (expected in Q3), and £100 million following receipt of the deferred element of the consideration.

The Technology division is in the middle of an operational efficiency programme to address its underperformance. DCC has committed to reviewing its options for this business over the next 18 months and it is expected that once the operational efficiency programme is complete a sales process for the businesses in this division will be undertaken.

The sale of Healthcare has crystallised significant hidden value. The sale consideration is a multiple of 12.5 times FY 2025 operating profits. The overall group enterprise value trades on 8.1 times FY 2025 operating profit, and the proceeds of the sale of Healthcare leaves the rest of the Group valued at 7.5 times operating profit.

A sale of the Technology division could realise a further £800 million to £1,000 billion. That would imply a valuation multiple of just 6.8 to 7.2 times FY 2025 operating profit.

The £800 million buyback represents a significant 17% of DCC's current market capitalisation, with the possibility of a similar quantum to be returned following any sale of the Technology division.

For us, the key message of the strategic transition plan is that the board recognises the undervaluation of the Group's assets and that it is prepared to take radical action to address this – there are no sacred cows. Simplifying the Group structure to focus on one division will highlight the undervaluation of the Energy assets. We acknowledge that there is some level of execution risk in the remaining elements of the plan. But executing the share buybacks and divesting Technology over the next 18 months provides multiple potential catalysts for a re-rating of DCC's shares. Thereafter, if public markets persist in undervaluing a standalone Energy group it would be no surprise if a third party (a trade player or private equity buyer for example) were to make an approach for the remaining assets, particularly given that DCC's board has signalled an appetite to take radical actions in the interest of shareholder value.

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Appendix 1

Description of Operations in More Detail

Liquified Petroleum Gas (LPG) [Housed in 'Energy Products' segment within 'Energy Solutions']

DCC LPG is a leading LPG sales and marketing business with operations in Europe and the US, while it also leverages its strong LPG brands into adjacent areas of natural gas and electricity along with other niche areas such as aerosols, medical gases, and refrigerants. In FY 2025, the Energy Products segment generated 68% of the Energy division's operating profits, and within this LPG accounted for 58% of segmental gross profits.

Liquified Petroleum Gas is an off-grid energy source and is a mixture of hydrocarbon gases that is used by a varied customer base for heating, cooking, hot water, industrial/agricultural processes, transport (including forklift truck operators), and propellants. It is estimated that LPG makes up 2% of the global energy mix with the Asia-Pacific region dominating the global consumption of LPG for energy use.

The market is characterised by significant barriers to entry due to the high capital investment required for cylinders, tanks, storage facilities, etc., and long-term customer relationships as a result of high levels of asset intensity on the customer side (low customer turnover) – which lends itself to acquisitions and market consolidation. Acquisitions can also have high levels of synergies where there is a competitive overlap, leading to high returns on capital.

How DCC operates in the LPG market

DCC sources its LPG volumes from refineries, gas separation facilities and import terminals, and DCC transports the LPG from these suppliers to storage and filling facilities. The company then sells the products in cylinders and also provides the outbound transportation services to a broad range of customers in small, medium and large bulk tanks. Customers include industrial & commercial, agriculture, retailers/consumers and domestic users. Industrial/Commercial users make up the majority DCC's volumes at *circa* 75%, while Domestic is second with *circa* 20%.

Why customers deal with DCC

The group offers the safety and reliability of delivering a potentially hazardous product. The group is customer focused and aims to offer a quality service at a competitive price. Scale provides security of supply and an ability to tailor contracts to customers' requirements.

Key Acquisitions and Markets

Acquisitions have been a key part of the growth story for the LPG business. In 1977, LPG was one of DCC's first investments when it funded Flogas as a start-up. Through significant organic growth and the acquisition of Ergas (1989), Flogas now has 40% market share in Ireland. DCC recently acquired the Irish operations of Naturgy, a supplier of renewable power, gas, and energy services to large commercial and industrial customers.

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The acquisition of Portagas in 1984 was the group's first entry into the UK market. Further acquisitions included Alta Gas (2001), British Gas LPG (2002) and BP LPG (2012), while more recently the acquisition of Countrywide LPG means its share today is *circa* 18%.

DCC LPG: Key Brands	
Gaz de Paris	Specialist retailer of gas and electricity
Butagaz	No.2 in France
Flogas	No.2 in UK/Ireland/Sweden/Norway
TEGA & Progas	Germany and Austria
Hicksgas	Key regional brands distributing c.320,000 tonnes of LPG to over 300,000 customers in 21 states
Propane Central	
Pacer Propane	
Pacific Coast Energy	
Saveway Petroleum	
Northeast Oil	
United Propane Gas	
Shell**	

** long-term brand licence agreement

In 2012, DCC made significant progress in Continental Europe when buying BP's Dutch LPG business and Statoil's LPG business in Sweden and Norway. DCC is now a market leader in Norway (38% of market share), Sweden (54%) and the Netherlands (28%). It acquired Primagaz, a Dutch provider of bulk and cylinder LPG products, in FY 2022 and Progas, a similar German business in FY 2024

The group's second-largest transaction to date across the whole of DCC came in 2015 with the acquisition of Butagaz in France for £338 million – which doubled the size of DCC's LPG business. Currently, Butagaz is the number two LPG player in France with 25% market share. The Gaz European acquisition looks to compliment Butagaz as DCC looks to leverage its brand.

More recently, DCC has developed a footprint in Germany with the TEGA acquisition and in the US with the acquisition of Retail West, Pacific Coast Energy, NES Group, and United Propane Gas. TEGA has a *circa* 2.2% market share, which it added to with the recent acquisition of Progas. The acquisitions in US were the group's first in this region allowing it gradually builds a presence there from the initial platform.

Retail & Oil Division [Forecourt business now in 'Mobility' / Oil in 'Energy Solutions]
DCC Retail & Oil is a leader in the sales, marketing and retailing of transport fuels and commercial fuels, heating oils and related products and services in Europe. Liquid Oil now sits in Energy Products, In FY 2025.

How DCC operates in the Market
Like the LPG business, DCC sources its Retail & Oil volumes from refineries and import terminals and transports it from suppliers to storage and filling facilities. The oil business sells transport fuels, heating oils and fuel oils to commercial, retail, domestic, agricultural, industrial, aviation and

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marine customers in the UK, Ireland, Denmark, Sweden, Austria and Germany. Commercial/Industrial represents 38% of volumes, retail 35%, fuelcard 7%, domestic 5%, agriculture 5%, and marine 2%.

On the retail side, DCC is a leading operator of unmanned retail petrol stations in Europe with operations in France, Sweden, Denmark, Norway, the UK and Ireland and is the leading reseller of fuel cards in the UK.

Key Acquisitions and Markets

The group's first entry into the UK oil sector was in 2001 with the purchase of BP's business in Scotland, while the acquisition of Shell Direct in 2005 made DCC Retail & Oil (DCC Energy at the time) the largest independent oil distributor (rebranded Certas Energy in 2014) in the UK. In the same year, DCC entered the Fuelcard market in the UK with the purchase of Fuel Card Services.

In 2009, DCC expanded into the oil distribution markets in continental Europe for the first time with the purchase of Shell's business in both Denmark and Austria for a combined total of €32.3 million. This was followed by further consolidation in 2015 when it combined the business with DLG and in 2016 when it acquired Dansk Fuels from Shell. Today, the group is number two in oil distribution in Denmark and Austria.

DCC strengthened its position in oil in the UK with the purchase of Total Butler and Pace Fuelcare in 2011. The group is now the number one player in oil distribution in the UK, while it is also the leading reseller of fuel cards.

The acquisition of Q-star in Sweden, a large, unmanned retail petrol station business, in 2014 for £40 million was DCC's first entry into retail fuels in Europe. The group owns and operates over 330 unmanned sites and supply a further 60 dealer sites throughout Sweden – which makes it the leading operator of unmanned retail petrol stations in the country.

DCC Retail & Oil: Key Brands	
Oil:	
Certas	Market leader in the UK
DCC Energi	Market leader in Denmark
Energie Direct	Market leader in Austria
Swea Energi	Market leader in Sweden
Emo	Leading player in Ireland
Retail:	
Esso Express	375 sites in France
Qstar	390 sites in Sweden
Shell	245 sites in Denmark/Scotland
Gulf	supplies to independent stations
Emo & Great Gas	110 sites in Ireland
Fuel Cards:	
Fuel Card Services	sells 1bn litres of fuel in the UK
CNS	business systems for fuel industry

DCC is also the number one operator of unmanned retail petrol stations in France following the acquisition of Esso SAF's estate for €106 million in 2015. The group operates a nationwide network in France of over 270 Esso Express unmanned sites, *circa* 45 Motorway sites and supplies a further 60 dealer sites, all branded Esso.

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In February 2017, the group agreed to acquire Esso's petrol station network in Norway for £235 million. The network comprised of 142 company-operated sites and has contracts to supply a further 108 Esso-branded dealer owned stations, selling over 600 million litres of fuel *per annum* in total. The network is the third largest in Norway with approximately 20% of retail volumes.

DCC has always had a presence in Ireland and the group operates *circa* 10 unmanned Certa branded petrol forecourts and also supplies *circa* 100 dealer sites under the Certa brand in Ireland. More recently, in 2022, the group bought 19 'Gulf' branded forecourt sites in Luxembourg, with convenience retail operations under the 'Cactus Shoppi' brand.

Healthcare Division
DCC Healthcare is a leading healthcare business, providing products and services to healthcare providers and health and beauty brand owners. In FY 2022, the division represents 4% of revenues and 17% of group profits.

How DCC Healthcare Operates
DCC Healthcare sells a range of medical and pharmaceutical products to healthcare providers across all sectors of the healthcare market in the UK & Ireland from acute care through to community care and general practitioners. DCC Healthcare operates through two businesses: DCC Vital and DCC Health & Beauty Solutions.

In the health & beauty sector, DCC Healthcare builds partnership relationships with international brand owners, providing a range of specialist services including product development, formulation, contract manufacturing and packaging of health and beauty products. Its end customers include health and beauty brand owners, specialist health and beauty retailers and direct sales/mail order companies.

DCC Vital sources from third party brand owners and own brand/license products. DCC provides sales and marketing distribution, portfolio development, procurement, vendor management and supply chain management and logistics services. Its end customers include hospitals, pharma retailers and wholesalers, and primary care (GPs and community care).

Key Acquisitions and Markets
Both DCC Vital and DCC Health & Beauty Solutions operate primarily in the UK and Ireland, but DCC Vital also has sales to distributors in the Middle East and North Africa. In addition, DCC Health & Beauty Solutions services international customers and more than half of products produced are consumed in international markets particularly in Continental Europe, USA and China.

DCC Vital focuses on the sales and marketing of medical products to healthcare providers. DCC Health & Beauty provides outsourced solutions to international nutrition and beauty brand owners.

Its first investment in healthcare was an investment in hospital enterprises in 1982 which was the forerunner for today's DCC Vital part of the healthcare division. In 1999, the group acquired two

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UK health and beauty businesses, Europcaps and Thomson & Capper.

In 2012, DCC acquired Vitamex for €7 million, a Swedish contract tablet manufacturer, which supplies a range of products to leading Swedish and international consumer healthcare and health & beauty brand owners.

Within the space of 12 months between 2013 and 2014, DCC Healthcare more than doubled the size of the division through organic growth, operating efficiencies and, more importantly, through the acquisitions of Kent Pharmaceuticals, Loenhard Lang and Universal Products all in the UK for the total of £82.5 million.

More recently, DCC Healthcare entered the US Health & Beauty sector with the acquisition of Elite One Source Nutritional Services for £35 million, Ion Laboratories for £46 million and Amerilab Technologies for £72 million.

Recent acquisitions have built a presence in the German market, with the acquisition of Wörner (FY 2022), a supplier of medical and laboratory products, and Medi-Global (FY 2023), a supplier of medical devices focused on minimally invasive surgery.

DCC Healthcare	
DCC Vital's Brands & Partners	
BioRad	Medisource*
Carefusion	Molynlycke
CSL Behring	Nova
Comfi*	Rosemont
Diagnostica Stago	Siemens
Espinder Medical*	Skintact*
Fannin*	Smiths Medical
ICU Medical	Smith & Nephew
LIP Diagnostics	Williams Medical
Martindale Pharma	VacSax*
Health & Beauty Customers:	
Estée Lauder	P&G Health
Glanbia	Quincy Bioscience
GSK	Unilever
Holland & Barrett	Space NK
Nature's Way	Target
Omega Pharma	Vitabiotics

**DCC owned brands*

Technology Division

DCC Technology, which trades as Exertis, is a leading route-to-market and supply chain partner for global technology brands and customers – providing a broad range of consumer, business and enterprise technology products and services to retailers, resellers and integrators. In FY 2022, the division represents 26% of revenues and 14% of group profits.

How DCC Technology (Exertis) Operates

Over 1,400 global technology brands and manufacturers come to Exertis for its activities and services. The group is focused on five main areas: (i) Retail (ii) B2B (iii) Enterprise (iv) Mobile and (v) Supplies. Its activities and services create value through:

- Proactive sales and marketing approach to a very broad customer base across a number of countries.
- Excellent supplier portfolio providing market access and extended reach.
- Agile, responsive and service-focused specialist sales organisation.
- Cost-effective and tailored solutions for customers and suppliers.
- Technical, supply chain and value-added services expertise, simplifying the complex.

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The technology products sold include a broad range of both consumer and business technology products with a focus on the SMB (small and medium businesses) market. The products are used in the home, in the office or on the move.

The group partners with many of the world's leading brands to market and sell a range of technology products to technology retailer, etailers, resellers and value-added resellers. And as we can see from the table, its overall product offering is broad.

DCC Tech: Rev by Product	
Audio visual	19%
Consumer electronics	18%
Computing	14%
Communications & mobile	9%
Networking & security	9%
Server & storage	7%
Gaming hardware	6%
Professional services	5%
Other	13%

Operations are primarily in the UK, Ireland, France, Sweden, Benelux and the UAE, but the business also has operations in Poland, China, USA, Germany, Spain and Denmark, Norway.

Key Acquisitions and Markets

Through strategic acquisitions and organic growth, DCC has consistently added to the Exertis portfolio and increased its offering over time. Earlier investments in tech came in Sharptext (Ireland) and Micro-P (UK) in 1988, and with continued acquisitions such as Gem (1995) and organic growth it became the leading consumer software distributor in the UK in 2005.

A first acquisition in France came in 2007 with the acquisition of Banque Manetique which operates in the retail distribution market and the group expanded its product, customer and market coverage with the acquisitions of Comtrade (€11.4m) in France and Advent Data (€30m) in the UK in 2011. Today, Exertis is number seven in the distribution of technology products in France.

In 2014, the group recognized the Nordic region as an area of interest and the group identified CapTech, a distributor of IT products in Sweden, as an excellent opportunity in terms of partners, customers, service levels and management team. The acquisition offered relationships with key IT vendors including Dell and Microsoft. Currently, Exertis is the number three distributor of technology products in Sweden.

As a result of significant volume growth, the group began consolidating its warehousing operation into a single National Distribution Centre ('NDC') in the UK in 2015. In addition to supporting the increased capacity, it also increased efficiency by lowering the overall cost to serve as well as supporting the increasing demand for flexible delivery solutions.

In December 2016, the group acquired Hammer, a specialist distributor of server and storage solutions in the UK and Continental Europe to leading suppliers such as Dell and Intel. The acquisition helped strengthen its position in the UK and Irish market where it is the number two distributor of technology products.

More recently, the group made its first acquisitions in North America with the acquisitions of Almo, a specialist provider of Pro AV equipment, Jam, a market-leading North American specialist sales, marketing and services business, serving the professional audio, musical instruments and

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consumer electronics product sectors and Stampede, which sells Pro AV products and solutions primarily to customers in the hospitality, government, corporate and education sectors.

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Gillen MARKETS

Appendix 2

DCC plc: Record of Exceptional Items (p per share)										
Year ending March…	GAAP EPS (p)	Adj EPS (p)	Adjustments	Amort of Intangibles	Restructuring & Impairments	Acquisition costs	Inv Gains & Disposals	Other	Tax Credit	Total
2013	126.8	171.2	-44.4	-14.1	-20.1	-7.8	-2.0	-0.5	-	-44.4
2014	144.0	191.3	-47.3	-20.3	-40.6	12.5	-2.5	9.9	-6.2	-47.3
2015	170.7	209.2	-38.5	-25.6	-26.2	-3.5	-2.6	19.4	-	-38.5
2016	200.5	254.6	-54.0	-27.3	-19.7	-1.3	-10.6	4.2	0.8	-54.0
2017	226.5	284.8	-58.3	-30.3	-23.1	-17.4	11.4	3.1	-2.0	-58.3
2018	292.8	317.2	-24.4	-37.3	-37.4	-13.9	34.0	1.5	28.6	-24.4
2019	279.7	357.6	-77.9	-51.7	-20.7	-8.3	4.6	-1.0	-0.7	-77.9
2020	249.2	362.0	-112.8	-48.9	-22.3	-7.7	-36.1	-1.1	3.3	-112.8
2021	296.6	386.1	-89.4	-54.0	-27.1	-13.8	1.4	-0.2	4.2	-89.4
2022	316.4	429.6	-113.3	-68.9	-16.9	-30.2	1.2	-	1.5	-113.3
2023	338.4	456.3	-117.9	-88.8	-13.6	-19.4	0.9	0.2	2.8	-117.9
2024	330.2	455.0	-124.8	-91.1	-28.5	-11.3	-0.9	0.5	6.5	-124.8
2025	208.8	470.2	-261.4	-92.9	-112.1	-6.1	2.9	-61.6	8.3	-261.4
Total	**3,180.7**	**4,345.1**	**-1,164.4**	**-651.0**	**-408.4**	**-128.2**	**1.7**	**-25.6**	**47.1**	**-1,164.4**
Difference (p)		**1164.4**								
Difference (%)		**26.8%**								

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Appendix 3

Date	Division	Region	Company	£ m
			DCC plc: Schedule of Key Acquisitions & Disposals (2010-2025)	
FY 2010	Energy	Denmark	Acquisition of Shell's Oil Distribution	-13
	Energy	The UK	**Bayford Oil Limited:** UK based oil distribution business	-23
	Energy	Austria	**Shell Direct Austria GmbH:** Austrian fuel distribution business	-16
	Energy	The UK	**Brogan Holdings:** fuel distribution and fuel card business	-43
FY 2011	Energy	The UK	**F. Peart:** Medium sized oil distributor with four locations in Northern England	-7
	Energy	The UK	**Pace Fuelcard:** Oil distribution business in the UK	-23
	Technology	France	**Comtrade SA:** distributor of consumer electronic and audio visual products	-10
	Technology	The UK	**Advent Data:** distributor of electronic office supplies	-21
FY 2012	Retail & Oil	The UK	**Severn Fuels:** Supplier of fuel oils	-8
	Retail & Oil	The UK	Acquisition of certain oil distribution assets from Total in the UK	-59
	Environmental	The UK	**Oakwood Fuels:** waste oil and hazardous waste collection	-20
	Healthcare	The UK	**Uniphar International:** retailing of medicines and devices	-20
	Retail & Oil	Sweden	**Swae Energi:** distributor of heating oils and transport fuel	
FY 2013	Technology	Netherlands	**PNF Capital:** telecom distributor	-8
	Healthcare	Sweden	**Vitamex:** product development, registration, manufacturing and packaging services	-8
	LPG	The UK	**BP LPG business:** UK based LPG distribution business	-41
	LPG	Netherlands	**BP Gas Netherlands:** LPG distribution business	-22
	LPG	Norway/Sweden	**Statoil Fuel & Retail ASA:** LPG business	-18
	Healthcare	The UK	**Kent Pharmaceuticals:** producer and supplier of pharma products	-58
	Technology	Europe	Disposal of Altimate Group	12
FY 2014	Retail & Oil	Germany	**Bronberger & Kessler:** retailer of mineral oil products	-13
	Healthcare	The UK	**Leonhard Lang:** provider of medical products	-11
	Technology	The UK	**Cohort Technology:** distributor of security and networking products	-5
	Healthcare	The UK	**Universal Products:** contract manufacturer of creams and liquids	-10
			Small Disposals in Healthcare and Food & Beverage	11
FY 2015	Retail & Oil	Sweden	**Qstar Forsaljning:** Retail petrol station company	-40
	Healthcare	The UK	**Williams Medical:** supplies medical and pharma products and related services	-45
	Healthcare	The UK	**Beacon Pharma:** markets and sells its own licenced and third party pharma products	-13
			Other Bolt-on acquisitions	-10
	Food & Beverage	The UK	Disposal of Roberts & Kelkin business in Food & Beverage division	55
	Technology	Sweden	**CapTech:** Manufacture and wholesale of computers, components and equipment	-20
	Retail & Oil	Denmark	**DLG Denmark:** A leading in Denmark distributing 400m litres of fuel annually	-
	LPG	France	**Butagaz:** Leading LPG business in France	-338
	Healthcare	Europe/US	**Design Plus:** Specialist in sachet filling	-15
FY 2017	Retail & Oil	Denmark	**Dansk Fuels:** Commercial, aviation and retail fuels business	-33
	Technology	The UK	**Medium:** Distributor of professional audio visual equipment	-8
	Technology	UK & Europe	**Hammer:** Specialist distributor of server and storage solutions	-38
	Healthcare	Ireland	**Medisource:** splecialist in procurement and sale of exempt medical products	-26
	Retail & Oil	France	**Gaz European:** Specialist retailer of natual gas in France	-98

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Appendix 3 (cont'd)

Date	Division	Region	Company	£ m
			DCC plc: Schedule of Key Acquisitions & Disposals (2010-2025)	
FY 2018	Technology	The UK	**MTR Group:** Provides second lifecycle solutions for mobile and tablet devices	-10
	Retail & Oil	Norway	**Esso Retail Norway:** No.3 fuel selller in Norway with *circa* 20% of retail volumes	-235
	LPG	Hong Kong/Macau	**Shell's LPG business:** distributor to domestic, commercial and industrial customers	-120
	Healthcare	US	**Elite One Source:** Provides contract manufacturing and related servicing	-35
	LPG	The UK	**Countrywide LPG:** Supplier to domestic, agriculture and commercial customers	-29
	Technology	The UK	**Hypertec:** Distributor of third-party and own-brand memory & accessory products	-7
	LPG	Germany	**TEGA:** Supplies *circa* 35,000tns of LPG annually	-78
	LPG	US	**Retail West:** Sells 130,0000 tonnes of LPG annually in the US	-151
	Environmental	The UK	Disposal of DCC Environmental Division	161
FY 2019	Technology	The UK	**Kondor:** Distributes audio and mobile accessory products	-110
	Technology	US	**Stampede:** Pro AV products to integrators, resellers, retailers and e-tailers	
	Technology	North America	**JAM:** Sales, marketing and services of audio, instruments and electronics	-130
	LPG	North West US	**Pacific Coast Energy:** Supplier commerical/residential customers in mid-West US	
FY 2020	Technology	Netherlands	**Amacom:** Distributor of consumer electronics, AV and IT products	-55
	Technology	Europe	**Comm-Tec:** Distributor of Pro AV and IT products to integrators and reseller	
	Healthcare	US	**Ion Laboratories:** health supplements and nutritional products in the US market	-46
	Healthcare	US	**Amerilab Technologies:** manufactures Nutritional products based in Minnesota	-72
	LPG	The UK	**Budget Energy:** electricity supplier to *circa* 90,000 residential electricity customers	-18
	Healthcare	The UK	Disposal of generic pharma activities in DCC Vital	34
FY 2021	LPG	US	**NES Group:** propane and other products in three east coast states	-60
	LPG	US	**United Propane Gas:** Residential, Ag and commercial in 13 US states	-105
FY 2022	Healthcare	Germany	**Woerner:** Supplier of medical and laboratory products	-216
	LPG	Netherlands	**Primagaz:** bulk and cylinder LPG markets supplying 28,000 tonnes of LPG annually	
	Retail & Oil	Luxembourg	**Gulf/Cactus Shoppi:** 19 retail forecourt sites	
	LPG	Ireland	**Naturgy:** B2B supplier of electricity and gas	
	Technology	US	**Almo:** Leading distributor of specialist Pro AV equipment	-499
FY 2023	Healthcare	Germany	**Medi-Globe:** Supplier of medical devices focused on minimally invasive surgery	-213
	Energy	UK	**Protech:** Supplier of renewable heating solutions	-90
FY 2024	Energy	Germany	**Progas:** Distributor of LPG in Germany	-140
	Energy	Various	**Six Bolt-ons:** Various Countries	-150
FY 2025	Energy	Hong Kong/Macau	Disposal of majoirty stake in the LPG distribution business in Hong Kong & Macau	82
	Energy	UK	**Next Energy:** Energy efficiency and renewable energy services provider	-90
	Energy	Various	**Six Bolt-ons:** Various Countries	-80
			Total (FY 2010 to FY 2025)	**-3,555**

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